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Banca Ifis

2025

ANNUAL REPORT

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Please note that any reference made to the "Company Financial Statements and Reports 2025 Banca Ifis S.p.A." within this document is to be construed as to the "Draft Company Financial Statements and Reports 2025 Banca Ifis S.p.A."; the latter are approved by the Board of Directors and represent the Board of Directors' proposal to the Shareholders' Meeting for approval of the 2025 Banca Ifis S.p.A. financial statements and reports.

This document is prepared in PDF format for the purpose of facilitating the reading of the financial statements and does not represent the Annual Financial Report of the Banca Ifis Group, which must be prepared in accordance with the provisions of European Commission Regulation 815/2019 (the European Single Electronic Format - ESEF - Regulation) In order to comply with the disclosure requirements of Directive 2004/109/EC (the Transparency Directive), the Annual Financial Report prepared in the "ESEF" format is published within the legal deadlines.

The accompanying consolidated and separate financial statements of Banca Ifis S.p.A. constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815.

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Corporate Bodies

Banca Ifis

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Corporate offices and Independent auditing firm in office at approval of this document

Honorary Chairman
Sebastien Egon Fürstenberg

Board of Directors

Chairman	Ernesto Fürstenberg Fassio
Vice Chairman	Rosalba Benedetto
Chief Executive Officer	Frederik Herman Geertman [(1)]
Directors	Simona Arduini
	Monica Billio
	Nicola Borri
	Beatrice Colleoni
	Roberto Diacetti
	Moroello Diaz della Vittoria Pallavicini
	Roberta Gobbi
	Luca Lo Giudice
	Antonella Malinconico
	Chiara Paolino
	Riccardo Preve

(1) The CEO has powers for the ordinary management of the Company.

Board of Statutory Auditors

Chairman	Andrea Balelli
Standing Auditors	Annunziata Melaccio
	Franco Olivetti
Alternate Auditors	Marinella Monterumisi
	Emanuela Rollino

General Management

Co-General Managers	Fabio Lanza
	Raffaele Zingone

Manager charged with preparing the the Company's financial reports
Massimo Luigi Zanaboni

Independent Auditors
PricewaterhouseCoopers S.p.A.

Parent company name: Banca Ifis S.p.A.
Name of reporting party: Banca Ifis S.p.A.
Name of ultimate parent of Group: Fürstenberg Scogliera Holding S.A.
Reason for change of name: none
Reporting office: Venice
Legal form: S.p.A.
Country of registration: Italy
Main place of business: Mestre - Venice
Legal and administrative headquarters: Via Terraglio, 63 30174 Mestre - Venice (Italy)
Nature of reporting activity: Credit business
Tax Code and Venice Companies Register Number: 02505630109
VAT No.: 04570150278
Enrolment in the Register of Banks No.: 5508

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Letter from the Chairman to Shareholders

Ernesto Fürstenberg Fassio
Chairman of Banca Ifis S.p.A.

Dear Shareholders,

2025 was a very important year for Banca Ifis. The Public Takeover Bid (voluntary and all-inclusive) launched for illimity Bank laid the foundations for the further industrial development of the Ifis Group, which today is an even greater point of reference for Made in Italy SMEs and for Italy's real economy. The success of the public takeover bid – with 100% acceptance – has rewarded our long-term vision.

This result further strengthens our banking Group and once again confirms the market's confidence in our strategy; it enables us to bring together two complementary businesses and create synergy. The integration of Banca Ifis and illimity Bank represents a significant industrial lever that will enable us to further strengthen our expertise in speciality finance and expand our presence in SME services, thereby accelerating the development of new high-potential business lines, such as asset management through the Fürstenberg brand.

Throughout all phases of the extraordinary transaction, Banca Ifis also maintained the strength of its key capital and financial indicators. The results for FY 2025 demonstrate the resilience of our business model: net profit amounts to 328 million Euro, a significant increase, partly due to the contribution of the newly consolidated entities. The Group's net banking income reached 789,5 million Euro, with a pro forma CET1 ratio of 13,7%. These levels are in line with our targets and confirm the strength of our capital structure, thanks in part to the long-term commitment of our controlling shareholder. Restoring the market's trust in us remains a priority: the Board of Directors has resolved to pay out 129 million Euro in dividends, equivalent to 2,12 Euro per share, confirming our ability to generate returns as a challenger bank.

What does the merger of illimity into Ifis entail?

1) Our commitment to innovation is amplified through this native digital bank;

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2) The Ifis Group's human capital is enhanced through the new and complementary skills of the illimiters and Ifis People;
3) Our commercial offering to SMEs is strengthened through new financial services for businesses, which complement and supplement our credit products, thereby expanding our commercial offering and confirming our industry leadership in the Italian SME sector;
4) Through daily banking, which will be further developed, we will offer our corporate and retail customers a fully digital current account with modern and efficient payment services.
5) The Fürstenberg (Finance For Future) division will also be established, which will offer Italian entrepreneurs, businesses and families the opportunity to invest a portion of their wealth in our new asset management service, using the successful platform of Euclidea SIM, now Fürstenberg SIM.

We have worked to ensure not only organisational integration, but also integration in terms of values and principles, between the Ifis People and the illimiters, leveraging the talents present in both organisations.

A further step in our diversification journey is our entry into private banking for the first time since the Bank was founded 43 years ago, through the acquisition of Euclidea SIM (now renamed Fürstenberg SIM), the first step in the development of the new Fürstenberg-branded business line in the asset management market.

We look to the future with confidence and responsibility: we will continue to invest in strengthening our business and our corporate culture, empowering our people, and making our contribution to the economic and social development of the regions where we operate increasingly integrated.

Also in 2025, we made our mark on the market by launching Ifis Sport, our commercial division entirely dedicated to financing the sport system and developing high social impact projects, in line with our vision of integrating sustainability, in all its dimensions, into our business. Our support for young CONI medallist athletes, through the disbursement of 180 thousand Euro in scholarships (bringing the total disbursed since the start of the partnership to over 800 thousand Euro), and for the Ravano Tournament, Europe's most important school youth sports event, are just two of the numerous initiatives in which we have participated and which demonstrate a commitment that, year after year, is growing and producing tangible positive impacts on local communities and individuals.

2025 was also the year in which we further consolidated the foundations of our sustainable business model. The increasingly holistic integration of sustainability has enabled us to promote various initiatives in the environmental, social and governance areas, in line with the UN 2030 Agenda and the 17 Sustainable Development Goals. We continued to support SMEs on their path to sustainable transformation, with a particular focus on offering products aimed at the energy transition and promoting sustainable mobility. Alongside these initiatives, we further developed partnerships with European institutions to support investments by SMEs. One example is the 200 million Euro agreement with the European Investment Bank (EIB) to support the development of pharmacies in Italy, with a particular focus on female entrepreneurship and cohesion regions. This initiative is part of a long-standing collaboration with the EIB, which has brought the total investments supported jointly with Banca Ifis since 2019 to 800 million Euro, with the aim of accelerating the sustainable transition of our economy.

The strong global transformations of our time make it increasingly clear that the social sphere must be considered of primary importance in the sustainability strategy of a Group like ours, confirming the distinctive approach we have been taking on these issues for years. This is why, through "Kaleidos", the Social Impact Lab that develops high social impact projects in three areas - inclusion, culture and territory, and personal well-being - we have made investments in the three-year plan period of 10 million Euro, with which we have implemented more than 60 projects. The support to the Bambino Gesù Children's Hospital

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in the search for innovative therapies to fight malignant tumours of the central nervous system and the support to the Banco Alimentare Onlus Foundation continued in 2025, also involving the Ifis People in corporate volunteering experiences. Also thanks to these projects, for the second year running, we were awarded the prestigious accolade of best ESG programme in Europe in the Small-Mid Cap segment by the independent research company Extel Institutional Investors. Also this year, MSCI further recognised our sustainability positioning, upgrading our ESG rating to 'AAA', the second in the last two years.

Support for medical-scientific research was further strengthened with the renewal of our commitment to the aforementioned Bambino Gesù Children's Hospital and the Veneto Institute of Molecular Medicine (VIMM), enabling the activities of these two organisations to become even more effective. Finally, we ensured the continuation of the activities of the Heal Foundation and its “Taxi solidale” project, which ensures adequate transportation for young patients undergoing treatment at facilities in Rome and Milan. In this area, too, these are just some of the many Kaleidos initiatives we carry out for the benefit of the country’s most vulnerable groups.

Our proprietary impact measurement model, developed in collaboration with the Polytechnic University of Milan, allows us to orient Kaleidos's actions towards increasingly distinctive and valuable projects with objective criteria, quantifying the impact on communities generated by social activities. The results of the measurement showed that, on average, every Euro invested by Banca Ifis in sustainability initiatives generated more than five Euro of economic value for the community.

Last year, we strengthened our commitment to the art world through the numerous Ifis art projects. Our International Sculpture Park welcomed over 8 thousand visitors and was once again recognised as one of Italy’s major corporate social responsibility initiatives. Also in the field of social responsibility, we partnered with Letizia Moratti’s Genesi Association to expand the role of art as a vehicle for social messages. With the aim of creating an increasingly strong bridge between the public and private sectors and expanding access to art, we have undertaken projects of the highest calibre. In Venice, we rescued “The Migrant Child”, one of only two works by Banksy in Italy. This work, which carries a very powerful message of integration and resilience, risked being lost forever due to neglect and the adverse weather conditions in the Venetian lagoon. Thanks to our intervention, from 2026, Banksy’s work will once again be fully accessible to the public. Adopting the same approach, last year we brought the busts by Antonio Canova, which we had restored, to Brera: these were displayed in the renowned Pinacoteca Ambrosiana, creating a corridor of beauty that could be admired by all visitors, even those without a ticket. Last but not least, in Rome, we laid the foundations for the creation of the Mario Ceroli House-Museum, which from next year will also become a point of reference for younger generations seeking to learn about artisan craftsmanship, through workshops led directly by Maestro Ceroli.

2025 was also the year in which we consolidated the initiatives forming part of our ‘social banking’ project: the projects launched in 2024 saw the Group's social agenda increasingly integrated into our way of banking, including in the Npl Segment, ensuring a sustainable approach to customers aimed at their financial re-inclusion. This approach has also been enhanced by new initiatives in the areas of financial education, psychological support and reintegration into the world of work.

All these initiatives allowed us to demonstrate in a concrete and tangible way, even during this financial year, our desire to generate a positive impact on the economy, pursuing the double bottom line approach that is the hallmark of our Bank.

Ernesto Fürstenberg Fassio, Chairman of Banca Ifis S.p.A.

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Letter from the CEO to Shareholders

Frederik Geertman

CEO of Banca Ifis S.p.A.

Dear Shareholders,

For Banca Ifis, 2025 was marked by a solid performance in all major business areas and the completion of strategic transactions that redefine the Group's perimeter. The financial results once again testify to the Bank's industrial strength and ability to generate positive results even in a complex macroeconomic context: consolidated net profit reached 328 million Euro, more than doubled compared to the previous year also thanks to the contribution of extraordinary transactions, while the CET1 ratio stood at 13,7% pro-forma, confirming our solid capital position.

The takeover bid on illimity Bank was a strategic transaction that created a new, stronger and more competitive Group. The takeover bid was successfully concluded, bringing Banca Ifis to 100% of illimity's share capital in September, through the completion of the sell-out and squeeze-out procedures.

The integration of illimity will create value in all areas of the Group: from digitisation of processes to specialisation in corporate credit. A transformation that allows us to look to the future with a new industrial platform that is more complete, efficient and effective, and projected towards growth.

To complete this year of development, we launched our entry into the wealth management market with the acquisition of Euclidea SIM, a fundamental step to further diversify the Group's offer and to enhance, through the Fürstenberg brand, a high-potential and increasingly strategic segment in the Italian financial landscape.

On the business side, 2025 represented a year of acceleration in all business lines. In the Npl Segment, we consolidated our leadership thanks to the contribution of recovery activities and the acquisition of new portfolios during the year, particularly in the first part of 2025, leveraging our industrial expertise in credit management, always with a sustainable approach geared towards the financial re-inclusion of client-

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debtors. At the same time, the Commercial & Corporate Banking Segment continued to benefit from the quality of our network and the growing demand for specialised solutions, with revenues reaching 342 million Euro in the stand-alone segment by 2025, confirming the Group's strong positioning in SME lending.

Among the most significant initiatives of the year was the development of leasing, which was strengthened through commercial partnerships with leading manufacturers of technological and industrial goods, enabling us to offer our customers advanced financing solutions and consolidate the Bank's presence in the digital equipping of businesses. Added to this was the growing contribution of structured finance and value-added services activities, which supported our ability to generate recurring margins, as confirmed by their contribution to net interest and other banking income.

Equally important are the results achieved in sustainability: the Bank has further strengthened its positioning in this area, as confirmed by the ratings obtained from the rating ESG agencies, which saw the second consecutive upgrade by MSCI, leading to a rating of AAA, among the best practices in the sector. In environmental matters, we continued our efforts to reduce greenhouse gas emissions, as also reported in the Climate Report, prepared according to the framework of the Task-force on Climate-related Financial Disclosures (TCFD).

In the social sphere, Kaleidos, the Social Impact Lab set up at the impetus of the Chairmanship, continued its activities in support of the local area with initiatives aimed at financing wide-ranging projects serving communities. The focus on the social sphere is also directly linked to the Ifis People, who have always been at the centre of our strategy, with a particular focus on their growth and development. Precisely in this area, the Ifis Academy has strengthened its offering in 2025 through its collaboration with Digit'Ed: thanks to a five-year agreement, the Academy will consolidate its position as a strategic asset for the Bank's sustainable growth, with the aim of enhancing its distinctive skills in a constantly evolving context. Selected sustainability training content is also offered to SMEs to support their sustainable development path.

Having reached this point, we look forward to 2026 with determination to further enhance the initiatives carried out in 2025, which now allow us to face a new phase in our history with greater strength, aware of the role that Banca Ifis is called upon to play in supporting Italian businesses.

Frederik Geertman, Chief Executive Officer of Banca Ifis S.p.A.

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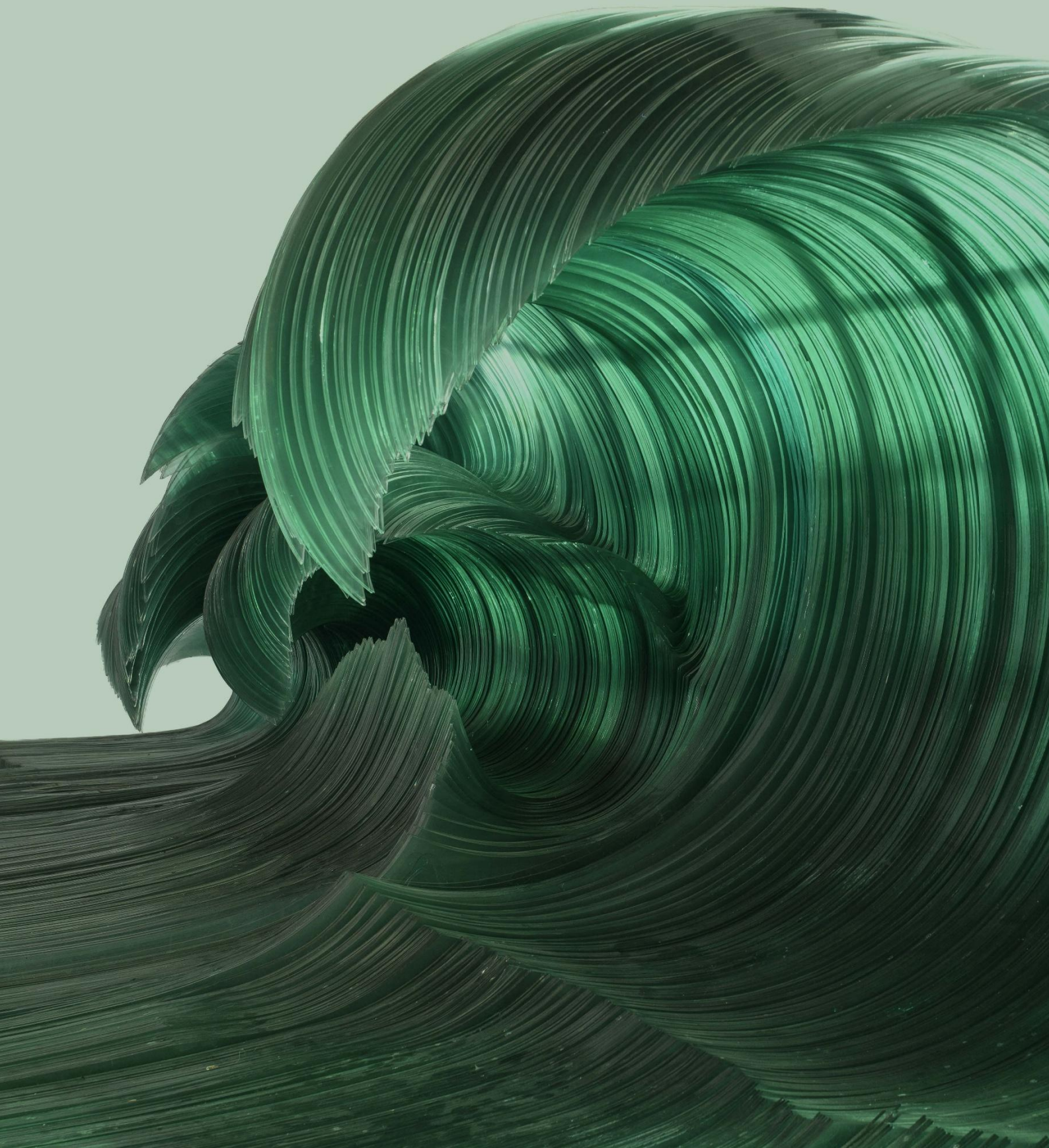
Banca Ifis

Consolidated Financial Statements and Report

2025



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Directors' Report on the Group

Banca Ifis

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General aspects

The "2025 Consolidated Financial Statements and Report" includes the Consolidated Financial Statements, the related Notes to the Consolidated Financial Statements and this Directors' Report on the Group.

The balance sheet and income statement, within this Directors' Report on the Group, are presented in reclassified form, according to management criteria, in order to provide timely information on the Group's general performance based on aggregated economic and financial data that are quick and easy to understand.

To allow a more immediate reading of the results, a condensed reclassified consolidated income statement is prepared within the Directors' Report on the Group. It should be noted that in connection with the acquisition of control of illimity Bank S.p.A. and Euclidea SIM S.p.A. (the latter subsequently renamed Fürstenberg SIM S.p.A. as from 26 January 2026), finalised respectively on 4 July 2025 and 21 November 2025, and the consequent inclusion in the Banca Ifis Group's scope of consolidation of these acquired companies and, in the case of illimity Bank, also of the other companies belonging to the so-called "illimity Group", the figures as at 31 December 2025 and in particular the economic figures are not fully comparable with those of the previous year. With reference to the illimity Group's and Euclidea SIM's contributions to these economic figures, it should be noted that they relate to the relevant post-acquisition periods (which essentially correspond to the second half of 2025 for the illimity Group and to December 2025 for Euclidea SIM).

However, it should be noted that in the tables and comments to the individual items, the contributions of the illimity Group and of Euclidea SIM are presented, where relevant. In this regard, it should be noted, as detailed later in this document, that the consolidated income statement includes the positive effect of the recognition of the gain on a bargain purchase related to the acquisition of the illimity Group" in the amount of 309,9 million Euro. For more details on these operations, refer:

- to the section "Significant events during the year" in this Directors' Report on the Group;
- to "Part G - Business Combinations" of the Notes to the Consolidated Financial Statements.

Analytical details of the restatements and reclassifications made with respect to the Consolidated financial statements compliant with Bank of Italy Circular 262 are provided in separate tables published among the annexes (see the section "Annexes to the Consolidated Financial Statements" of this document), also in compliance with the requirements of Consob Communication No. 6064293 of 28 July 2006.

Reclassifications and aggregations of the consolidated income statement concern the following:

- net credit risk losses/reversals of the Npl Segment are reclassified to interest receivable and similar income (and therefore to "Net interest income") to the extent to which they represent the operations of this business and are an integral part of the return on the investment;
- net allocations to provisions for risks and charges are excluded from the calculation of "Operating costs";
- cost and revenue items deemed as "non-recurring" (e.g. because they are directly or indirectly related to business combination transactions, such as the "gain on a bargain purchase" in accordance with IFRS 3), are excluded from the calculation of "Operating costs", and are therefore reversed from the respective items as per Bank of Italy Circular 262 (e.g. "Other administrative expenses", "Other operating income/costs") and included in a specific item "Non-recurring expenses and income";
- the ordinary and extraordinary charges introduced against the Group's banks (Banca Ifis, Banca Credifarma and illimity Bank) under the Single and National Resolution Mechanisms (SRF and NRF) and the Deposit Protection Mechanism (DGS or FITD) are shown under a separate item called "Charges related to the banking system" (which is excluded from the calculation of "Operating costs"), instead of being shown under "Other administrative expenses" or "Net allocations to provisions for risks and charges";
- the following is included under the single item "Net credit risk losses/reversals":

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- net credit risk losses/reversals relating to financial assets measured at amortised cost (with the exception of those relating to the Npl Segment mentioned above) and to financial assets measured at fair value through other comprehensive income;
- net allocations to provisions for risks and charges for credit risk relating to commitments and guarantees granted;
- profits (losses) from the sale/repurchase of loans at amortised cost other than those of the Npl Segment.

The balance sheet components were aggregated without reclassification.

The financial and balance sheet numerical of the Segments are attributed on the basis of homogeneous allocation criteria in order to take into account both the specificity of the various segments and the need to guarantee effective monitoring of business performance over time.

Moreover, the Segment information in relation to the items of the reclassified income statement shows the results at the level of the net profit.

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Context

The international context and the Italian economy in 2026

The military escalation resulting from the attacks by Israel and the United States against strategic targets in Iran, whose reaction immediately widened the conflict to other countries, is producing significant repercussions on the world economy, with a sudden increase in energy prices and volatility, as well as a surge in scenario uncertainty, as confirmed by the rush towards safe haven assets, primarily gold.

It is not yet possible to make definitive estimates of the size and temporal depth of the economic impact of such recent and constantly changing events. However, as early as the opening of the financial markets at the beginning of March 2026, the first direct consequences can already be seen, with a new strong upward impulse in energy prices that will aggravate an economic framework that has long been laden with uncertainties and lacking expansionary momentum, at least for the Eurozone and Italy. To make matters worse, the blockage of the crucial junction of the Strait of Hormuz, as a key route for oil and liquefied gas, is likely to have a knock-on effect on production sectors and logistics.

That being said, world growth in 2025 remains moderate, with a stable pace compared to 2024: according to the World Economic Outlook (January 2026), global growth is estimated at 3,3%, in line with the increase in 2024. Among advanced countries, growth remains driven by the US (in 2025 at +2,1% according to IMF forecasts in January 2026), while Europe continues on a weaker and uneven recovery path. Last year's forecasts already showed the US holding up with expanding consumption and the Eurozone partially absorbing the 2022-2023 shocks (energy, supply chain) but with weak manufacturing still suffering from still high energy prices. This is confirmed by the European Commission's Autumn 2025 Forecast, which revised the EU bloc's growth upwards from 0,9% to 1,3%, thanks to better performance in the first three quarters.

The European Commission's own data certify the unevenness of the recovery at the individual country level:

- Germany: +0,2%;
- France: +0,7%;
- Italy: +0,4%;
- Spain: +2,9%.

In 2025, even before the Iran conflict, the supply risk in the European gas market remained high, despite more manageable TTF prices. After the rebound in summer 2024, TTF futures showed a gradual stabilisation (2025 forecasts around $12/MMBtu; Kpler, 16 December 2025), but the flow structure continued to be a critical point. The end of Russian transit via Ukraine as of 1 January 2025 reduced European pipeline imports by 9% y-o-y in the first half of last year (IEEFA - EU Gas Flows Tracker, September 2025), while imports of liquefied natural gas increased by 21% (IEEFA, September 2025). At the same time, the geography of contracts became even more concentrated: Europe reached record levels of liquefied gas purchases from the US and Russia in the first half of 2025 (IEEFA - European LNG Tracker, October 2025; cumulative values 2022-June 2025: 117,4 billion Euro USA and 37,5 billion Euro Russia), while regasification capacity growth in 2025 is the lowest in three years (+5,7 bcm compared to +24,1 bcm in 2024; IEEFA - European LNG Tracker, October 2025). This leaves the system more exposed to geopolitical and congestion risks (IEEFA; ACER LNG Monitoring Report 2025), confirming that, even in a more stable price environment, the prospective risk related to flows and contracting remains small but present (Kpler; IEEFA).

The weakness of German manufacturing remains a structural drag on the Eurozone, with Germany showing an expected growth of just +0,2% in 2025 in the Commission's Autumn Forecast after two years of stagnation, confirming a still depressed industrial sector (European Commission - Autumn Forecast 2025). In fact, while industrial production increased by +1,5% in 2025 in both the Eurozone and the EU, once again there is great heterogeneity: on the one hand, the Nordic and Baltic countries are expanding strongly (Ireland, Latvia, Sweden, Greece), on the other hand, the economies of Central and Eastern Europe, which are strongly exposed to automotive cycles and international demand, are contracting. Among the large economies, the picture is varied:

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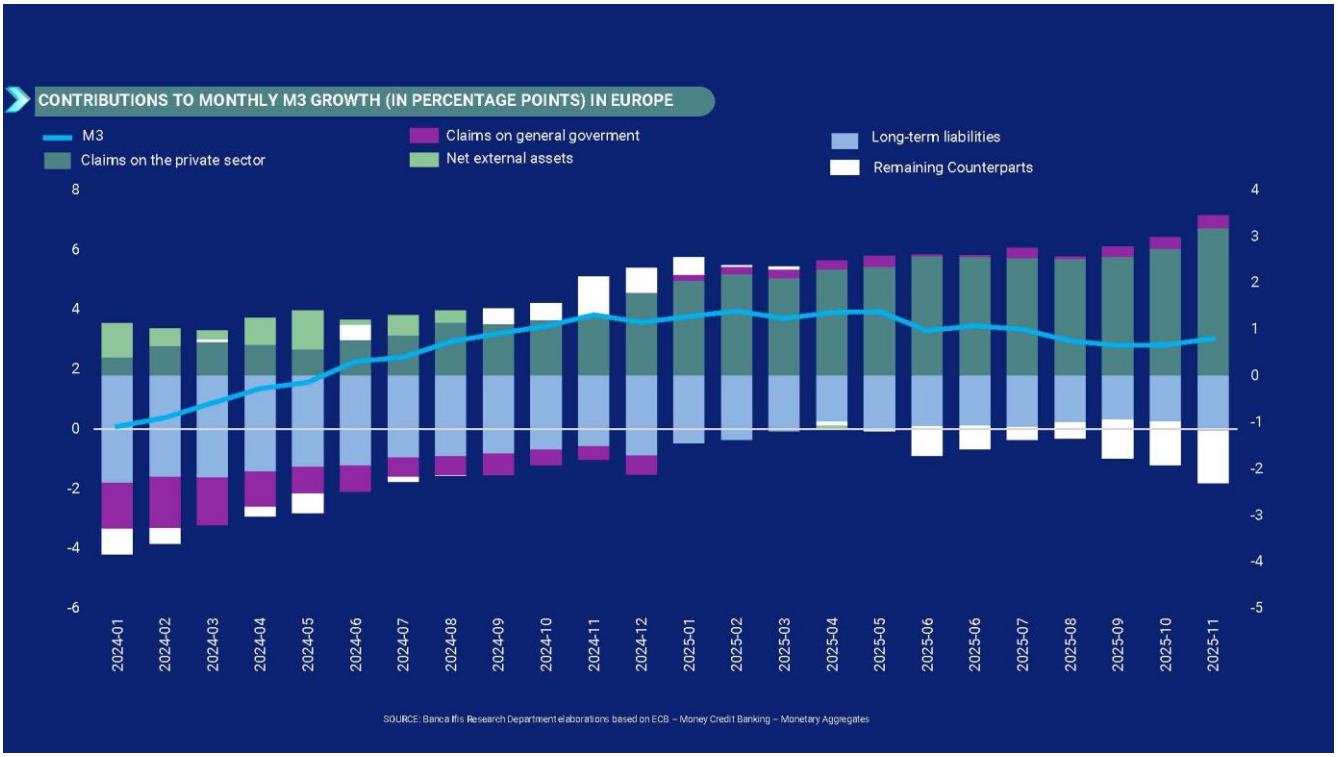
the overall decline of -1,1% in German industry, confirming its structural difficulties particularly in the energy-intensive and automotive sectors, and -0,2% in Italy, is contrasted by the estimated slight growth in France (+0,5%) and the more lively increase in Spain (+1,3%).

At the same time, the polarisation of trade flows persists: while intra-EU exports show weak and widespread signs, extra-EU flows are more resilient in specific categories, such as machinery, medical and high-tech goods, initially benefiting from the front-loading of shipments to the US in anticipation of possible new tariffs and thus from increased demand from some Asian markets (European Commission - Autumn 2025; ECB Projections 2025). The year 2025 marks a phase of normalisation of activity: services have maintained a positive trend, supported by moderately rising employment and incomes, while manufacturing remains below pre-pandemic levels in several core Eurozone countries, slowed down by still fragile foreign demand and relatively high energy costs (European Commission - Autumn 2025).

Banca Ifis's Npl Market Watch, in its February 2026 edition, shows a Eurozone with M3 growth in 2025 and signs of rebalancing of the credit-deposit circuit: loans to the private sector return as a positive contributor to the money supply, while the restrictive impact of long-term liabilities softens.



The expansion of bank lending in the European Union is supporting the activity of households and businesses, also by fostering the expansion of the money supply.

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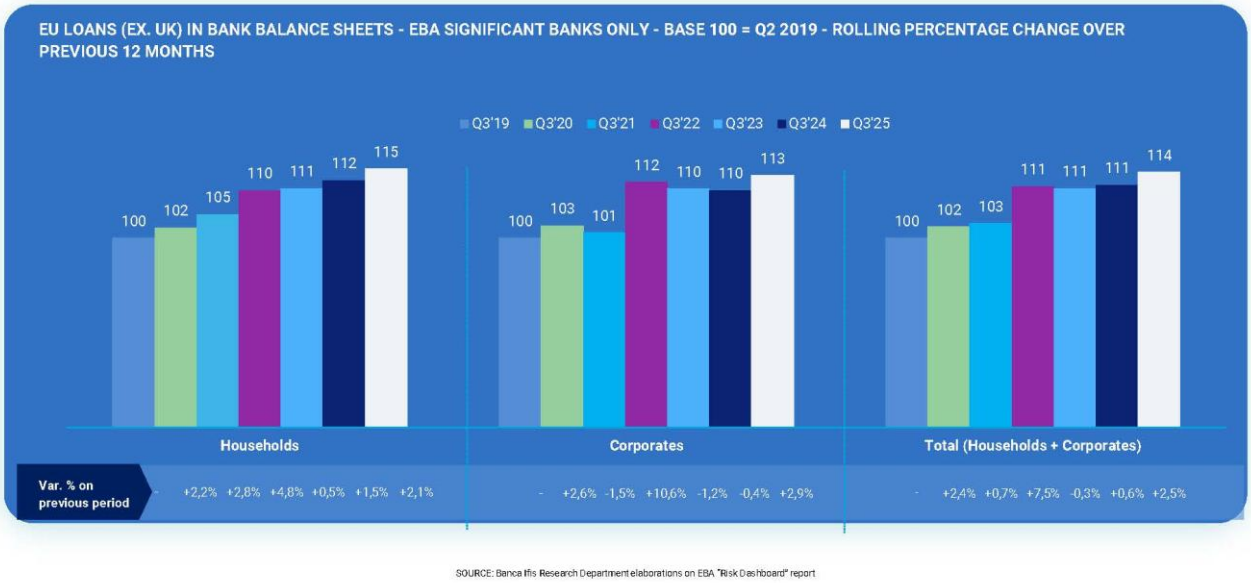

SOURCE: Banca Ifis Research Department elaborations on EBA "Risk Dashboard" report

In a parallel fashion, monetary normalisation (rate cuts in the two-year period 2024-2025) started to be transmitted to market rates.

Year	Deposit Facility	Main Refinancing	Marginal Lending
2019	-0,50% (from 18/09/2019)	0,00%	0,25%
2020	-0,50% *(unchanged)*	0,00%	0,25%
2021	-0,50% *(unchanged)*	0,00%	0,25%
2022	+2,00% (from 21/12/2022)	2,50%	2,75%
2023	+4,00% (from 20/09/2023)	4,50%	4,75%
2024	+3,00% (from 18/12/2024)	3,15%	3,40%
2025	+2,00% (from 11/06/2025)	2,15%	2,40%

Source: Banca Ifis Research Department elaborations on ECB data.

Credit quality provides an important building block for the normalisation path outlined in 2025: the stock of Npe of significant EU banks, which fell to a low in Q1 2023, rises again in 2025 but remains at low levels. Again more relevant is the polarisation between countries. Italy and Spain continued to reduce impaired loans, while France and Germany recorded increases, with strong contributions from the corporate segment and, in Germany, from commercial real estate (referred to as “CRE”).

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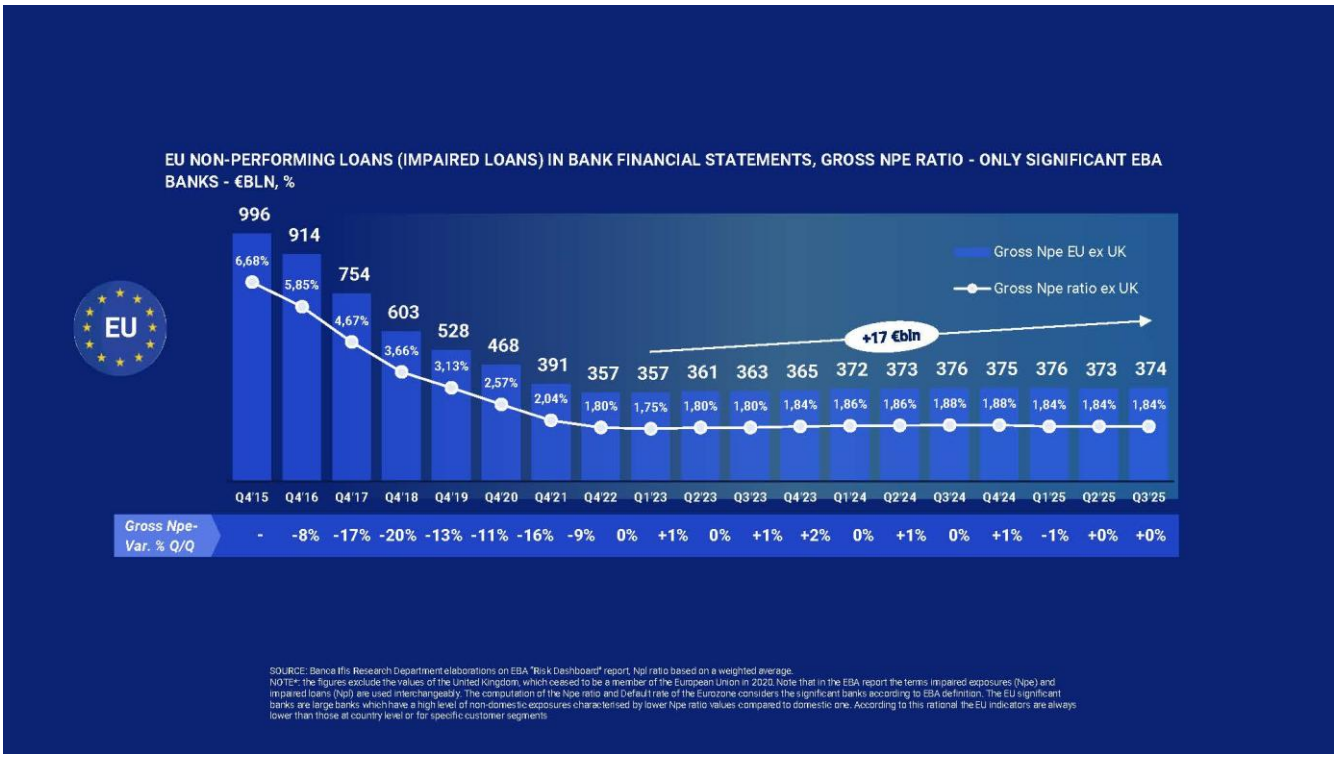

The incidence of Stage 2 loans, the forward-looking thermometer of risk in the ECB and EBA's view, also shows higher profiles in Germany (albeit with a slight improvement over 2024) and a slight increase in France. In summary, the Eurozone recovery is advancing, but with asymmetric risks that the credit markets have already started to price in.

SOURCE: Banca Ifis Research Department elaborations on EBA "Risk Dashboard" report, ECB Supervisory banking statistics

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The Italian picture in 2025 could be summarised as 'containment of the weak phase and first pro-cyclical signs'. While services continue on a positive pace, construction benefits from public works (NRRP) that compensate for the downsizing of residential incentives, while manufacturing remains weak in line with the brakes from its European partners and exports suffer from EU markets but show the ability to diversify into certain non-EU outlets, in line with the policy implemented by the Italian government.

GDP and main components
(percentage changes over the previous period and percentage points)

ITEMS	2024 Q4	2025 Q1	2025 Q2	2025 Q3
Imports of goods and services	0,2	1,1	0,4	1,2
National demand	0,3	0,0	0,6	(0,3)
National consumption	0,4	0,1	0,1	0,1
household expenditure	*0,4*	*0,2*	*0,1*	*0,1*
general government expenditure	*0,4*	*(0,3)*	*0,2*	*0,2*
Gross fixed capital formation	1,9	1,0	1,5	0,6
Construction	*1,0*	*1,7*	*1,5*	*(0,5)*
capital goods	*3,0*	*0,2*	*1,5*	*1,9*
Stock variation	(0,4)	(0,3)	0,2	(0,6)
Exports of goods and services	(0,3)	2,2	(1,7)	2,6
Net exports	(0,1)	0,4	(0,7)	0,5

Source: Bank of Italy - Economic Bulletin 1/2026

On the business side, the "November 2025 Industrial and Services Business Survey" (Bank of Italy) shows that in the first nine months of the year, the sales balance is, in terms of delta penetration of respondents indicating a positive performance, +18 p.p. (services +30 p.p., manufacturing -4 p.p., but up from the previous survey). Looking ahead, six-month expectations remain positive. The increase in hours worked and, especially in services, in employment continued. On the financial front, the demand for loans shows a positive balance (+4 p.p. respondents applying for loans) and access to credit is assessed as improving by companies; only about 3% judge liquidity to be insufficient to cover operational needs until the end of the year. The investments planned for 2025 were realised by two-thirds of the companies; for 2026 a positive balance (+11 p.p.) emerges between those who foresee an increase and those who foresee a reduction in expenditure, with critical issues concentrated in textiles. The picture is consistent with weak but improving cyclicality and a restarting propensity to invest. The latter is confirmed by Assilea 2025 data on leasing and rental stipulations, products that typically have a tendency to anticipate the business cycle.

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STIPULATED LEASING - 2025				
STIPULATED LEASING 2025	**Number**	**Value (thousand Euro)**	**Var % Number**	**Var % Value**
Leased cars*	75.042	4.574.217	(3,5)%	0,4%
NLT cars*	346.976	10.378.852	0,7%	0,3%
Leased commercial vehicles*	38.447	1.885.742	3,8%	8,9%
NLT commercial vehicles*	55.263	1.518.088	(1,6)%	(5,8)%
Industrial vehicles	23.333	3.104.326	3,6%	2,5%
Cars	**539.061**	**21.461.225**	**0,2%**	**0,9%**
Financial instrumental	92.643	9.088.532	5,5%	18,1%
Operational instrumental	110.486	1.463.973	4,2%	(0,3)%
Instrumental	**203.129**	**10.552.505**	**4,8%**	**15,2%**
Air and rail	**302**	**770.484**	**11,4%**	**35,7%**
Built property	2.055	1.905.502	(5,1)%	0,0%
Property to be built	458	1.304.816	7,3%	15,7%
Real estate	**2.513**	**3.210.318**	**(3,0)%**	**5,9%**
Renewable energies	**616**	**140.155**	**36,6%**	**6,7%**
General total	**745.621**	**36.134.687**	**1,4%**	**5,8%**

Source: Assilea processing; (*) analysis on data from UNRAE Study and Statistics Centre

In lending to households and businesses, the transmission of the decline in official rates can be observed starting in the second half of 2025: this translates into average rates on new transactions falling back to 2024 levels, and supply conditions perceived as more favourable. The 'Economic Survey of Industrial and Services Enterprises' (Bank of Italy, November 2025) found that the recovery of credit access conditions continued in all size classes of companies: 70% of companies assessed supply conditions as stable in the first half of 2025 and 24% reported an improvement (from 15% in the survey on the first half of 2024), driven above all by the fall in interest rates. This perception of the respondents, however, may be influenced by the ample liquidity in the system: the same Bank of Italy periodic survey indicated that almost three quarters of companies declared more than enough liquidity to cover operational needs until the end of the year, only 3% rated it as insufficient.

The scenario for 2024 showed the decline in rates on deposit accounts and loans between mid- and end-2024. The most recent signals (November 2025) are consistent with this trend for Italy. In summary, financial normalisation took shape in 2025.

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Observation date	Loans to non-financial companies (% of amount disbursed)
June 2024	5,26
July 2024	5,28
August 2024	5,13
September 2024	4,90
October 2024	4,70
November 2024	4,53
December 2024	4,40
January 2025	4,13
February 2025	3,99
March 2025	3,92
April 2025	3,76
May 2025	3,66
June 2025	3,60
July 2025	3,50
August 2025	3,39
September 2025	3,38
October 2025	3,53
November 2025	3,52

Source: Bank of Italy database - item MIR0200.

The quality of credit in the Italian banking system remains historically good: the deterioration rate is low and projections indicate a stock of bank Npe at the end of 2025 in the order of around 48 billion Euro, with the Npe ratio around 2,6% and a further decline to around 2,4% by 2027. Critical issues remain sectoral (peaks in construction, trade, hospitality) and, on the corporate side, a slight deterioration in industry, but no systemic wave is visible thanks to the quality of credit provided by banks and the activity of the Npl portfolio transaction market.

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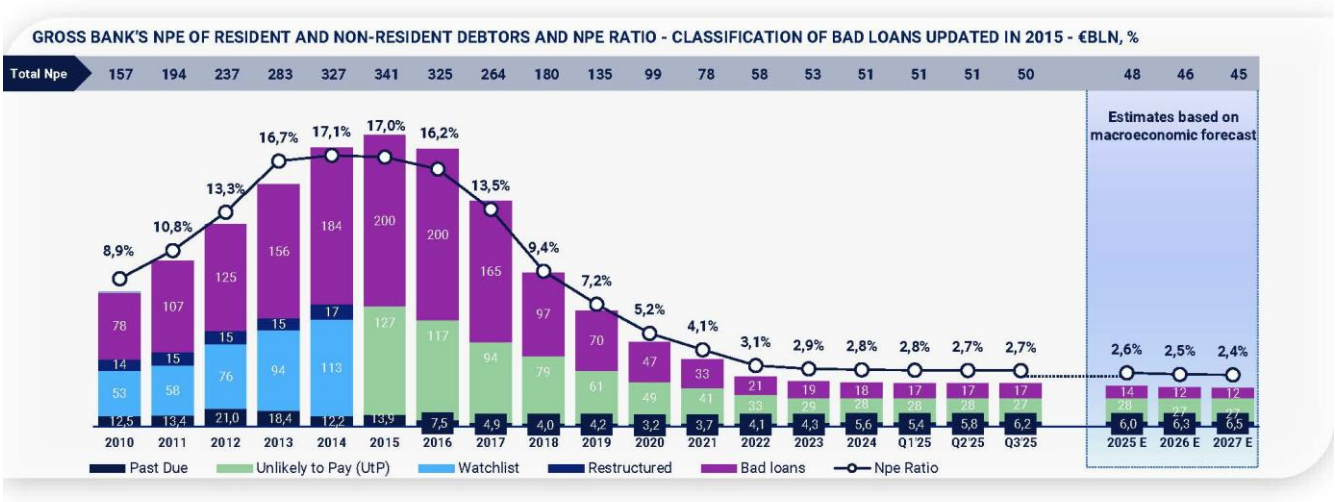

SOURCE: Banca Ifis Research Department elaborations on the Bank of Italy statistical database; 2023-2025 Banca Ifis internal estimates.
NOTES: Normalised data. The new definition of default harmonised at European level has been in force since January 2021. The data includes transactions with resident and non-resident entities, excluding interbank relations. Bad loans are carried forward at carrying amount. Npe ratio calculated as the ratio of gross non-performing loans to total loans to customers

2026-2027 prospects

The year 2026 opens with three macro risks to guard against:

- The first concerns the consequences of the joint Israel-US attack on Iran, in light of our country's known energy vulnerability. In fact, the Conflavoro research office estimates the risk of an economic backlash for Italian companies and families of up to 33 billion Euro in six months in the scenario of a prolonged blockade of the Strait of Hormuz;
- the second relates to 'two-speed Europe': if Germany and France were to suffer prolonged weakness in manufacturing and corporate real estate (referred to as “CRE”), spillovers on European suppliers and funding markets could delay the recovery cycle. The evidence on corporate Npe and German CRE in 2025, while not alarmist, needs to be monitored, as it reflects a combination of higher real estate prices, depreciations and capital absorption;
- the third is trade geopolitics: the Bank of Italy's statistical information systems detect, at the moment, moderate impacts of US duties on 2025, but among companies exporting to the US, the share reporting a reduction in sales rises to 45% of the sample. The risk that a high degree of political volatility remains, therefore, inherent in 2026, especially for foreign-oriented B2B supply chains.

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Year-on-year GDP growth - estimates for World and major economies		
Area / Country	**2026**	**2027**
World	3,3%	3,2%
United States	2,4%	2,0%
China	4,5%	4,0%
India	6,4%	6,4%
Japan	0,7%	0,6%
Eurozone	1,3%	1,4%
European Union (EU 27)	1, 5%	1,6%
Germany	1,1%	1,5%
France	1,0%	1,2%
Italy	0,7%	0,7%
United Kingdom	1,3%	1,5%
Brazil	1,6%	2,3%

Source: Banca Ifis Research Department processing of IMF data.

Prior to the aforementioned conflict in Iran, at the EU level the combination of rising M3, inflation towards targets and a falling cost of money outlined an extended soft landing scenario, but with the aforementioned asymmetry requiring the calibration of economic policy and macroprudential supervision. The forecast trajectories for the Eurozone indicated moderate growth acceleration between 2026 and 2027.

For Italy, in particular, a moderate recovery was expected in the two-year period 2026-2027: consumption improving thanks to cooling prices and falling rates, exports rising but selective for markets and sectors, and investments conditioned by the recomposition of incentives and greater financial discipline. The public component of the NRRP would continue to support works and digitisation, with spill-over effects on productivity and private demand. In the financial system, the normalisation of the curve could have reduced the average credit cost, facilitating the refinancing of borderline positions and the early workout on Stage 2s, containing asset quality risks.

As for Italy, on the other hand, projections indicate a moderate recovery in 2026-2027, driven by consumption, with investments conditioned by the new incentive equation and normalising capital costs.

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GDP growth and inflation in Italy (percentage change over previous period)								
ITEMS	GDP(1)				Inflation(2)			
	2025	2026	2027	2028	2025	2026	2027	2028
IMF (January)	0,7	0,7	-	-	-	-	-	-
IMF (October)	0,5	0,8	0,6	0,7	1,7	2,0	2,0	2,0
Istat (December)(3)	0,5	0,8	-	-	1,7	1,4	-	-
Bank of Italy (December)	0,6	0,6	0,8	0,9	1,7	1,4	1,6	1,9
European Commission (November)	0,4	0,8	0,8	-	1,7	1,3	2,0	-
OECD (December)	0,5	0,6	0,7	-	1,8	1,7	1,8	-
UPB (October)	0,5	0,4	0,8	0,6	1,8	1,8	1,8	1,8

Source: IMF, World Economic Outlook, January 2025; IMF, World Economic Outlook, October 2025; Bank of Italy, Macroeconomic Projections for the Italian Economy (Eurosystem coordinated exercise), 19 December 2025; European Commission, European Economic Forecast. Autumn 2025, November 2025; OECD, OECD Economic Outlook. Resilient Growth but with Increasing Fragilities, December 2025; Parliamentary Budget Office (UPB), Hearing of the President of the Parliamentary Budget Office as part of the hearings prior to the examination of the Public Finance Planning Document 2025, October 2025.
(1) The growth rates indicated in the Bank of Italy and OECD forecasts have been corrected for the number of working days. Without this correction, GDP is projected to grow by 0,5% in 2025, 0,7% in 2026, 0,8% in 2027 and 0,7% in 2028.
(2) Measured on the HICP. The UPB forecasts refer to the consumption deflator.
(3) Deflator of resident household expenditure.

This moderately positive trend will, however, be tested by the significant rise in energy costs: in the first days of March 2026, the quotations of Wti (the standard oil for the US market) and North Sea Brent oil rose by between 8% and 9% at the opening of the markets, with the barrel of oil touching 80 US Dollar. Analysts at EU Perspectives predicted that the price of Brent crude oil could rise to between 120 US Dollar and 140 US Dollar per barrel in the short term, driven not so much by actual supply losses as by risk assessment, delays and perceived threat. The sharpest leap, however, is that of gas prices: in Amsterdam, the Ttf index quotations in the early afternoon of the first post-attack trading day had risen 45% to 46 Euro per megawatt hour, the highest since February 2025; at the same time, futures for May 2026 rose 41,3% to 44,53 Euro and those for June 2026 by 37,7% to 42,99 Euro within a few hours.

Reference markets

Corporates

The scenario of the Italian business sector was elaborated on the basis of the most recent data from the Bank of Italy, taken from the Economic Bulletin 1/2026, the "Economic Survey of Industrial and Service Enterprises" of autumn 2025, and Banca Ifis's Market Watch Pmi Italia in October 2025.

All the sources analysed agree on two fundamental characteristics of the Italian business trend: resilience and sectoral heterogeneity (the latter also referred to as 'leopard-spot').

The Market Watch shows that SMEs have kept their overall turnover almost unchanged (-0,4% estimated change 2025 compared to 2024), but with strong differences by sector: from the positive performance of technology and chemical/pharmaceutical companies or the resilience of mechanics to fashion and automotive, for example, whose market positioning has suffered.

The Italian manufacturing sector is still expanding investments, driven by transformation: about 1 in 4 companies is increasing investments in 2025 and plans to do so also in 2026. Strong focus on sustainability and digital/tech (cloud/IoT/IA). The Bank of Italy, which calls investment an 'anchor' for Italian companies, points out that it is

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supported by favourable financial conditions, incentives and the impact of the NRRP, with an emphasis on process and product innovations.

The employment market remained favourable for companies: in the first nine months of 2025, the balance between companies reporting an increase in hours worked and those indicating a decrease was +12 percentage points, although down from 16 in 2024. In general, employment continues to grow, more in services than in manufacturing.

Profitability was high on the whole: in 2025, around 80% of industrial and service companies expect to close the year in profit. Even among the companies reporting negative effects of tariffs or trade tensions, three quarters still expect a positive bottom line.

Despite the economic slowdown, global uncertainty and still high market rates (albeit improving compared to the past), there was no systemic liquidity scare in 2025, with surveys showing stable/improving liquidity for 88% of SMEs. At the same time, the Bank of Italy's Economic Bulletin points out that it is costs and demand that determine the main tensions, rather than liquidity.

Overall, the outlook for 2026 remains moderately positive, both in financial and economic terms, but conditioned by geopolitical and trade uncertainty. The latter is also linked to a potential competitive challenge: the increased influx of Chinese products into the target markets of Italian companies.

The risks are mainly external: energy, geopolitics and international trade. While a fragile climate related to US trade policy and geopolitical tensions was already emerging before the conflict with Iran, the actual occurrence of this 'external shock' has changed the risks from potential to actual. In Europe, and in Italy in particular, the repercussions on businesses could be immediate: with over 90% of gas and oil imported from abroad, our country is one of the most exposed to energy shocks. According to initial estimates, a 10-15% increase in the price of gas could translate into similar increases in the cost of electricity, directly affecting budgets and further squeezing industrial margins already eroded by the previous energy crisis in 2022-2023.

Non-performing loans (Npls)

In 2025, as already extensively argued, the European macroeconomic environment showed signs of gradual stabilisation: GDP improved again, inflation converged towards more moderate levels and the money supply (M3) continued to grow. On this basis, an impaired credit market still heterogeneous across the EU countries. For the EU as a whole, the stock of Npe amounts to 374 billion Euro (+ 17 billion Euro compared to Q1 2023), with an Npe ratio of 1,84% and essentially stable in 2025.

The deterioration affected both corporations and households, but only corporate also deteriorated when compared to loans. Compared to Q2 2025, the Spanish stock decreased thanks to the contribution of households (-1,2 billion Euro) while the increase in impaired loans in France and Germany was driven by the corporate segment (+1,8 billion Euro and +0,7 billion Euro, respectively). Real estate is the main critical segment in Germany, while the trade and business services segments are added in France.

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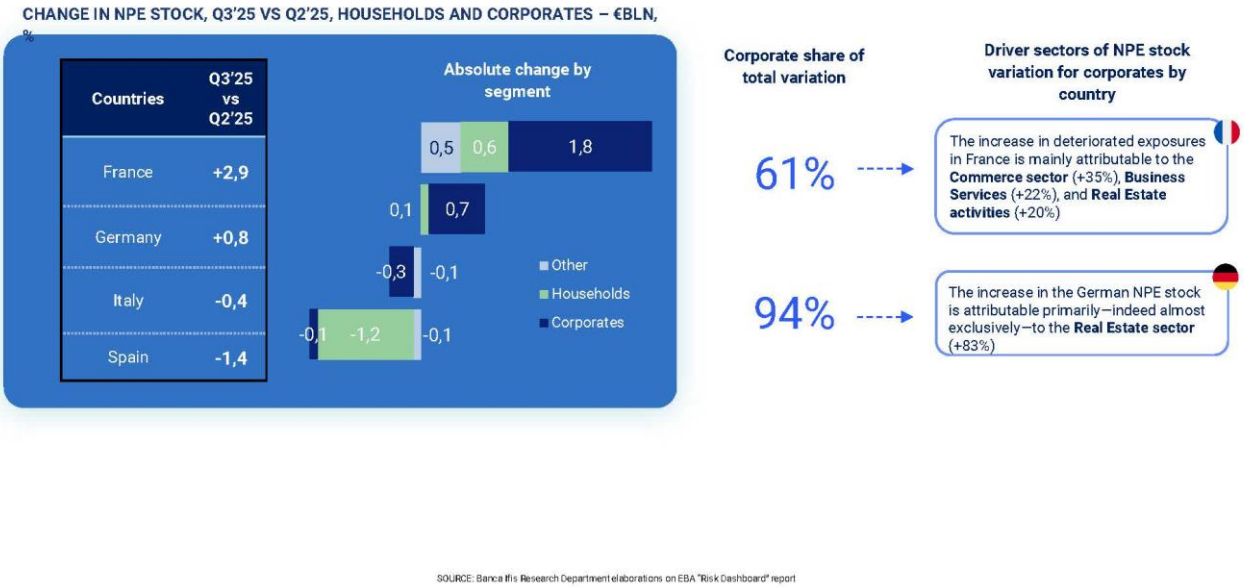
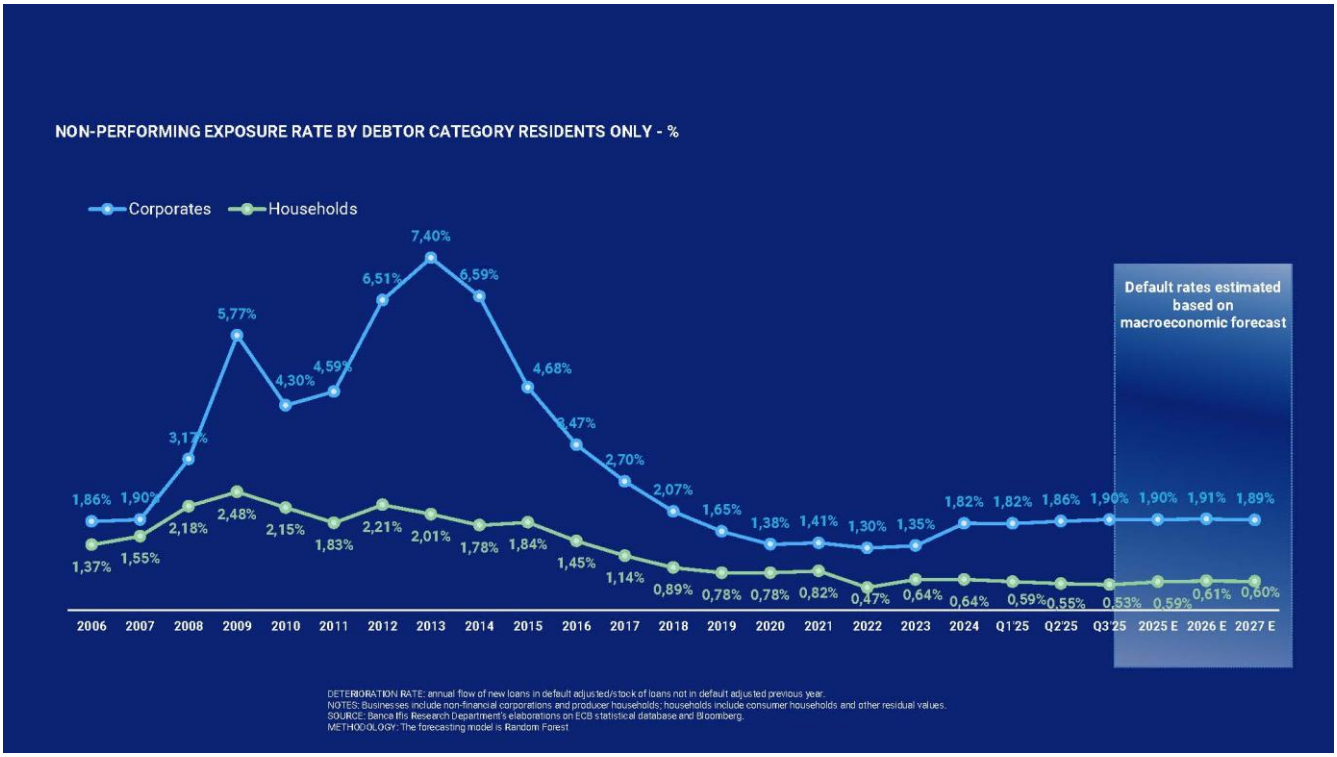


SOURCE: Banca Ifis Research Department elaborations on EBA "Risk Dashboard" report

Stage 2 loans show, as illustrated above and focusing on the four main countries as stock of impaired loans, higher prospective risks in Germany and relative stability in France, against a reduction in Italy and Spain.

In Italy, the deterioration is being contained. Compared to the September 2025 edition, the forecast improves by 2-3 basis points due to the more favourable macro scenario. Industry shows a slight increase in the default rate, while construction, trade and hospitality remain the most vulnerable sectors. The Npe stock is estimated at 48 billion Euro at the end of 2025, with an Npe ratio at 2,6% and a further decline expected to 2,4% by 2027.



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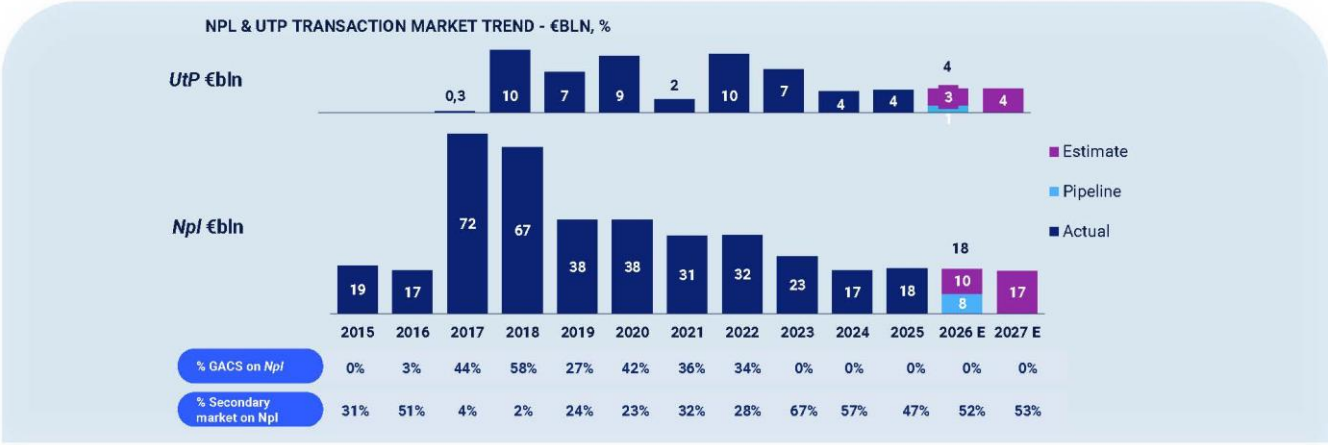
Gold recently crossed the 3.420 Dollar an ounce mark, a sign that investors are rapidly abandoning risky assets and reducing available liquidity in global markets, potentially affecting the cost of capital for companies. This is an important signal, in addition to the already evident rise in energy costs and the increase in volatility and uncertainty, which calls for a cautious assessment of the flat forecast of the riskiness of households and, above all, businesses.

The Npe transaction market remains dynamic: 22 billion Euro was transacted in 2025, in line with previous estimates. Transactions are increasingly oriented towards granular and unsecured portfolios, while the secondary market, while maintaining its relevance, drops to 47% of the total (-10 p.p. compared to 2024).



SOURCE: Banca Ifis Npl Market Database - News and press releases - Banca Ifis internal analysis

All in all, more than 100 billion Euro has been invested in the Npe market between 2015 and 2025, with a significant increase in the ratio of market value to GBV, a sign of a supply chain that has believed in the potential of this market and continues to work from an industrial perspective.

Moreover, the structural reduction of the impaired stock continues: between the 2015 peak and 2027, the expected cumulative decline reaches 109 billion Euro, confirming the effectiveness of the management, restructuring and divestment strategies adopted in recent years.

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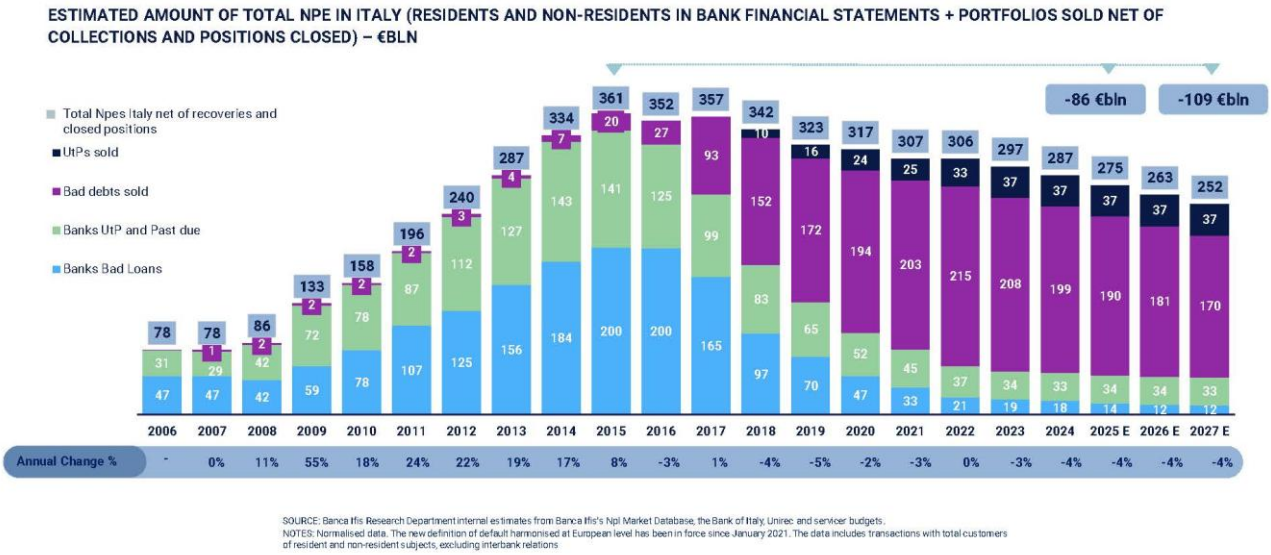

The phenomenon of the disposal of the total impaired loan stock (banks and investors) of the Italian system was boosted by the final 2025 data, which show, in comparison with last September's forecasts, an improvement in the collection capacity, with the percentage of recoveries rising from 3,1% to 3,8%, indicating a greater effectiveness of recovery processes. At the same time, the weight of court actions decreased, with the incidence falling from 74% to 71%, signalling a progressive orientation towards out-of-court solutions.

Finally, the specialised operators in the impaired credit sector remain technology-intensive. This is indicated by the speed of adoption of Artificial Intelligence (AI). The spread of AI-based projects is accelerating: since the last monitoring in September 2025, both the number of operators involved (+7) and the number of projects activated (+20) are growing. The main areas of application are predictive analytics, documentation and compliance, and credit management, consolidating the role of AI as a strategic lever.

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Group KPIs

GROUP EQUITY KPIs	2025	2024	CHANGE
CET1 ratio (1)	13,0%	16,1%	(3,1)%
Total Capital Ratio (1)	15,3%	18,1%	(2,8)%
CET1 Ratio pro forma (2)	13,7%	16,1%	(2,4)%
Total Capital Ratio pro forma (2)	16,0%	18,1%	(2,1)%
Number of company shares (in thousands)	61.819	53.811	14,9%
Number of shares outstanding at year end (3) (in thousands)	61.080	52.572	16,2%
Price/book value per share	0,73	0,64	0,09
Dividend per share(4)	2,12	2,12	-

(1) CET1 and Total Capital include the profits accrued by the Banking Group at 31 December 2025, net of the related dividend, including the portion distributed on an interim basis in compliance with the provisions of Article 2433, paragraph 4 of the Italian Civil Code.
(2) The pro-forma figures as at 31 December 2025 are calculated including the effects of the agreements to sell the stake in Hype and a distressed position, which were finalised in January and February 2026.
(3) Outstanding shares are net of treasury shares held in the portfolio.
(4) The figures for FY 2025 comprise the total of 1,20 Euro per share distributed as an interim dividend in November 2025 and 0,92 Euro per share as a proposal for a final dividend for the FY 2025 prepared by the Board of Directors of Banca Ifis.

GROUP ECONOMIC KPIs	2025	2024	CHANGE
ROE	16,8%	9,4%	7,4%
Normalised ROE (1)	6,1%	9,4%	(3,2)%
ROA	1,5%	1,2%	0,3%
Normalised ROA (1)	0,5%	1,2%	(0,7)%
Earnings per share (EPS)	5,78	3,08	2,70
Normalised earnings per share (EPS) (1)	1,90	3,08	(1,17)
Reclassified cost/income ratio (2)	63,3%	58,2%	5,1%
Payout ratio	39,5%	69,3%	(29,8)%
Normalised payout ratio	119,8%	69,1%	50,7%

(1) These normalised KPIs are calculated considering the normalised net profit attributable to the Parent Company of 108,1 million Euro for 2025, instead of the actual net profit attributable to the Parent Company of 328,0 million Euro. For more details on the normalisation logic, refer to the section 'Group Balance Sheet and Economic Performance' below, under the heading 'Reclassified Economic Aggregates'.
(2) The reclassified 2025 cost/income ratio of 63,3% includes the illimity Group's contribution for the second half of 2025. Excluding this contribution, the 2025 reclassified cost/income ratio is 61,5%.

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Group financials and income results

This section reports on the financial and economic performance of the Banca Ifis Group. As regards the dynamics in terms of overall profitability and cash flows, refer to Part D of the Notes to the Consolidated Financial Statements and the Consolidated Cash Flow Statement within the "Consolidated Financial Statements", respectively.

Reclassified Statement of financial positions items

In connection with the acquisition of control of illimity Bank S.p.A. and Euclidea SIM S.p.A. (the latter subsequently renamed Fürstenberg SIM S.p.A. as from 26 January 2026), finalised respectively on 4 July 2025 and 21 November 2025, and the consequent inclusion in the Banca Ifis Group's scope of consolidation of these acquired companies and, in the case of illimity Bank, also of the other companies belonging to the so-called "illimity Group"), the balance sheet figures at 31 December 2025 are not fully comparable with those of the previous year. However, it should be noted that in the tables and comments to the individual items, the contributions of the illimity Group and of Euclidea SIM are presented, where relevant. For more details on the contribution of the illimity Group, refer to the section 'Performance of the Group's Main Companies' in the Directors' Report on the Group below.

RECLASSIFIED STATEMENT OF FINANCIAL POSITION HIGHLIGHTS (in thousand Euro)	AMOUNTS				CHANGE (1)	
	31.12.2025	*of which: illimity Group*	*of which: Banca Ifis Group(2)*	31.12.2024	ABSOLUTE	%
Cash and cash equivalents	787.290	*229.715*	*557.575*	505.016	52.559	10,4%
Financial assets mandatorily measured at fair value through profit or loss	780.619	*501.366*	*279.253*	237.032	42.221	17,8%
Financial assets measured at fair value through other comprehensive income	1.659.271	*544.134*	*1.115.137*	701.830	413.307	58,9%
Receivables due from banks measured at amortised cost	700.276	*98.023*	*602.253*	703.763	(101.510)	(14,4)%
Receivables due from customers measured at amortised cost	16.135.996	*5.045.581*	*11.090.415*	10.810.018	280.397	2,6%
Property, plant and equipment and intangible assets	385.209	*74.072*	*311.137*	252.153	58.984	23,4%
Tax assets	368.495	*120.524*	*247.971*	213.464	34.507	16,2%
Other assets	831.228	*473.503*	*357.725*	402.462	(44.737)	(11,1)%
Total assets	**21.648.384**	***7.086.918***	***14.561.466***	**13.825.738**	**735.728**	**5,3%**
Payables due to banks measured at amortised cost	4.018.193	*726.634*	*3.291.559*	1.443.250	1.848.309	128,1%
Payables due to customers measured at amortised cost	11.256.836	*4.987.763*	*6.269.073*	7.001.763	(732.690)	(10,5)%
Debt securities issued	3.441.393	*579.040*	*2.862.353*	3.152.737	(290.384)	(9,2)%
Tax liabilities	117.272	*24.165*	*93.107*	51.924	41.183	79,3%
Provisions for risks and charges	106.877	*22.850*	*84.027*	52.339	31.688	60,5%
Other liabilities	567.266	*184.834*	*382.432*	375.579	6.853	1,8%
Consolidated equity (3)	2.140.547	*561.632*	*1.578.915*	1.748.146	(169.231)	(9,7)%
Total liabilities and equity	**21.648.384**	***7.086.918***	***14.561.466***	**13.825.738**	**735.728**	**5,3%**

(1) The change shown refers only to changes in the Ifis Group perimeter excluding the illimity Group's contribution.
(2) Banca Ifis Group means the perimeter of the Banca Ifis Group, excluding the illimity Group's contribution and including the contribution made by Euclidea SIM.
(3) The equity figures of the illimity Group and the Banca Ifis Group are for representative purposes only to reconcile assets/liabilities.

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Cash and cash equivalents

Cash and cash equivalents include bank current accounts on demand and at 31 December 2025 amount to 787,3 million Euro, of which 229,7 million Euro from the acquisition of the illimity Group. Net of the effect of the illimity Group's contribution, the item amounts to 557,6 million Euro, up from 505,0 million Euro at the end of 2024, and this trend in 2025 is driven by a decrease in overnight deposits of the parent company Banca Ifis, and an increase in liquidity to banks in relation to the trend in underlying loans.

Financial assets mandatorily measured at fair value through profit or loss

The financial assets mandatorily measured at fair value through profit or loss total 780,6 million Euro at 31 December 2025, and include the portfolio acquired from the illimity Group with a value of 501,4 million Euro. This item consists of loans and debt securities that did not pass the SPPI test, equity securities from minority shares and UCITS units.

Below is the breakdown of this line item.

FINANCIAL ASSETS MANDATORILY MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS (in thousands of Euro)	AMOUNTS				CHANGE (1)	
	31.12.2025	*of which: illimity Group*	*of which: Banca Ifis Group(2)*	31.12.2024	ABSOLUTE	%
Debt securities	95.227	*37.798*	*57.429*	69.042	(11.613)	(16,8)%
Equity securities	90.228	*10.221*	*80.007*	68.725	11.282	16,4%
UCITS units	558.617	*417.711*	*140.906*	98.058	42.848	43,7%
Loans	36.547	*35.636*	*911*	1.207	(296)	(24,5)%
Total	**780.619**	***501.366***	***279.253***	**237.032**	**42.221**	**17,8%**

(1) The change shown refers only to changes in the Ifis Group perimeter excluding the illimity Group's contribution.
(2) Banca Ifis Group means the perimeter of the Banca Ifis Group, excluding the illimity Group's contribution and including the contribution made by Euclidea SIM.

Excluding the contribution of the illimity Group for a total of 501,4 million Euro (as detailed in the table above), the increase in the item compared to 31 December 2024 of 42,2 million Euro can be broken down as follows:

- debt securities decreased by 11,6 million Euro (-16,8%), mainly due to the net negative effect of new subscriptions, disposals and redemptions and collections for the year with reference to Banca Ifis's proprietary 'stand-alone' portfolio, which more than offset the effect of net positive fair value changes of 1,1 million Euro;
- the growth in equity securities amounts to 11,3 million Euro (+16,4%), and is due, with reference to the remaining portfolio, mainly to fair value changes during the year (+12,0 million Euro), which more than offset the net negative effect between subscriptions and disposals of securities (-0,7 million Euro);
- the year increase in the balance of UCITS units is 42,8 million Euro (+43,7%) and is recorded following the growth recorded in fair value measurements (+7,3 million Euro) and the positive contribution of net new subscriptions by the Parent Company Banca Ifis, net of redemptions and collections, of 35,5 million Euro;
- the carrying amount of loans decreases by 0,3 million Euro compared to 31 December 2024 (-24,5%); this effect is mainly due to the negative impact of the fair value measurements for the year on loans of the Parent Company Banca Ifis for a total of 0,3 million Euro.

Financial assets measured at fair value through other comprehensive income

Financial assets measured at fair value through other comprehensive income amount to a total of 1.659,3 million Euro at 31 December 2025, up 136,4% compared to the figure at December 2024 mainly due to the effect of 544,1 million Euro from the acquisition of the illimity Group portfolio. Net of this component, the item amounts to 1.115,1 million Euro at 31 December 2025, an increase of 58,9% compared to 31 December 2024.

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Financial assets at fair value through other comprehensive income include debt securities characterised by a Held to Collect & Sell (HTC&S) business model, that have passed the SPPI test and equity securities for which the Group has exercised the OCI Option envisaged by IFRS 9.

FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (in thousand Euro)	AMOUNTS				CHANGE (1)	
	31.12.2025	*of which: illimity Group*	*of which: Banca Ifis Group(2)*	31.12.2024	ABSOLUTE	%
Debt securities	1.424.495	*538.666*	*885.829*	544.936	340.893	62,6%
of which: government securities	*1.198.777*	*372.979*	*825.798*	*455.312*	*370.486*	*81,4%*
Equity securities	234.776	*5.468*	*229.308*	156.894	72.414	46,2%
Total	**1.659.271**	***544.134***	***1.115.137***	**701.830**	**413.307**	**58,9%**

(1) The change shown refers only to changes in the Ifis Group perimeter excluding the illimity Group's contribution.
(2) Banca Ifis Group means the perimeter of the Banca Ifis Group, excluding the illimity Group's contribution and including the contribution made by Euclidea SIM.

Debt securities owned measured at fair value through other comprehensive income amount to 1.424,5 million Euro at 31 December 2025, including the contribution of the illimity Group of 538,7 million Euro. Net of this contribution, the item amounts to 885,8 million Euro, an increase of 340,9 million Euro (+62,6%) compared to the balance at 31 December 2024, mainly due to the net positive effect between new investments and disposals for the year by the Parent Company Banca Ifis (+344,0 million Euro), which more than offset the decrease in the fair value measurements of Banca Ifis's proprietary portfolio (-3,1 million Euro, mainly attributable to government securities). The related associated net negative fair value reserve amounts to 10,5 million Euro at 31 December 2025, almost entirely associated with Government securities. The illimity Group's contribution to this reserve is a positive 1,0 million Euro, of which 0,7 million Euro on government bonds).

This item also includes equity securities attributable to minority interests, which amount to 234,8 million Euro at 31 December 2025, of which 5,5 million Euro are associated with securities of the illimity Group. Without this effect, this item totals 229,3 million Euro, up 46,2% compared to 31 December 2024. This change derives from the net positive effect between investments and divestments made during the year by Banca Ifis (+66,5 million Euro) as well as the increase in FV values recorded during 2025 on Banca Ifis's proprietary portfolio (+6,0 million Euro). The net fair value reserve associated with FVOCI equity securities as at 31 December 2025 showed a positive value of 2,5 million Euro, which includes the negative contribution of 0,8 million Euro relating to the illimity Group. This figure is a significant improvement compared to the negative value at the end of 2024, which amounted to 7,7 million Euro, both due to the effect of the disposals of securities during the year and the positive fair value changes recorded during 2025 on Banca Ifis's proprietary portfolio.

Receivables due from banks measured at amortised cost

Total loans and advances to banks measured at amortised cost amount to 700,3 million Euro at 31 December 2025, and include the effect of the illimity Group's contribution of 98,0 million Euro, exclusively referring to technical forms other than debt securities. Net of this contribution, the item amounts to 602,3 million Euro, a decrease of 14,4% compared to the figure of 703,8 million Euro at 31 December 2024, mainly attributable to the decrease of 173,7 million Euro on debt securities of banking issuers held by Banca Ifis with a "Held to Collect (HTC)" business model and which passed the SPPI Test. At 31 December 2025, these securities have a carrying amount of 382,3 million Euro, a decrease compared to the figure for December 2024 (-31,2%) mainly due to the net negative effect between new subscriptions and divestments for the year on bank bonds during 2025 within the limits set by the policies defined by the Group.

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Receivables due from customers measured at amortised cost

Total customer loans measured at amortised cost amount to 16136,0 million Euro, of which 5.045,6 million Euro from the illimity Group. The item includes debt securities amounting to 4,1 billion Euro, of which 2,0 billion Euro related to the portfolio acquired from the illimity Group. Net of this component, debt securities amount to 2,1 billion Euro, up 10,2% from the figure of 1,9 billion Euro at 31 December 2024. In all, customer debt securities include government bonds amounting to 2,8 billion Euro, of which 1,0 billion Euro relate to the proprietary portfolio of the illimity Group. Without considering the impact of the illimity Group's contribution, government securities show a positive change of 191,6 million Euro (+12,1%) compared to the figure at 31 December 2024.

Receivables due from customers, in the absence of the illimity Group's contribution as well as the debt securities component, amount to 8.942,6 million Euro, substantially in line with the figure for December 2024 (8.861,4 million Euro).

The main dynamics by segment are shown below:

- the Commercial & Corporate Banking Segment amounted to 7.216,5 million Euro, up by 3,3% compared to 6.985,6 million Euro in December 2024. Performance was characterised by a decline in the Factoring Area (-127,9 million Euro, -4,4%) and increases in the Corporate Banking & Lending Area and the Leasing Area, amounting respectively to 298,3 million Euro (+12,1%) and 60,5 million Euro (+3,8%);
- receivables due from customers in the Npl Segment amount to 1.592,3 million Euro, up by 4,7% compared to 31 December 2024;
- the contribution of the Governance & Services and Non-Core Segment comes to 2.281,6 million Euro, broadly in line with the end-of-2024 figure;
- the contribution of the newly-established illimity Segment, which includes all receivables due from customers acquired by the illimity Group, amounts to 5.045,6 million Euro at 31 December 2025, of which 1.950,6 million Euro related to debt securities. For more details on this Segment, refer to the following section 'Contribution of the Business Segments to the Group's Results' within this Directors' Report on the Group.

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RECEIVABLES DUE FROM CUSTOMERS BREAKDOWN BY SEGMENT (in thousands of Euro)	AMOUNTS		CHANGE	
	31.12.2025	31.12.2024	ABSOLUTE	%
Commercial & Corporate Banking Segment	7.216.527	6.985.624	230.903	3,3%
- of which non-performing	*186.220*	*193.814*	*(7.594)*	*(3,9)%*
Factoring Area	2.772.130	2.900.077	(127.947)	(4,4)%
- of which non-performing	*65.214*	*78.026*	*(12.812)*	*(16,4)%*
Leasing Area	1.673.498	1.612.971	60.527	3,8%
- of which non-performing	*15.400*	*13.311*	*2.089*	*15,7%*
Corporate Banking & Lending Area	2.770.899	2.472.576	298.323	12,1%
- of which non-performing	*105.606*	*102.477*	*3.129*	*3,1%*
Npl Segment	1.592.328	1.521.001	71.327	4,7%
- of which non-performing	*1.540.989*	*1.496.755*	*44.234*	*3,0%*
Governance & Services and Non-Core Segment(1)	2.281.560	2.303.393	(21.833)	(0,9)%
- of which non-performing	*40.443*	*29.002*	*11.441*	*39,4%*
illimity Segment (1)	5.045.581	-	5.045.581	n.a.
- of which non-performing	*1.160.799*	-	*1.160.799*	*n.a.*
Total receivables due from customers	**16.135.996**	**10.810.018**	**5.325.978**	**49,3%**
- of which non-performing	***2.928.451***	***1.719.571***	***1.208.880***	***70,3%***

(1) In the Governance & Services and Non-Core Segment, at 31 December 2025, there are government securities for 1.770,6 million Euro (1.579,0 million Euro at 31 December 2024) and in the illimity Group Segment, at 31 December 2025, there are government securities for 1.000,2 million Euro.

Total net non-performing exposures, which are significantly impacted by loans from the Npl Segment and loans from the illimity Group (the latter entirely allocated to the illimity Segment), stand at 2.928,5 million Euro at 31 December 2025. Excluding the illimity Group's contribution, net impaired assets amount to 1.767,7 million Euro, compared to 1.719,6 million Euro at 31 December 2024 (+2,8%). Net also of the component relative to the Npl Segment, net non-performing loans come to 226,7 million Euro, up 3,9 million Euro compared with the 222,8 million Euro recorded at 31 December 2024, mainly due to the contribution made by the Governance & Non-Core Services Segment.

The Banca Ifis Group's gross and net core originated Npe ratios as at 31 December 2025 relating to receivables due from customers are 5,2% and 3,1% respectively, and are calculated excluding loans in the Npl Segment, government securities measured at amortised cost and impaired financial assets acquired or originated (POCI), or with them as underlying assets, either for business purposes (e.g. for the relaunch and optimisation of companies in temporary difficulties) or emerging as a result of business combinations. Similarly, portfolios with underlying contract disputes that arose as a result of business combinations were excluded from the calculation of ratios because they did not fit the Group's business model.

For a detailed analysis of receivables due from customers, please see the following section "Contribution of business Segments to Group results" of this Directors' Report on the Group.

Intangible assets and property, plant and equipment

Intangible assets amount to 129,0 million Euro, of which 19,8 million Euro related to the illimity Group and 17,2 million Euro emerged in FY 2025 by way of the provisional recognition of a positive difference to be allocated

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(provisional goodwill) related to the acquisition of Euclidea SIM[1] in November 2025 (for more details on this transaction, refer to the section "Significant events during the year" of this Directors' Report on the Group and to "Part G - Business combinations" of the Notes to the Consolidated Financial Statements). Net of these components, intangible assets amount to 91,9 million Euro, up 7,5% compared to the figure of 85,5 million Euro at 31 December 2024.

The comprehensive item refers to:

- for a total of 73,7 million Euro to software and intangible assets generated internally, up from the balance of 47,5 million Euro as at 31 December 2024, mainly due to the aforementioned contribution of the illimity Group,
- 38,0 million Euro for goodwill arising from the acquisition of the former Fbs Group;
- 17,2 million Euro to the above-mentioned provisional recognition of a positive difference to be allocated (provisional goodwill) in connection with the acquisition of Euclidea SIM.

Tangible assets amount to 256,2 million Euro, of which 54,2 million Euro derived from the acquisition of the illimity Group. Excluding this effect, the balance at 31 December 2025 would amount to 202,0 million Euro, an increase of 21,2% compared to the figure of 166,7 million Euro at 31 December 2024, mainly due to the investments made in real estate in 2025 by the Parent Company Banca Ifis.

Properties recorded at 31 December 2025 under tangible assets include the sixteenth-century Villa Fürstenberg ("Villa Marocco"), located in Mestre - Venice and historical headquarters of the Group, which houses the Banca Ifis International Sculpture Park within its more than 22 hectares of garden.

Tax assets and liabilities

These items include current and deferred tax assets and liabilities.

Tax assets amount to 368,5 million Euro, of which 120,5 million Euro related to the illimity Group. Net of this effect, the item totals 248,0 million Euro, an increase of 34,5 million Euro compared to the figure at 31 December 2024.

Specifically, current tax assets amount to 117,7 million Euro, including 29,2 million Euro from the illimity Group. Excluding this component, they amount to 88,5 million Euro, an increase of 46,5 million Euro (+110,5%) compared to the figure at 31 December 2024.

Deferred Tax Assets (DTAs) amount to 250,8 million Euro, and include 91,3 million Euro of DTAs recognised with reference to the illimity Group, also due to the tax effect of adjustments related to the PPA on the data of the illimity Group being acquired. After removing the components attributable to the illimity Group, DTAs amount to 159,5 million Euro, a decrease of 12,0 million Euro compared to 31 December 2024. Deferred tax assets, totalling 250,8 million Euro, consist mainly of:

- 63,4 million Euro from assets recognised for value adjustments on loans to customers, potentially convertible into tax credits pursuant to Law 214/2011. This figure includes 0,4 million Euro from the illimity Group, net of which the balance was 63,0 million Euro at 31 December 2025 (85,1 million Euro at 31 December 2024);
- 65,4 million Euro from assets recognised on tax loss carry-forwards and aid for economic growth (“ACE”) benefit (including 26,5 million Euro for the contribution of the illimity Group; without this contribution, the figure at 31 December 2025 was 38,9 million Euro, down from 40,0 million Euro at 31 December 2024);
- 121,9 million Euro from tax misalignments mainly related to financial assets measured at fair value through other comprehensive income (FVOCI), provisions for risks and charges, and write-offs of goodwill

[1] *Euclidea SIM S.p.A. was renamed Fürstenberg SIM S.p.A. with effect from 26 January 2026.*

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and other intangible assets. This balance includes the amount from the illimity Group of 64,4 million Euro, without which the figure would amount to 57,5 million Euro (46,3 million Euro at 31 December 2024).

With regard to the recoverability of deferred tax assets recognised at 31 December 2025, refer to the paragraph on “Risks and uncertainties related to estimates“ within Part A of the Notes to the Consolidated Financial Statements and to “Section 11 - Tax assets and liabilities - Item 110 of Assets and Item 60 of Liabilities” in Part B of the Notes to the Consolidated Financial Statements.

Tax liabilities amount to 117,3 million Euro, of which 24,2 million Euro from the illimity Group. Net of this component, they amount to 93,1 million Euro (51,9 million Euro at 31 December 2024), and are composed as follows:

- by current tax liabilities, amounting to 69,8 million Euro (23,3 million Euro as of 31 December 2024) representing the tax burden for the year, of which 53,0 million Euro related to the Parent Company Banca Ifis;
- deferred tax liabilities, amounting to 47,4 million Euro (28,6 million Euro as of 31 December 2024), comprising 23,7 million Euro relating to the illimity Group's contribution (mainly relating to taxation on adjustments connected to the PPA) and the residual 23,7 million Euro, mainly referring to tax liabilities of the Parent Company Banca Ifis on receivables recognised for default interest that will be taxed upon collection.

Tax assets are included in the calculation of "capital requirements for credit risk" in accordance with (EU) Regulation No. 575/2013 (CRR), as subsequently updated, which was transposed in the Bank of Italy's Circular No. 285.

Here below is the breakdown of the different treatments by type and the relevant impact on CET1 and risk weighted assets (RWAs) at 31 December 2025:

- “deferred tax assets that rely on future profitability and do not arise from temporary differences” are subject to deduction from CET1. It should also be noted that the amount of DTA deducted from CET1, as provided for by Art. 38 par. 5 pursuant to the CRR, is offset by the corresponding deferred tax liabilities;
- the "deferred tax assets that rely on future profitability and arise from temporary differences" are not deducted from CET1 and receive instead a 250% risk weight. The amount weighted according to a factor of 250%, as provided for in Art. 38 para. 5 pursuant to the CRR, is shown net of the offset against the corresponding deferred tax liabilities;
- the "deferred tax assets pursuant to Italian Law No. 214/2011", concerning credit risk losses, that can be converted into tax credits, receive a 100% risk weight;
- "current tax assets" receive a 0% weight as they are exposures to the Central Government.

Other assets and liabilities

Other assets amount to 831,2 million Euro at 31 December 2025 and include the contribution of the illimity Group in the amount of 473,5 million Euro. Net of this effect, the item amounts to 357,7 million Euro, a decrease of 11,1% compared to the balance of 402,5 million Euro at 31 December 2024.

The other asset items are made up as follows:

- financial assets held for trading of 27,5 million Euro, of which 12,5 million Euro related to the proprietary portfolio acquired from the illimity Group. Net of this component, the item amounts to 15,0 million Euro (an increase on the figure of 12,1 million Euro at 31 December 2024), referring almost entirely to derivative transactions offset by mirror positions recorded among financial liabilities held for trading;
- hedging derivative assets, which have a positive fair value of 60,9 million Euro at 31 December 2025, of which 37,5 million Euro related to hedging strategies referred to the illimity Group. Overall, these hedging strategies concern:

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  - micro fair value hedging on the price risk associated with equity securities measured at fair value with an impact on comprehensive income;
  - micro fair value hedging on interest rate risk related to debt securities;
  - micro fair value hedge on the interest rate risk associated with outstanding securities issued, relating to a bond issue of illimity Bank;
  - macro fair value hedging on the interest rate risk related to the illimity Group's deposit liabilities);

- equity investments with a balance of 33,6 million Euro, almost entirely relating to equity investments in companies belonging to the illimity Group and subject, directly or indirectly, to significant influence by illimity Bank. Net of the component related to the illimity Group, the remaining balance of the item amounts to 1,5 million Euro, up from the balance of 24 thousand Euro as at 31 December 2024 due to the acquisition by Banca Ifis for 1,5 million Euro during the fourth quarter of 2025 of a shareholding with significant influence in Edulia S.r.l. (for further details, see 'Part A - Accounting Policies', 'A.1 - General', 'Section 3 - Scope and Methods of Consolidation' of the Notes to the Consolidated Financial Statements);
- non-current assets and groups of assets held for sale totalling 157,6 million Euro, relating to:
  - for 85,0 million Euro to the equity investment in Hype S.p.A., a jointly controlled company within the illimity Group's perimeter. With regard to this equity investment, the offer of 85 million Euro received from Banca Sella Holding was accepted on 3 November 2025, and, following the obtaining of regulatory authorisations at the beginning of 2026, on 6 February 2026 it was transferred to the Banca Sella Group at the agreed price (for further details, refer to the specific paragraphs included in the sections "Significant events during the year" and "Subsequent events" of this Directors' Report);
  - for 64,6 million Euro to credit portfolios of the illimity Group, one portfolio of which was subsequently sold on 28 January 2026 for an equivalent value of 41 million Euro, in line with the carrying value as at 31 December 2025 (for further details, refer to the above-mentioned section "Subsequent events");
  - for 8,0 million Euro to loan portfolios of the parent company Banca Ifis that are expected to be sold in the short term;

- other assets of 551,7 million Euro, of which 241,9 million Euro related to the illimity Group. Net of this component, the remaining balance of the item amounts to 309,8 million Euro, down 19,1% from the balance of 383,0 million Euro at 31 December 2024. The main reason for this reduction is the absence in the figures as at 31 December 2025 of receivables from the parent company Fürstenberg Scogliera Holding S.A. (formerly La Scogliera S.A.) related to the Group's tax consolidation, as the balance as of 31 December 2024 related to the receivable from the tax consolidating company Fürstenberg Scogliera Holding (amounting to 25,0 million Euro) was fully collected during the first half of 2025 and since no new receivables from the parent company accrued during 2025 as a result of the termination of the tax consolidation arrangement with this entity (for further details, refer to "Section 11 - Tax assets and liabilities - Item 110 of assets and item 60 of liabilities" in "Part B - Information on the Consolidated Statement of Financial Position" of the Notes to the consolidated financial statements). With reference to the composition of the total balance of the item of 551,7 million Euro, it includes:
  - tax receivables of 262,3 million Euro, of which 123,7 million Euro related to the illimity Group. Net of this component, the balance amounts to 138,5 million Euro, down from the book value of 181,1 million Euro at 31 December 2024. The total balance includes 191,8 million Euro related to tax credits for Super Ecobonus and other building tax bonuses with a nominal amount of 209,1 million Euro (of which 77,1 million Euro related to building tax bonus credits from the illimity Group with a nominal value of 82,7 million Euro);

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  - transitional items and effects portfolio in the amount of 81,8 million Euro, of which 28,2 million Euro associated with the illimity Group. Excluding the sub-item of this effect, the balance amounts to 53,6 million Euro, down by 7,6 million Euro compared to December 2024;
  - accrued income and deferred expenses of 82,2 million Euro; this contribution includes 18,1 million Euro pertaining to the illimity Group. Excluding this component, the balance amounts to 64,1 million Euro, a decrease of 4,4 million Euro compared to December 2024.

Other liability items amount to 567,3 million Euro, and include the contribution of the illimity Group of 184,8 million Euro. Net of this effect, the item amounts to 382,4 million Euro, substantially in line with the figure of 375,6 million Euro at 31 December 2024.

The other liability items consist mainly of:

- derivative trading liabilities of 26,6 million Euro, of which 12,7 million Euro related to the illimity Group. Net of this component, the sub-item amounts to 13,8 million Euro (mainly relating to transactions offset by opposite positions recognised under financial assets held for trading), substantially in line with the balance at 31 December 2024;
- hedging derivative liabilities, which have a negative fair value of 33,7 million Euro at 31 December 2025, of which 16,6 million Euro related to hedging strategies referred to the illimity Group. Net of this component, the item amounts to 17,2 million Euro, up from the balance of 14,9 million Euro at 31 December 2024. Overall, these hedging strategies concern:
  - micro fair value hedging on the price risk associated with equity securities measured at fair value with an impact on comprehensive income;
  - micro fair value hedging on interest rate risk related to debt securities;
  - macro fair value hedging on the interest rate risk related to the illimity Group's deposit liabilities;
- adjustment of the value of financial liabilities subject to generic hedging, which presents a negative value of 2,9 million Euro and is entirely associated with the illimity Group, as it refers to the equity counterpart at the level of hedged items of the macro fair value hedging strategies of the deposits payable by illimity Bank;
- severance pay liability of 11,4 million Euro, of which 4,3 million Euro related to the liability associated with employees of the illimity Group. Excluding this effect, the item amounts to 7,2 million Euro, a 5,5% reduction compared with the figure of 7,6 million Euro at 31 December 2024;
- other liabilities of 498,4 million Euro, of which 154,2 million Euro associated with the illimity Group. Adjusting for this component, the overall balance amounts to 344,3 million Euro, essentially in line with the balance of 339,4 million Euro at 31 December 2024 despite the absence in the balances at 31 December 2025 of payables to Fürstenberg Scogliera Holding S.A. (formerly La Scogliera S.A.) related to the Group's tax consolidation (similarly to what was commented above for other assets), because the balance at 31 December 2024 related to the debt to the tax consolidating entity Fürstenberg Scogliera Holding (amounting to 29,1 million Euro) was fully settled during the first half of 2025 and because no new debt accrued during the first nine months of 2025 following the discontinuation of the tax consolidation arrangement with this entity. With regard to the composition of the total balance of the item of 498,4 million Euro, the most significant items are mainly attributable to the following:
  - total liabilities of 15,0 million Euro, relating to the extraordinary contribution of 27,5% on the excess profits reserve, established pursuant to Article 1, paragraph 69, of Law No. 199 of 30 December 2005, for the Group’s banks (Banca Ifis, illimity Bank and Banca Credifarma), which will be paid during 2026 on the basis of the relevant resolutions of the respective Boards of Directors. For further details, refer to the specific paragraph "Extraordinary Contribution Law No. 199 of 2025" within "Part A - Accounting Policies", "A.1 - General Part", "Section 5 - Other Aspects" of the Notes to the Consolidated Financial Statements;

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- operating liabilities of 189,8 million Euro, of which 40,8 million Euro associated with the illimity Group. Net of this component, the balance is 149,0 million Euro, an increase of 43,7 million Euro compared to 31 December 2024;
- transitory items and amounts to be credited to customers awaiting allocation amounting to 84,5 million Euro, of which 42,7 million Euro related to the illimity Group. Net of this contribution, the sub-item amounts to 41,8 million Euro, up 1,8 million Euro compared to the previous year.

Funding

FUNDING (in thousands of Euro)	AMOUNTS				CHANGE (1)	
	31.12.2025	*of which: Group illimity*	*of which: Banca Ifis Group(2)*	31.12.2024	ABSOLUTE	%
Payables due to banks	**4.018.193**	***726.634***	***3.291.560***	**1.443.250**	**1.848.310**	**128,1%**
- Payables due to Central banks:	721.515	-	*721.515*	419.286	302.299	72,1%
of which: MRO	*500.239*	-	*500.239*	*400.035*	*100.204*	*25,0%*
of which: Other deposits	*221.277*	-	*221.277*	*19.251*	*202.026*	*n.s.*
- Current accounts and on demand deposits	4.854	*91.223*	*(86.369)(3)*	7.558	(93.927)	n.s.
- Term deposits	346.664	*290.131*	*56.533*	41.082	15.451	37,6%
- Loans:	2.907.972	*324.771*	*2.583.201*	969.144	1.614.057	166,5%
of which: Repurchase agreements	*2.546.864*	*324.771*	*2.222.093*	*630.540*	*1.591.553*	*n.s.*
of which: Other loans	*361.108*	-	*361.108*	*338.604*	*22.504*	*6,6%*
- Other payables due to banks	37.188	*20.509*	*16.679*	6.180	10.499	169,9%
Payables due to customers	**11.256.836**	***4.987.763***	***6.269.073***	**7.001.763**	**(732.690)**	**(10,5)%**
- Current accounts and on demand deposits	2.215.201	*1.055.046*	*1.160.155*	996.217	163.938	16,5%
- Term deposits	7.803.055	*3.343.763*	*4.459.292*	4.723.074	(263.782)	(5,6)%
- Loans	1.184.780	*564.623*	*620.157*	1.249.556	(629.399)	(50,4)%
of which: Repurchase agreements	*604.214*	*352.330*	*251.884*	*1.045.734*	*(793.850)*	*(75,9)%*
of which: Other loans	*580.566*	*212.293*	*368.273*	*203.822*	*164.451*	*80,7%*
- Other payables due to customers	53.800	*24.331*	*29.469*	32.916	(3.447)	(10,5)%
Debt securities issued	**3.441.393**	***579.040***	***2.862.353***	**3.152.737**	**(290.384)**	**(9,2)%**
Total funding	**18.716.423**	***6.293.437***	***12.422.986***	**11.597.750**	**825.236**	**7,1%**

(1) The change shown refers only to changes in the Ifis Group perimeter excluding the illimity Group's contribution.
(2) Banca Ifis Group means the perimeter of the Banca Ifis Group, excluding the illimity Group's contribution and including the contribution made by Euclidea SIM.
(3) For presentation purposes only, this item shows a negative balance, as it also includes the elimination of intercompany balances relating to the current accounts payable of illimity Bank to the Parent Company Banca Ifis (which are included with a positive sign in the column "of which illimity Group" but must be eliminated for the purposes of determining the consolidated balances of the Banca Ifis Group).

Total inflows at 31 December 2025 amount to 18,7 billion Euro, including 6,3 billion Euro in inflows associated with the illimity Group. Net of this component, funding amounts to 12,4 billion Euro, up by 7,1% compared to 31 December 2024. Overall, 60,1% of Banca Ifis Group's funding is represented by debt to customers (60,4% at 31 December 2024), 18,4% by debt securities issued (27,2% at 31 December 2024) and 21,5% by payables due to banks (12,4% at 31 December 2024).

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Payables due to banks amount to 4,0 billion, including 0,7 billion from the illimity Group. The balance excluding this contribution amounts to 3,3 billion Euro, up 128,1% compared to the end of December 2024, mainly due to an increase in repurchase agreements with banks of the Parent Company Banca Ifis of 1,6 billion Euro. In the MRO area, at 31 December 2025, an MRO transaction of 500 million Euro was in place, carried out late December and repaid on 07 January 2026. In addition, an OT (Other Type of operation) transaction with the ECB for 260 million US Dollar (or 221 million Euro) was also outstanding as at 31 December 2025, repaid on 8 January 2026

At 31 December 2025, debt to customers amount to 11,3 billion Euro, of which 5,0 billion Euro from the illimity Group. The balance of this item net of the illimity Group's contribution amounts to 6,3 billion Euro, down 10,5% from 31 December 2024. The decrease is mainly attributable to repurchase agreements with customers of the Parent Company Banca Ifis, equal to 251,9 million Euro (-793,9 million Euro compared to the balance at the end of 2024) and to funding through term deposits (excluding those of the illimity Group), which amounts to 4,5 billion Euro at the end of December 2025 (-5,6% compared to 31 December 2024).

Securities outstanding amount to 3,4 billion Euro as at 31 December 2025, of which 0,6 billion Euro related to the illimity Group (referring to securities issued by illimity Bank and to securitisation notes issued to third parties by vehicles within the perimeter of that Group). Adjusting for the balances associated with the illimity Group, securities outstanding amount to 2,9 billion Euro, down by 0,3 billion Euro compared to 31 December 2024 (-9,2%) as a result of the total repurchase of the senior securities of the Emma and Indigo Lease securitisations (which had a total carrying amount of 668,8 million Euro as at 31 December 2024). More details on these securitisations can be found in 'Section 2 - Risks of the Prudential Consolidation', subsection '1.4 Liquidity risk', paragraph 'Self-securitisation transactions' of 'Part E - Information on risks and related hedging policies' of the Notes to the Consolidated Financial Statements. This buy-back more than offset the increase recorded in 2025 for 402,4 million Euro at the level of the value of bonds issued by the Parent Company Banca Ifis, mainly following the issue on 8 July 2025 of a 400 million Euro bond maturing in November 2029 as part of the EMTN programme (for more details on this, refer to the section "Significant events during the year" of this Directors' Report on the Group).

Total debt securities issued at 31 December 2025 are composed of:

- securities issued by the SPV ABCP Programme for 952,6 million Euro relating to the senior tranche;
- securities issued by securitisation vehicles belonging to the illimity Group for a total of 5,3 million Euro;
- a subordinated loan issued by the parent company Banca Ifis for 373,2 million Euro, substantially in line with 31 December 2024;
- 5 senior bonds issued by Banca Ifis for a total of 1,5 billion Euro, an increase of 402,2 million Euro compared to the figure at the end of December 2024 due to the aforementioned issue of a new bond in July 2025;
- bonds issued by illimity Bank for a total of 573,7 million Euro, of which 197,3 million Euro relating to subordinated loans.

As a result of the dynamics described above and excluding the effect related to the acquisition of the illimity Group's funding, the average cost of funding at 31 December 2025 amounts to 3,30%, down from the average of 3,87% for 2024.

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Provisions for risks and charges

PROVISIONS FOR RISKS AND CHARGES (in thousands of Euro)	AMOUNTS				CHANGE (1)	
	31.12.2025	*of which: illimity Group*	*of which: Banca Ifis Group(2)*	31.12.2024	ABSOLUTE	%
Provisions for credit risk related to commitments and financial guarantees granted	8.538	*2.223*	*6.315*	5.222	1.093	20,9%
Provisions on other commitments and guarantees given	62	-	*62*	337	(275)	(81,6)%
Provisions for pensions	364	-	*364*	231	133	57,6%
Other provisions for risks and charges:	97.913	*20.627*	*77.286*	46.549	30.737	66,0%
of which: legal and tax disputes	*18.679*	*4.088*	*14.591*	*28.337*	*(13.746)*	*(48,5)%*
of which: personnel expenses	*48.976*	*8.901*	*40.075*	*1.931*	*38.144*	*n.s.*
of which: other	*30.258*	*7.638*	*22.620*	*16.281*	*6.339*	*38,9%*
Total provisions for risks and charges	**106.877**	***22.850***	***84.027***	**52.339**	**31.688**	**60,5%**

(1) The change shown refers only to changes in the Ifis Group perimeter excluding the illimity Group's contribution.
(2) Banca Ifis Group means the perimeter of the Banca Ifis Group, excluding the illimity Group's contribution and including the contribution made by Euclidea SIM.

Below is the breakdown of the provision for risks and charges at 31 December 2025 by type of dispute compared with the amounts for the end of the prior year (with the specification, where significant, of the effect on the variation level deriving from the contribution of the illimity Group or of Euclidea SIM).

Provisions for credit risk related to commitments and financial guarantees granted

At 31 December 2025, the balance of 8,5 million Euro reflects the write-down of irrevocable commitments to disburse funds and financial guarantees issued by the Group, and includes 2,2 million Euro in contributions from the illimity Group. Net of this effect, the item amounts to 6,3 million Euro, an increase of 20,9% compared to the figure at 31 December 2024.

Provisions on other commitments and guarantees given

At 31 December 2025, the balance of this item is 62 thousand Euro, and does not include balances from the illimity Group. This item decreases by 275 thousand Euro compared to the figure at 31 December 2024.

Provisions for pensions

The item includes the internal provision related to the post-retirement medical plan in favour of certain employees of the Banca Ifis Group, introduced in 2023: this is a defined benefit plan that provides for healthcare and other benefits to employees, even after retirement. The Group is responsible for the costs and risks associated with the provision of such benefits.

At 31 December 2025, the fund in question has a balance of 364 thousand Euro, and does not include contributions from the illimity Group. This balance is 57,6% higher than at 31 December 2024 due to provisions for the year.

Legal and tax disputes

At 31 December 2025, provisions for legal and tax disputes totalling 18,7 million Euro are recorded, of which 4,1 million Euro relate to funds associated with the illimity Group. Without this contribution, the funds in question amount to 14,6 million Euro, down from 28,3 million Euro at 31 December 2024. The decrease of 13,7 million Euro is mainly due to the release of provisions for risks and charges attributable to some individually significant positions of the Parent Company Banca Ifis, of which 4,1 million Euro was attributable to the positive resolution of an outstanding dispute related to the Factoring Area.

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Personnel expenses

As at 31 December 2025, there are provisions for personnel expenses of 49,0 million Euro, of which 8,9 million Euro arose from the illimity Group and related to the provision for the year for the management of the departures of certain executives of the illimity Group as part of the acquisition by Banca Ifis. Without considering the contribution of the illimity Group, the balance amounts to 40,1 million Euro, an increase of 38,1 million Euro compared to the figure as at 31 December 2024, mainly due to the provision of 40,0 million Euro for the year against the signing by the Parent Company Banca Ifis on 29 December 2025 of an agreement with the trade unions concerning a voluntary redundancy plan aimed at accompanying 120 employees to retirement, also through recourse to extraordinary benefits from the Solidarity Fund for the credit sector. For more details, refer to 'Part A - Accounting Policies', 'A.1 - General', 'Section 5 - Other Aspects', paragraph 'Significant Transactions during the Year' of the Notes to the Consolidated Financial Statements.

Other provisions for risks and charges

At 31 December 2025, there are "Other provisions" of 30,3 million Euro outstanding, of which 7,6 million Euro are associated with illimity Group events. Net of this effect, other provisions amount to 22,6 million Euro, an increase of 38,9% compared to the figure at 31 December 2024, which was 16,3 million Euro.

Net of the illimity Group's contribution, the item consists mainly of:

- 9,4 million Euro to cover risks related to outstanding disputes on tax credits for Super Ecobonus and other building tax bonuses purchased by the Parent Company Banca Ifis;
- 3,4 million Euro for Supplementary Customer Indemnity, almost entirely attributable to the operations of the Leasing Area;
- 2,3 million Euro for the provision for risks related to the disposal transactions carried out by the parent company Banca Ifis;
- 2,6 million Euro for the indemnity provision set aside for transactions carried out by the subsidiary Ifis Npl Investing;
- 0,5 million Euro for the complaints fund.

Consolidated equity

Consolidated equity comes to 2.140,5 million Euro at 31 December 2025, down by 392,4 million Euro compared to the figure at 31 December 2024. This increase is mainly related to:

- the profit for the year attributable to the parent company of 328,0 million Euro;
- the cumulative effect for a total of 183,1 million Euro, net of related costs, of the issuance of new Banca Ifis shares to service the offer on illimity Bank (for further details on this, refer to the specific section "Significant events during the year" within this Directors' Report on the Group);
- the negative change totalling 122,1 million Euro attributable to:
  - the payment in May 2025 of the balance dividend from 2024 profits in the amount of 48,8 million Euro;
  - the distribution in November 2025 of the 73,3 million Euro interim dividend from 2025 earnings;
- the positive change of 6,8 million Euro in relation to the allocation of bonuses to Top Management, linked to the "Short-Term Incentive System" ("STI") and the exercise of stock options under the "2021-2023 Long-Term Incentive Plan" (the "LTI Plan");
- the positive change in valuation reserves of 3,2 million Euro generated by the measurement of related assets at fair value;
- the positive change in non-controlling interests' equity of 5,0 million Euro, comprising a positive effect of 5,7 million Euro attributable to the non-controlling interests' equity acquired from the illimity Group and a positive effect of 0,3 million Euro related to movements during the financial year, which were partially

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offset by a negative effect of 1,0 million Euro due to the portion of the dividend relating to 2024 profits distributed to third parties by the subsidiary Banca Credifarma;

- the positive change of 2,6 million Euro related to the net effect of the micro fair value hedge of equity securities measured at fair value through other comprehensive income;
- the negative change amounting to 15,0 million Euro, relating to the recognition under the item "other liabilities" of the extraordinary contribution of 27,5% on the excess profits reserve, established pursuant to Article 1, paragraph 69, of Law No. 199 of 30 December 2005, for the Group's banks (Banca Ifis, illimity Bank and Banca Credifarma), which will be paid during 2026 following the relevant resolutions of the respective Boards of Directors. For further details, refer to the specific paragraph "Extraordinary Contribution Law No. 199 of 2025" within "Part A - Accounting Policies", "A.1 - General Part", "Section 5 - Other Aspects" of these Notes to the Consolidated Financial Statements.

The main changes in consolidated shareholders' equity are summarised in the following tables.

EQUITY: BREAKDOWN (in thousands of Euro)	AMOUNTS		CHANGE	
	31.12.2025	31.12.2024	ABSOLUTE	%
Share capital	61.819	53.811	8.008	14,9%
Share premiums	229.093	85.391	143.702	168,3%
Valuation reserves:	(16.840)	(28.144)	11.304	(40,2)%
- securities	*(16.650)*	*(23.150)*	*6.500*	*(28,1)%*
- defined benefit plans (e.g. severance indemnity)	*906*	*574*	*332*	*57,8%*
- exchange differences	*(5.274)*	*(5.437)*	*163*	*(3,0)%*
- hedging of equity securities at fair value through other comprehensive income	*4.178*	*(131)*	*4.309*	*n.s.*
Reserves	1.604.673	1.543.729	60.944	3,9%
Interim dividends (-)	(73.296)	(63.084)	(10.212)	16,2%
Treasury shares (-)	(13.701)	(20.971)	7.270	(34,7)%
Equity attributable to non-controlling interests	20.803	15.836	4.967	31,4%
Profit for the year attributable to the Parent Company	327.996	161.578	166.418	103,0%
Consolidated equity	**2.140.547**	**1.748.146**	**392.401**	**22,4%**

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CONSOLIDATED EQUITY: CHANGES	(in thousands of Euro)
Consolidated equity at 31.12.2024	**1.748.146**
Increases:	**530.493**
Profit for the year attributable to the Parent Company	327.996
Parent Company capital increases to service the Offer on illimity Bank	183.111
Sale/assignment of treasury shares	6.893
Change in valuation reserve:	6.347
- securities (net of realisations)	*3.220*
- defined benefit plans (e.g. severance indemnity)	*332*
- exchange differences	*163*
- hedging of equity securities at fair value through other comprehensive income (net of realisations)	*2.632*
Changes in equity interests	133
Equity attributable to non-controlling interests:	6.013
- of which from business combinations (acquisition of illimity Group)	*5.686*
- of which other changes	*327*
Decreases:	**138.092**
Dividends distributed:	122.122
- of which dividend balance on 2024 profit	*48.826*
- of which interim dividend on 2025 profit	*73.296*
Equity attributable to non-controlling interests (dividends distributed to third parties)	1.046
Reduction in 'other reserves' for payment of extraordinary contribution Law No. 199 of 2025	14.881
Other changes	43
Consolidated equity at 31.12.2025	**2.140.547**

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Reconciliation of equity and the net result of the Parent Company with the consolidated data attributable to the Parent Company

The following table provides a reconciliation of Banca Ifis S.p.A.'s equity and earnings with the Group's respective figures as at 31 December 2025:

RECONCILIATION OF EQUITY AND THE NET RESULT OF THE PARENT COMPANY WITH THE CONSOLIDATED DATA ATTRIBUTABLE TO THE PARENT COMPANY (in thousand Euro)	31.12.2025	
	EQUITY	*OF WHICH: PROFIT (LOSS) FOR THE YEAR*
Balances of the Parent Company Banca Ifis	**1.622.224**	***160.899***
Difference compared to the carrying amounts of the companies consolidated	519.140	*348.631*
- Ifis Finance Sp. z o.o.	*27.009*	*3.231*
- Ifis Finance I.F.N. S.A.	*30*	*757*
- Ifis Rental Services	*49.351*	*9.687*
- Cap.Ital.Fin.	*-*	*(2.879)*
- Banca Credifarma	*77.110*	*12.101*
- Ifis Npl Investing	*231.118*	*233.374*
- Ifis Npl Servicing	*113.081*	*91.996*
- illimity Group	*21.511*	*521*
- Euclidea SIM[2]	*(70)*	*(157)*
Elimination of intra-group dividends	-	*(182.482)*
Other consolidation entries	(817)	*948*
Consolidated balances attributable to the Parent Company	**2.140.547**	***327.996***

Own funds and capital adequacy ratios

Own funds, risk weighted assets and capital ratios as at 31 December 2025 were determined on the basis of the harmonised rules for banks and investment firms contained in Directive 2013/36/EU (CRD) and Regulation (EU) No. 575/2013 (CRR), which transpose the standards set by the Basel Committee into the European Union.

On 19 June 2024, Regulation (EU) 1623/2024 (the "CRR3") dated 31 May 2024 and Directive (EU) 2024/1619/EU (so called CRD IV) dated 31 May 2024 were published in the Official Journal of the European Union, amending Regulation (EU) 575/2013 (CRR) and Directive 2013/36/EU (CRD) respectively.

With certain exceptions, the amendments came into force on 1 January 2025.

This regulatory framework is made applicable in Italy by means of Bank of Italy Circular No. 285 published on 17 December 2013 and subsequent updates.

[2] *Effective 26 January 2026 Euclidea SIM was renamed Fürstenberg SIM.*

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OWN FUNDS AND CAPITAL ADEQUACY RATIOS: (in thousand Euro)	Amounts at	
	31.12.2025 (*)	31.12.2024 (**)
Common Equity Tier 1 (CET1) capital	1.802.310	1.583.801
Tier 1 capital (T1)	1.803.194	1.584.703
Total Own Funds	2.131.775	1.781.416
Total RWAs	**13.913.593**	**9.836.093**
Common Equity Tier 1 ratio	12,95%	16,10%
Tier 1 Capital ratio	12,96%	16,11%
Ratio – Total Own Funds	15,32%	18,11%

(*) CET1, Tier1 and Total Capital include the profits accrued by the Banking Group at 31 December 2025, net of the related dividend, including the portion distributed on an interim basis in compliance with the provisions of Article 2433, paragraph 4 of the Italian Civil Code.
(**) CET1, TIER1 and Total Capital include the profits accrued by the Banking Group at 31 December 2024, net of the related dividend, including the portion distributed on an interim basis in compliance with the provisions of Article 2433, paragraph 4 of the Italian Civil Code.

As at 31 December 2025, own funds, taking into account the transitional treatment adopted to sterilise the effects of unrealised gains and losses measured at fair value with an impact on comprehensive income relating to exposures to central governments, amount to 2.132 million Euro. Own funds also take into account:

- profits accrued by the Banca Ifis Group as at 31 December 2025 net of the relevant dividend, including the portion distributed on account in compliance with the provisions of Article 2433(4) of the Italian Civil Code;
- of the applicable amount of the shortfall in coverage for impaired exposures (referred to as "Calendar Provisioning") as provided for in Regulation (EU) 630/2019 of 17 April 2019;
- the effects arising from the IPO on illimity Bank and the consolidation of the illimity Group, the impacts of which are mainly attributable to i) capital increase to service the IPO in the amount of 183,5 million Euro ii) inclusion of the final 'gain on a bargain purchase' in the amount of 309,9 million Euro, following the conclusion of the PPA process required by IFRS 3.

STATEMENT OF FINANCIAL POSITION DATA (in thousand Euro)	SEGMENT COMMERCIAL & CORPORATE BANKING	COMMERCIAL & CORPORATE BANKING			NPL SEGMENT	SEGMENT NON-CORE AND GOVERNANCE & SERVICES	illimity	CONS. GROUP TOTAL
		of which: FACTORING AREA	*of which: LEASING AREA*	*of which: CORPORATE BANKING & LENDING AREA*				
Total RWA per segment	**5.923.080**	**2.467.630**	**1.288.940**	**2.166.510**	**1.819.369**	**1.215.149**	**3.480.873**	**12.438.471**
Market risk								70.152
Operational risk								1.193.979
Risk of adjustment of the credit rating								210.992
Total RWAs								**13.913.593**

Tab. 3 RWAs by segments as at 31/12/2025

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As at 31 December 2025, risk weighted assets amount to 13.914 million Euro, mainly attributable to the credit and counterparty risk component and, to a lesser extent, to operational, market and credit valuation adjustment (CVA) risk, and also taking into account the consolidation of the risk weighted assets of the illimity Group.

Based on the above, the capital ratios as at 31 December 2025 were as follows:

- CET1 Ratio of 12,95%;
- Tier 1 Ratio of 12,96%;
- Total Capital Ratio: 15,32%.

Lastly, it should be noted that, following the agreements to sell the stake in Hype and a distressed position, which were finalised in January and February 2026, the *pro-forma* CET1 stood at 13,7% with an overall benefit of approximately 70 bps.

Consolidated own funds and capital adequacy ratios - Fully loaded

As at 31 December 2025, excluding the transitional filter resulting from the sterilisation of unrealised gains and losses measured at fair value with impact on comprehensive income, relating to exposures to central governments, own funds amount to 2.121 million Euro and RWA under full application amount to 14.742 million Euro

OWN FUNDS AND CAPITAL ADEQUACY RATIOS: (in thousand Euro)	Amounts at	
	31.12.2025 (*)	31.12.2024 (**)
Common Equity Tier 1 (CET1) capital	1.791.696	1.561.703
Tier 1 capital (T1)	1.792.853	1.562.605
Total Own Funds	2.121.434	1.759.318
Total RWAs	**14.741.738**	**9.836.093**
Common Equity Tier 1 ratio	12,16%	15,88%
Tier 1 Capital ratio	12,16%	15,89%
Ratio – Total Own Funds	**14,39%**	**17,89%**

(*) CET1, Tier1 and Total Capital include the profits accrued by the Banking Group at 31 December 2025, net of the related dividend, including the portion distributed on an interim basis in compliance with the provisions of Article 2433, paragraph 4 of the Italian Civil Code.
(**) CET1, TIER1 and Total Capital include the profits accrued by the Banking Group at 31 December 2024, net of the related dividend, including the portion distributed on an interim basis in compliance with the provisions of Article 2433, paragraph 4 of the Italian Civil Code.

Supervisory review and evaluation process (SREP)

For the sake of comparison, it should be noted that at 31 December 2025, Banca Ifis, at the consolidated level, is required to comply with the following capital requirements, as part of the Supervisory Review and Evaluation Process (SREP):

- Common Equity Tier 1 (CET1) capital ratio of 8,82%, with a required minimum of 5,50%;
- Tier 1 Capital Ratio of 10,72%, with a required minimum of 7,4%;
- Total Capital Ratio of 13,12%, with a required minimum of 9,80%.

In order to ensure a level of capital that can absorb any losses arising from stress scenarios, as referred to in Article 104 ter of EU Directive 36/2013, the Bank of Italy has also set the following capital levels for the Banca Ifis Group, to which the specific countercyclical coefficient is added:

- CET 1 ratio of 9,82%, consisting of an OCR CET1 ratio of 8,82% and a target component (Pillar 2 Guidance) of 1,00%;

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- Tier 1 ratio of 11,72%, consisting of an OCR T1 ratio of 10,72% and a target component (Pillar 2 Guidance) of 1,00%;
- Total Capital Ratio of 14,12%, consisting of an OCR TC ratio of 13,12% and a target component (Pillar 2 Guidance) of 1,00%.

As at 31 December 2025, the Systemic Risk Buffer (SyRB) is calculated at the target rate of 1,0% applied to material exposures, both at the consolidated and individual level.

Below is a summary table of the requirements in force.

Overall Capital Requirement (OCR)								Pillar 2 Guidance	Total
	Art. 92 CRR	SREP	TSCR	COMBINED REQUIREMENT *			OCR ratio	P2G	OCR and P2G
				RCC	COUNTERCYCLICAL BUFFER	SYSTEMIC RISK			
CET1	4,50%	1,00%	5,50%	2,50%	0,03%	0,79%	8,82%	1,00%	9,82%
Tier 1	6,00%	1,40%	7,40%	2,50%	0,03%	0,79%	10,72%	1,00%	11,72%
TC	8,00%	1,80%	9,80%	2,50%	0,03%	0,79%	13,12%	1,00%	14,12%

At 31 December 2025, the Banca Ifis Group easily met the above-specified requirements.

Procedure for determining the minimum requirement for liabilities subject to bail-in

The minimum requirements of Own Funds and Eligible Liabilities (MREL) communicated by the Bank of Italy to the Parent Company Banca Ifis following the conclusion of the review process of the same, to be maintained at an individual level, are 13,12% of TREA[3] (Total Risk Exposure Amount) and 4,66% of LRE (Leverage Ratio Exposure).

At 31 December 2025, following the monitoring process, both indicators were easily met.

It is also noted that following the introduction of EU Directive 2024/1174 (the "Daisy Chain Act") there is no longer a minimum MREL requirement in respect of the subsidiary Banca Credifarma.

Group liquidity position and coefficients

The Group has liquidity at 31 December 2025 (in reserves and free assets that can be financed in the ECB) such as to enable it to easily respect the LCR and NSFR limits (with indexes of 747% and 118% respectively).

[3] Alternatively, the MREL can be calculated by not deducting the combined buffer requirement from the numerator and calculating the floor by adding the following requirements: regulatory requirement under Art. 92, paragraph 1, letter c) Reg. 575/2013, amounting to 8%, SREP add-on requirement of 1,8%, and an add-on double the combined capital buffer requirement of 6,64% as of the reporting date. The minimum threshold added together is 16,44%.

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Reclassified income statements items

In connection with the acquisition of control of illimity Bank S.p.A. and Euclidea SIM S.p.A. (the latter subsequently renamed Fürstenberg SIM S.p.A. as from 26 January 2026), finalised respectively on 4 July 2025 and 21 November 2025, and the consequent inclusion in the Banca Ifis Group's scope of consolidation of these acquired companies and, in the case of illimity Bank, also of the other companies belonging to the so-called "illimity Group"), the economic figures at 31 December 2025 are not fully comparable with those at the end of the previous year. However, it should be noted that in the tables and comments to the individual items, the contributions of the illimity Group and of Euclidea SIM are presented, where relevant. For more details on the contribution of the illimity Group, refer to the section 'Performance of the Group's Main Companies' in the Directors' Report on the Group below.

Formation of net banking income

Net banking income amounts to 789,5 million Euro, of which 122,7 million Euro relate to the limited contribution to the second quarter 2025 of the illimity Group. Net of this effect, the margin stood at 666,8 million Euro, down compared to 699,2 million Euro as at 31 December 2024, mainly as a result of the lower contribution from net interest income.

The main components of net banking income and their changes compared to the previous year are presented below.

FORMATION OF NET BANKING INCOME (in thousands of Euro)	AMOUNTS				CHANGE (1)	
	31.12.2025	*of which: illimity Group*	*of which: Banca Ifis Group(2)*	31.12.2024	ABSOLUTE	%
Net interest income	**559.345**	***88.546***	***470.799***	**532.505**	**(61.706)**	**(11,6)%**
Net commission income	**122.574**	***31.450***	***91.124***	**91.775**	**(651)**	**(0,7)%**
Other components of net banking income	107.540	*2.699*	*104.841*	74.872	29.969	40,0%
Net banking income	**789.459**	***122.695***	***666.764***	**699.152**	**(32.388)**	**(4,6)%**

(1) The change shown refers only to changes in the Ifis Group perimeter excluding the illimity Group's contribution.
(2) Banca Ifis Group means the perimeter of the Banca Ifis Group, excluding the illimity Group's contribution and including the contribution made by Euclidea SIM.

Net interest income amounts to 559,3 million Euro, of which 88,5 million Euro come from the July-December 2025 contribution of the illimity Group. Adjusting for this effect, it amounts to 470,8 million Euro, down from 532,5 million Euro at 31 December 2024. 2025 net interest income was affected by the less favourable development of reference rates. The Commercial & Corporate Banking Segment contributed 219,0 million Euro (down from 238,8 million Euro in 2024, mainly due to lower contributions from the Factoring Area as well as the Lending and Corporate Banking Segment), while the Npl Segment recorded net interest income of 269,1 million Euro (down slightly from 280,3 million Euro in 2024). On the other hand, in the Governance & Services and Non-Core Segment, its contribution to the margin decreased by 30,8 million Euro compared to the previous year, mainly due to lower margins in the area of treasury (-23,5 million Euro), the physiological lower contribution of the run-off portfolio of the Non-Core division (-4,4 million Euro) as well as the lower contribution of the Proprietary Finance division (-3,2 million Euro).

Net commissions amount to 122,6 million Euro, of which 31,5 million Euro attributable to the second-half result of the illimity Group. Net of this component, the commission margin amounts to 91,1 million Euro, essentially in line with the figure of 91,8 million Euro at 31 December 2024. In particular:

- commission income amounts to 150,7 million Euro, of which 38,5 million Euro related to the second-half figure for the illimity Group. Net of this effect, commission income amounts to 112,2 million Euro, essentially in line with 31 December 2024, and mainly refers to factoring commissions relating to the

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homonymous Area of the Commercial & Corporate Banking Segment, charged to the turnover generated by individual customers (on a non-recourse or with-recourse basis, in the flat or monthly formula), commissions for Structured Finance transactions, leasing transactions (associated with the homonymous Area of the Commercial & Corporate Banking Segment), servicing activities on behalf of third parties and other fees usually requested from customers for the services provided;

- commission expenses amount to 28,1 million Euro, and this figure includes 7,1 million Euro in commission costs associated with the illimity Group for the six months July-December 2025. Without this effect, commission expenses amount to 21,0 million Euro, up 6,5% compared with the figure at 31 December 2024, and essentially refer to commissions paid to banks and financial intermediaries such as management commissions, commissions paid to third parties for the distribution of Leasing Area products as well as the intermediation activity of affiliated banks and other credit brokers.

The other components of the net banking income amount to 107,5 million Euro at 31 December 2025, and this figure includes 2,7 million Euro of the illimity Group's contribution relating to the second half of 2025. Excluding this component, this economic aggregate amounts to 104,8 million Euro, an increase of 30,0 million Euro compared to 2024. The components of the total balance of the item at 31 December 2025 are shown below:

- net gains from the sale/repurchase of financial assets and liabilities in the amount of 46,4 million Euro, within which are included net losses of 0,7 million Euro related to the economic effect of the disposals carried out in the six months, July-December 2025 by the illimity Group. Net of this effect, net profits amount to 47,1 million Euro, an increase of 5,8 million Euro compared to net profits of 41,3 million Euro at 31 December 2024) and consist mainly of:
  - 14,8 million Euro related to securities trading in Banca Ifis's proprietary portfolio, mainly due to divestments of debt securities (down from the figure of 25,1 million Euro for 2024), of which 8,5 million Euro related to bank debt securities and 5,4 million Euro to government securities;
  - 32,6 million Euro from the disposal of loans in the Npl Segment (up significantly from the figure of 16,1 million Euro at 31 December 2024);
- positive net result of other financial assets and liabilities measured at fair value through profit or loss of 21,4 million Euro, and includes a positive contribution of 1,7 million Euro from the illimity Group for July-December 2025. Net of this component, the item amounts to 19,7 million Euro, down 4,4 million Euro compared to the figure at 31 December 2024, mainly reflecting the net positive changes in fair value in 2025 of the UCITS fund units of Banca Ifis and the Npl Segment for 7,3 million Euro (+0,7 million Euro compared to 31 December 2024) and equity securities of the Parent Company for 12,0 million Euro, a decrease of 4,8 million Euro compared to the figure at 31 December 2024 (which, however, included the capital gain from the sale of 6,2 million Euro of equity financial instruments arising from a debt restructuring transaction of a position in the Non-Core division);
- dividends and similar income generated from shares in the Banca Ifis Group's proprietary portfolio in the amount of 32,1 million Euro, of which 1,1 million Euro came from dividends recorded in the second half of 2025 on the proprietary portfolio of the illimity Group. Net of this contribution, the item amounts to 31,0 million Euro (+18,5 million Euro compared to the figure for 2024);
- positive net trading result of 5,8 million Euro, of which 0,8 million Euro related to the positive result recorded in the second half of 2025 by the illimity Group. Excluding this effect, the net result from trading activities is positive by 5,1 million Euro, an improvement of 6,9 million Euro compared to the negative net result of 1,9 million Euro in 2024, mainly due to the better performance of trading derivatives (+6,6 million Euro compared to the balance at 31 December 2024);
- net result of hedging activities positive for 1,9 million Euro as of 31 December 2025, which includes the negative contribution of 0,1 million Euro related to the ineffectiveness on the July-December 2025 period of the hedging strategies activated by the illimity Group. Net of this effect, the net result is a positive 2,0 million Euro, a significant improvement over the negative figure of 1,1 million Euro at 31 December 2024.

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Formation of net profit (loss) from financial activities

Net profit from financial activities amounts to 680,5 million Euro, of which 42,0 million Euro related to the second half 2025 contribution of the illimity Group. Excluding this effect, the net profit would have been 638,5 million Euro compared with the figure of 661,5 million Euro at 31 December 2024 (-3,5%).

FORMATION OF NET PROFIT (LOSS) FROM FINANCIAL ACTIVITIES (in thousands of Euro)	AMOUNTS				CHANGE (1)	
	31.12.2025	*of which: illimity Group*	*of which: Banca Ifis Group(2)*	31.12.2024	ABSOLUTE	%
Net banking income	**789.459**	***122.695***	***666.764***	**699.152**	**(32.388)**	**(4,6)%**
Net credit risk losses/reversals	(108.969)	*(80.682)*	*(28.287)*	(37.670)	9.383	(24,9)%
Net profit (loss) from financial activities	**680.490**	***42.013***	***638.477***	**661.482**	**(23.005)**	**(3,5)%**

(1) The change shown refers only to changes in the Ifis Group perimeter excluding the illimity Group's contribution.
(2) Banca Ifis Group means the perimeter of the Banca Ifis Group, excluding the illimity Group's contribution and including the contribution made by Euclidea SIM.

Net credit risk losses amount to 109,0 million Euro at 31 December 2025, of which 80,7 million Euro related to the credit cost for the July-December 2025 period of the illimity Group. Net of the illimity Group's contribution, net losses amount to 28,3 million Euro, down 9,4 million Euro from 37,7 million Euro at 31 December 2024.

For further details regarding the various dynamics associated with the reclassified credit cost, refer to the more detailed discussion in the following paragraph "Contribution of operating Segments to Group results".

Formation of net profit for the year

The breakdown of net profit for the year is summarised in the table below.

FORMATION OF NET PROFIT (in thousands of Euro)	AMOUNTS				CHANGE (1)	
	31.12.2025	*of which: illimity Group*	*of which: Banca Ifis Group(2)*	31.12.2024	ABSOLUTE	%
Net profit (loss) from financial activities	**680.490**	***42.013***	***638.477***	**661.482**	**(23.005)**	**(3,5)%**
Operating costs	**(499.660)**	***(89.663)***	***(409.997)***	**(406.916)**	**(3.081)**	**0,8%**
Charges related to the banking system	(1.281)	*(681)*	*(600)*	(8.136)	7.536	(92,6)%
Net allocations to provisions for risks and charges	(4.525)	*(152)*	*(4.373)*	(478)	(3.895)	814,9%
Non-recurring expenses and income	201.394	*(21.420)*	*222.814*	(610)	223.424	n.s.
of which: for gain on a bargain purchase on acquisition illimity Bank	*309.939*	-	*309.939*	-	*309.939*	*n.a.*
Profit (loss) on equity investments	198	*198*	-	-	-	n.a.
Gains (losses) on disposal of investments	195	*195*	-	-	-	n.a.
Pre-tax profit (loss) from continuing operations	**376.811**	***(69.510)***	***446.321***	**245.342**	**200.979**	**81,9%**
Income taxes for the year relating to current operations	(47.903)	*(7.600)*	*(40.303)*	(82.168)	41.865	(51,0)%
Profit (loss) for the year	**328.908**	***(77.110)***	***406.018***	**163.174**	**242.844**	**148,8%**
Profit (loss) for the year attributable to non-controlling interests	(912)	*545*	*(1.457)*	(1.596)	139	(8,7)%
Profit (loss) for the year attributable to the Parent Company	**327.996**	***(76.565)***	***404.561***	**161.578**	**242.983**	**150,4%**

(1) The change shown refers only to changes in the Ifis Group perimeter excluding the illimity Group's contribution.
(2) Banca Ifis Group means the perimeter of the Banca Ifis Group, excluding the illimity Group's contribution and including the contribution made by Euclidea SIM.

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Operating costs amount to 499,7 million Euro, of which 89,7 million Euro related to the six-month July-December 2025 operations of the illimity Group. Adjusted for this illimity effect, operating costs amount to 410,0 million Euro, substantially in line with the figure as at 31 December 2024.

OPERATING COSTS (in thousands of Euro)	AMOUNTS				CHANGE (1)	
	31.12.2025	*of which: illimity Group*	*of which: Banca Ifis Group(2)*	31.12.2024	ABSOLUTE	%
Administrative expenses:	509.204	*89.101*	*420.103*	417.390	2.713	0,6%
a) personnel expenses	*209.906*	*32.897*	*177.009*	*169.852*	*7.157*	*4,2%*
b) other administrative expenses	*299.298*	*56.204*	*243.094*	*247.538*	*(4.444)*	*(1,8)%*
Net impairment losses/reversals on property, plant and equipment and intangible assets	36.814	*7.563*	*29.251*	23.276	5.975	25,7%
Other operating income/expenses	(46.358)	*(7.001)*	*(39.357)*	(33.750)	(5.607)	16,6%
Operating costs	**499.660**	***89.663***	***409.997***	**406.916**	**3.081**	**0,8%**

(1) The change shown refers only to changes in the Ifis Group perimeter excluding the illimity Group's contribution.
(2) Banca Ifis Group means the perimeter of the Banca Ifis Group, excluding the illimity Group's contribution and including the contribution made by Euclidea SIM.

Personnel expenses amount to 209,9 million Euro, and include 32,9 million Euro of the cost for the second half of 2025 related to employees of the illimity Group. Net of this effect, personnel expenses amount to 177,0 million Euro, an increase of 4,2% compared to the previous year. The number of Banca Ifis Group employees as at 31 December 2025 was 2.695, of which 19 were from the acquisition of Euclidea SIM[4] and 672 related to the illimity Group scope of the acquisition. Net of these scopes, the number of employees was 2.004 (2.013 resources as at 31 December 2024).

Other administrative expenses at 31 December 2025 amount to 299,3 million Euro, of which 56,2 million Euro related to the contribution for the six months July-December 2025 of the illimity Group. Excluding this contribution, the figure amounts to 243,1 million Euro, down 4,4 million Euro compared to 31 December 2024.

The performance of this item is detailed in the table below.

[4] Euclidea SIM as of 26 January 2026 was renamed Fürstenberg SIM.

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OTHER ADMINISTRATIVE EXPENSES (in thousands of Euro)	AMOUNTS				CHANGE (1)	
	31.12.2025	*of which: illimity Group*	*of which: Banca Ifis Group(2)*	31.12.2024	ABSOLUTE	%
Expenses for professional services	**129.643**	***11.104***	***118.539***	**134.731**	**(16.192)**	**(12,0)%**
Legal and consulting fees	92.278	*8.341*	*83.937*	92.898	(8.961)	(9,6)%
Fees to auditing firms	1.879	*628*	*1.251*	1.173	78	6,7%
Outsourced services	35.486	*2.136*	*33.350*	40.660	(7.310)	(18,0)%
Direct and indirect taxes	**40.875**	***5.340***	***35.535***	**37.448**	**(1.913)**	**(5,1)%**
Expenses for purchasing goods and other services	**128.780**	***39.761***	***89.019***	**75.359**	**13.660**	**18,1%**
Customer information	8.105	*16*	*8.089*	8.019	70	0,9%
Software assistance and hire	55.422	*30.511*	*24.911*	22.556	2.355	10,4%
Postage and archiving of documents	2.996	*92*	*2.904*	3.597	(693)	(19,3)%
Property expenses	12.361	*2.376*	*9.985*	7.966	2.019	25,3%
Advertising and inserts	19.264	*827*	*18.437*	12.176	6.261	51,4%
Business travel and transfers	5.825	*275*	*5.550*	5.555	(5)	(0,1)%
Car fleet management and maintenance	3.940	*206*	*3.734*	3.556	178	5,0%
Telephone and data transmission expenses	3.556	*76*	*3.480*	3.342	138	4,1%
Securitisation costs	4.044	*2.249*	*1.795*	1.808	(13)	(0,7)%
Other sundry expenses	13.267	*3.132*	*10.135*	6.784	3.351	49,4%
Total other administrative expenses	**299.298**	***56.204***	***243.094***	**247.538**	**(4.444)**	**(1,8)%**

(1) The change shown refers only to changes in the Ifis Group perimeter excluding the illimity Group's contribution.
(2) Banca Ifis Group means the perimeter of the Banca Ifis Group, excluding the illimity Group's contribution and including the contribution made by Euclidea SIM.

The sub-item "expenses for professional services" amount to 129,6 million Euro at 31 December 2025, of which 11,1 million Euro for expenses accruing in the second half of 2025 related to the illimity Group. Net of this effect, the sub-item amounts to 118,5 million Euro, down 16,2 million Euro compared to 31 December 2024 (-12,0%). Expenses for professional services consist mainly of:

- "legal and consulting fees", which amount to 92,3 million Euro in 2025, of which 8,3 million Euro for costs in the six months of July-December 2025 related to the illimity Group. Stripping the balance from this effect, it amounts to 83,9 million Euro, down 9,6% from the previous year's figure, mainly due to lower consulting costs;
- costs for "outsourced services", which amount to 35,5 million Euro at 31 December 2025 and include 2,1 million Euro in costs for the third quarter of 2025 for outsourcing activities within the illimity Group. Without this contribution, costs for outsourced activities amount to 33,4 million Euro, a decrease of 7,3 million Euro compared to the figure for last year. The change is mainly attributable to lower recovery costs related to the Npl Segment.

The sub-item "direct and indirect taxes", amounting to 40,9 million Euro, includes 5,3 million Euro relating to expenses for indirect taxes and duties of the illimity Group pertaining to the second half of 2025. Net of this effect, the sub-item amounts to 35,5 million Euro, a reduction of 5,1% compared with the figure at 31 December 2024.

The sub-item "expenses for purchasing goods and other services" amounts to 128,8 million Euro, of which 39,8 million Euro related to the July-December 2025 contribution of the illimity Group. Excluding this contribution, the

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sub-item amounts to 89,0 million Euro, an increase of 18,1% compared to 31 December 2024. The factors that mainly influence the balance of this sub-item are:

- costs for "software assistance and hire", which amount to 55,4 million Euro and include the effect of the second half of 2025 from the illimity Group in the amount of 30,5 million Euro. Net of this, these costs amount to 24,9 million Euro and are up (+10,4%) compared to the figure for 31 December 2024;
- "property expenses", amounting to 12,4 million Euro and including 2,4 million Euro for the contribution of the illimity Group for the second half of 2025. After deducting this contribution, the expenses in question amount to 10,0 million Euro, an increase of 25,3% compared to December 2024 (+2,0 million Euro);
- expenses for “advertising and inserts”, which increase from 12,2 million Euro to 19,3 million Euro in December 2025, of which 0,8 million Euro for the illimity Group’s promotional costs pertaining to July-December 2025. Excluding this effect, the balance is equal to 18,4 million Euro (+6,3 million Euro compared to 31 December 2024).

Net value adjustments on tangible and intangible assets amount to 36,8 million Euro at 31 December 2025, and include value adjustments pertaining to the illimity Group for July-December 2025 amounting to 7,6 million Euro. Without these effects, the balance amounts to 29,3 million Euro, up 25,7% compared to the figure for the previous year, following the investments in tangible and intangible assets made by the Banca Ifis Group (excluding those indirectly resulting from the acquisition of the illimity Group) during 2024 and 2025.

Other net operating income, amounting to 46,4 million Euro at 31 December 2025, includes the second half 2025 contribution of the illimity Group, represented by net income of 7,0 million Euro. Excluding this effect, other net income amounts to 39,4 million Euro, up 5,6 million Euro (+16,6%) compared to the figure at 31 December 2024. The item refers mainly to revenue from the recovery of expenses charged to third parties. The relevant cost component is included in other administrative expenses, namely under legal expenses and indirect taxes, as well as recoveries of expenses associated with leasing operations.

As a result of the dynamics outlined above, operating costs at 31 December 2025 amount to 499,7 million Euro, and include a total of 89,7 million Euro in costs related to the illimity Group's operations in the July-December 2025 period. Without this contribution, operating costs amount to 410,0 million Euro, essentially stable compared to the December 2024 balance.

The item “charges relating to the banking system” includes costs incurred during the year for the operation of the banking system guarantee funds, and amounts to 1,3 million Euro at 31 December 2025, of which 0,7 million Euro represented the contribution of the illimity Group. The balance as at 31 December 2024 amounts to 8,1 million Euro, relating to the cost of the annual contribution to the Interbank Deposit Protection Fund (FITD), of which 7,9 million Euro were attributable to Banca Ifis and the remaining amount to Banca Credifarma.

The item “net allocations to provisions for risks and charges” recorded net allocations of 4,5 million Euro as at 31 December 2025; this figure includes the effect of the illimity Group for the six-month period from July to December 2025, amounting to net allocations of 0,2 million Euro. Net of this component, the balance as at 31 December 2025 shows net allocations of 4,4 million Euro, while the comparative balance as at 31 December 2024 reported net allocations of 0,5 million Euro. Refer to the previous section "Reclassified Statement of financial position items" for details on changes in the provisions for risk and charges during the year.

The item "non-recurring charges and income" shows a net positive balance of 201,4 million Euro at 31 December 2025 and consists of the following items:

- non-recurring operating costs attributable to 2025, amounting to 108,5 million Euro and mainly related to the public exchange and purchase offer for illimity Bank launched by Banca Ifis in January 2025 (for more details see the section on “Significant events during the year” within this Directors’ Report on the Group), as well as to the process of integrating the illimity Group companies into the Banca Ifis Group (such as personnel expenses incurred for voluntary redundancy incentive schemes), of which 87,1 million Euro

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relate to costs incurred by the Parent Company Banca Ifis and 21,4 million Euro to expenses recognised by illimity Bank (the latter limited to the period from July to December 2025);

- the non-recurring income relating to the "gain on a bargain purchase" in accordance with IFRS 3 in the amount of 309,9 million Euro, arising from the acquisition of illimity Bank on 4 July 2025 and from the comparison between the consideration paid and the fair value of the net assets acquired (for more details on the determination of this income, refer to "Part G - Business Combination Transactions involving Companies or Business Units" in the Notes to the Consolidated Financial Statements).

At 31 December 2025, there are net profits on equity investments of 0,2 million Euro, which are entirely attributable to the illimity Group (and therefore this amount is limited to the second half of 2025). Specifically, it represents the effect on the six-month period from July to December 2025 of the valuation of investments subject to joint control or significant influence by illimity Bank.

In 2025, there are net gains from the sale of investments in the amount of 0,2 million Euro, entirely attributable to income realised in the second half of 2025 by the illimity Group.

Profit from current operations before tax amounts to 376,8 million Euro, and incorporates the illimity Group's second-half 2025 earnings before tax loss of 69,5 million Euro.

Income taxes for the nine months ended 31 December 2025 amount to 47,9 million Euro, and include 7,6 million Euro in respect of taxes for the second half of 2025 of the illimity Group (including the tax effect related to the PPA). At the overall level, the tax rate was 12,71%, reflecting the non-taxability of the aforementioned 309,9 million Euro gain on a bargain purchase and the non-recognition of deferred tax assets from tax losses accrued in respect of the companies acquired during the year.

Stripping minority profits for 0,9 million Euro, net profit attributable to the Parent Company amounting to 328,0 million Euro, including the negative contribution from the illimity Group in the second half of 2025 of 76,6 million Euro and the non-recurring effects related to the public exchange and purchase offer for illimity Bank and to the integration process of the illimity Group companies, which are summarised under the item “non-recurring income and expenses”.

In order to isolate the extraordinary effects on the Group's income statement of the income and expenses related to the business combination carried out during the year, the following table provides a normalisation of the result at 31 December 2025.

NORMALISATION PROFIT (LOSS) FOR THE YEAR (in thousand Euro)	AMOUNTS				CHANGE (1)	
	31.12.2025	*of which: illimity Group*	*of which: Banca Ifis Group(2)*	31.12.2024	ABSOLUTE	%
Profit (loss) for the year attributable to the Parent company	**327.996**	***(76.565)***	***404.561***	**161.578**	**242.983**	**150,4%**
gain on a bargain purchase on acquisition of illimity Bank	*(309.939)*	-	*(309.939)*	-	*(309.939)*	*n.a.*
non-recurring charges (net of tax effect)	*79.513*	*18.972*	*60.541*	*356*	*60.184*	*n.s.*
taxes on closure of litigation	*10.516*	*10.516*	-	-	-	*n.a.*
Normalised profit (loss) for the year attributable to the Parent Company	**108.086**	***(47.077)***	***155.163***	**161.934**	**(6.772)**	**(4,2)%**

(1) The change shown refers only to changes in the Ifis Group perimeter excluding the illimity Group's contribution.
(2) Banca Ifis Group means the perimeter of the Banca Ifis Group, excluding the illimity Group's contribution and including the contribution made by Euclidea SIM.

In addition to the gain on a bargain purchase and the non-recurring expenses mainly incurred for the acquisition and integration of the illimity Group, net of the related tax effect, the tax effects related to the settlement of a

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dispute of the illimity Group as a result of the new strategic choices in the new parent company Banca Ifis have been excluded.

Net of the above, the normalised result for FY 2025 amounts to 108,1 million Euro, and includes a normalised loss of 47,1 million Euro relative to the contribution of the illimity Group. Adjusting for this effect, the normalised result amounts to 155,2 million Euro, a decrease of 6,8 million Euro compared to the normalised result for the previous year (from which the non-recurring expenses for 2024, connected to the integration of the former Revalea within the Banca Ifis Group, were excluded, net of the relative tax effect).

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Reclassified quarterly evolution

RECLASSIFIED CONSOLIDATED INCOME STATEMENT: QUARTERLY EVOLUTION (in thousands of Euro)	YEAR 2025				YEAR 2024			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net interest income	**186.544**	**130.291**	**111.756**	**130.754**	**128.106**	**117.036**	**146.605**	**140.758**
Net commission income	**40.129**	**38.091**	**23.829**	**20.525**	**22.209**	**22.657**	**23.835**	**23.074**
Other components of net banking income	26.391	17.053	36.582	27.514	17.001	17.629	18.836	21.406
Net banking income	**253.064**	**185.435**	**172.167**	**178.793**	**167.316**	**157.322**	**189.276**	**185.238**
Net credit risk losses/reversals	(78.553)	(11.256)	(10.991)	(8.169)	(8.795)	(13.034)	(7.252)	(8.589)
Net profit (loss) from financial activities	**174.511**	**174.179**	**161.176**	**170.624**	**158.521**	**144.288**	**182.024**	**176.649**
Personnel expenses	(62.032)	(62.777)	(42.917)	(42.180)	(42.617)	(40.622)	(43.217)	(43.396)
Other administrative expenses	(95.329)	(84.722)	(61.952)	(57.295)	(69.975)	(53.376)	(62.246)	(61.941)
Net impairment losses/reversals on property, plant and equipment and intangible assets	(12.588)	(10.598)	(7.183)	(6.445)	(6.257)	(6.199)	(5.646)	(5.174)
Other operating income/expenses	18.580	10.784	8.612	8.382	11.597	6.629	7.133	8.391
Operating costs	**(151.369)**	**(147.313)**	**(103.440)**	**(97.538)**	**(107.252)**	**(93.568)**	**(103.976)**	**(102.120)**
Charges related to the banking system	(1.234)	(26)	(11)	(10)	(15)	(25)	(8.087)	(9)
Net allocations to provisions for risks and charges	(7.496)	(2.564)	5.398	137	87	141	1.443	(2.149)
Non-recurring expenses and income	(170.148)	381.103	(5.137)	(4.424)	(54)	(236)	(280)	(40)
of which: gain on a bargain purchase on acquisition illimity Bank	*(90.484)*	*400.423*	-	-	-	-	-	-
Profit (loss) on equity investments	606	(408)	-	-	-	-	-	-
Gains (losses) on disposal of investments	141	54	-	-	-	-	-	-
Pre-tax profit (loss) for the period from continuing operations	**(154.989)**	**405.025**	**57.986**	**68.789**	**51.287**	**50.600**	**71.124**	**72.331**
Income taxes for the period relating to continuing operations	10.654	(19.675)	(17.784)	(21.098)	(15.898)	(17.280)	(24.289)	(24.701)
Profit (loss) for the period	**(144.335)**	**385.350**	**40.202**	**47.691**	**35.389**	**33.320**	**46.835**	**47.630**
(Profit) loss for the period attributable to non-controlling interests	66	(203)	(368)	(407)	(379)	(366)	(397)	(454)
Profit (loss) for the period attributable to the Parent Company	**(144.269)**	**385.147**	**39.834**	**47.284**	**35.010**	**32.954**	**46.438**	**47.176**

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NORMALISED RESULT: QUARTERLY EVOLUTION (in thousands of Euro)	YEAR 2025				YEAR 2024			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Profit (loss) for the period attributable to the Parent Company	**(144.269)**	**385.147**	**39.834**	**47.284**	**35.010**	**32.954**	**46.438**	**47.176**
gain on a bargain purchase on acquisition illimity Bank	*90.484*	*(400.423)*	-	-	-	-	-	-
non-recurring expenses (net of tax effect)	*59.739*	*13.375*	*3.438*	*2.961*	*(16)*	*158*	*188*	*26*
taxes on closure of litigation	-	*10.516*	-	-	-	-	-	-
Normalised profit (loss) for the period attributable to the Parent Company	**5.954**	**8.615**	**43.272**	**50.245**	**34.994**	**33.112**	**46.626**	**47.202**

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APM - Alternative Performance Measures

The Banca Ifis Group has defined a number of indicators, listed in the tables of the Group's KPIs, that provide Alternative Performance Measures (APMs) to help investors identify significant operational trends and financial ratios. In identifying these APMs, the specific indications were taken into account on how to represent the APMs published by ESMA on 1 April 2022 (document called "ESMA32-51-370 Questions and answers – ESMA Guidelines on Alternative Performance Measures").

In addition, the statement issued by ESMA on 14 October 2025 entitled 'European common enforcement priorities for 2025 annual financial reports', with specific reference to HICs emphasises that their calculations and definitions should be consistent over time, and that caution should be exercised when introducing or adjusting HICs solely to reflect geopolitical impacts (such as customs tariffs). In general, ESMA recommends that IAPs allow for a fair review of the development and performance with reference to the companies' situation and business.

For a proper understanding of these APMs, please consider the following:

- these measures are based exclusively on the Group's historical data and are not indicative of the Group's future performance;
- APMs are non-IFRS measures and, although they are derived from the Group's Consolidated Financial Statements, they are not audited;
- APMs are not intended as a substitute for IFRS measures;
- said APMs shall be considered in conjunction with the Group's financial information derived from its Consolidated Financial Statements;
- since these are non-IFRS measures, the definitions of the measures used by the Group may differ from, and therefore not be comparable to, those used by other companies/groups;
- the APMs used by the Group are consistent across all reporting periods for which the Group has disclosed financial information in these Consolidated Financial Statements.

In accordance with the guidelines issued by ESMA (ESMA/2015/1415), below is a detailed explanation of how these measures were calculated in order to facilitate their understanding.

ROE - Return on equity (in thousands of Euro)	YEAR	
	2025	2024
A. Profit (loss) for the year attributable to the Parent Company	327.996	161.578
B. Average equity attributable to the Parent Company	1.953.657	1.725.002
ROE (A/B)	**16,8%**	**9,4%**

ROE - Normalised return on equity (in thousand Euro)	YEAR	
	2025	2024
A. Profit (loss) for the year attributable to the Parent Company normalised (1)	108.086	161.934
B. Average equity attributable to the Parent Company normalised (2)	1.764.656	1.725.196
Normalised ROE (A/B)	**6,1%**	**9,4%**

(1) For the logic of normalisation of the profit for the year pertaining to the Parent Company as at 31 December 2025, refer to the section above entitled "Group financials and income results", paragraph "Reclassified income statement items".
(2) The average normalised parent shareholders' equity figure was determined by considering the shareholders' equity figures including the normalised parent shareholders' equity instead of the actual parent shareholders' equity.

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The average equity attributable to the Parent Company is calculated as a quarterly average of the point figures recorded for each quarter of the reference period.

ROA - Return on Assets (in thousands of Euro)	YEAR	
	2025	2024
A. Profit (loss) for the year attributable to the Parent Company	327.996	161.578
B. Total assets	21.648.384	13.825.738
ROA (A/B)	**1,5%**	**1,2%**

ROA - Normalised return on Assets (in thousand Euro)	YEAR	
	2025	2024
A. Profit (loss) for the year attributable to the Parent Company normalised (1)	108.086	161.934
B. Total assets	21.648.384	13.825.738
Normalised ROA (A/B)	**0,5%**	**1,2%**

(1) For the logic of normalisation of the profit for the year pertaining to the Parent Company as at 31 December 2025, refer to the section above entitled "Group financials and income results", paragraph "Reclassified income statement items".

Reclassified cost/income ratio (in thousands of Euro)	YEAR	
	2025	2024
A. Operating costs	499.660	406.916
B. Net banking income	789.459	699.152
Reclassified cost/income ratio (A/B) (1)	**63,3%**	**58,2%**

(1) The reclassified 2025 cost/income ratio of 63,3% includes the illimity Group's contribution for the second half of 2025. Excluding this contribution, the 2025 reclassified cost/income ratio is 61,5%.

Payout ratio (in thousands of Euro)	YEAR	
	2025	2024
A. Profit (loss) for the year attributable to the Parent Company	327.996	161.578
B. Parent Company dividends (1)	129.489	111.910
Payout Ratio (B/A) (1)	**39,5%**	**69,3%**

(1) The figures for FY 2025 comprise the total of 1,20 Euro per share distributed as an interim dividend in November 2025 and 0,92 Euro per share as a proposal for a final dividend for the FY 2025 prepared by the Board of Directors of Banca Ifis.

Normalised payout ratio (in thousand Euro)	YEAR	
	2025	2024
A. Profit (loss) for the year attributable to the Parent Company normalised (1)	108.086	161.934
B. Parent Company dividends (2)	129.489	111.910
Normalised payout ratio (B/A) (2)	**119,8%**	**69,1%**

(1) For the logic of normalisation of the profit for the year pertaining to the Parent Company as at 31 December 2025, refer to the section above entitled "Group financials and income results", paragraph "Reclassified income statement items".
(2) The figures for FY 2025 comprise the total of 1,20 Euro per share distributed as an interim dividend in November 2025 and 0,92 Euro per share as a proposal for a final dividend for the FY 2025 prepared by the Board of Directors of Banca Ifis.

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The Parent Company's dividends are calculated as follows:

Parent Company dividends	YEAR	
	2025	2024
A. Unitary dividend Euro (1)	2,12	2,12
B. Number of shares outstanding (in thousands) (2)	61.080	52.788
Parent Company dividends (A x B) (1)	**129.489**	**111.910**

(1) The figures for FY 2025 comprise the total of 1,20 Euro per share distributed as an interim dividend in November 2025 and 0,92 Euro per share as a proposal for a final dividend for the FY 2025 prepared by the Board of Directors of Banca Ifis.
(2) Outstanding shares are net of treasury shares held in the portfolio. This figure is calculated as the weighted average of the No. of shares outstanding at the ex-dividend date and the number of shares outstanding at the ex-dividend date, using the relevant dividend per share as a weighting factor. The 2025 figure takes the value as of 31 December 2025 as the number of shares outstanding on the ex-dividend date.

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Contribution of operating Segments to Group results

Results by operating Segment

In accordance with standard IFRS 8, a company must provide information that allows users of the financial statements to assess the nature and effects on such of the balance of the business it pursues and the economic contexts in which it operates. The contribution therefore needs to be highlighted as made by the various operating Segments to forming the Group's economic result.

Identification of the operating Segments is consistent with the methods adopted by the Management to take operative decisions and is based on internal reporting, used in order to allocate the resources to the various segments and analyse the relevant performance.

In line with the structure used by Management to analyse the Group's results, the information by Segment is broken down as follows:

- Commercial & Corporate Banking Segment, represents the Group's commercial offer dedicated to companies (with the exception of the offer to companies provided by the companies of the so-called "illimity Group", which is specifically included in the illimity Segment) and also includes personal loans with the assignment of one-fifth of salary or pension. The Segment consists of the Factoring, Leasing and Corporate Banking & Lending Business Areas. This Segment includes, within the Corporate Banking & Lending Area, the contribution deriving from Euclidea SIM, a company acquired on 21 November 2025 (for further details, see "Part G - Business Combinations" of the Notes to the Consolidated Financial Statements);
- Npl Segment, dedicated to non-recourse factoring and managing distressed loans, servicing and managing non-performing, secured loans, with the exception of Npl loans acquired by the so-called "illimity Group" (which are specifically included in the illimity Segment);
- Governance & Services and Non-Core Segment, which provides the Segments operating in the Group's core businesses with the financial resources and services necessary to perform their respective activities. The Segment includes treasury and proprietary securities desk activities, as well as some corporate loans portfolio assigned for run-off insofar as held to be non-strategic to the Group's development, with the exception of those falling within the remit of the illimity Group (which is included in the illimity Segment referred to in the point below);
- illimity Segment, which includes the contribution of the business units of all the companies included within the illimity Group headed by illimity Bank (for more details on this, refer to the specific section "Voluntary Takeover Bid on all the shares of illimity Bank" within this Directors' Report on the Group). For this reason, this Segment is new in the second half of 2025 in terms of its contribution to the results of the Banca Ifis Group, and therefore the income statement figures only reflect the post-acquisition period (the six months from July to December 2025 only). The results are inclusive of the effects of the so-called "PPA - Purchase Price Allocation".

The financial and balance sheet numerical of the Segments are attributed on the basis of homogeneous allocation criteria in order to take into account both the specificity of the various segments and the need to guarantee effective monitoring of business performance over time.

Moreover, considering the foregoing, the Segment information in relation to the items of the income statement shows the results at the level of the net profit.

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STATEMENT OF FINANCIAL POSITION DATA (in thousands of Euro)	COMMERCIAL & CORPORATE BANKING SEGMENT				NPL SEGMENT	GOVERNANCE & SERVICES AND NON-CORE SEGMENT	ILLIMITY SEGMENT	TOTAL CONS. GROUP TOTAL
	TOTAL COMMERCIAL & CORPORATE BANKING SEGMENT	*of which: FACTORING AREA*	*of which: LEASING AREA*	*of which: CORPORATE BANKING & LENDING AREA*				
Other financial assets mandatorily measured at fair value through profit or loss								
Amounts at 31.12.2025	164.082	*949*	-	*163.133*	58.253	56.918	501.366	**780.619**
Amounts at 31.12.2024	143.933	*975*	-	*142.958*	36.293	56.806	-	**237.032**
% Change	*14,0%*	*(2,7)%*	-	*14,1%*	*60,5%*	*0,2%*	*n.a.*	***229,3%***
Financial assets measured at fair value through other comprehensive income								
Amounts at 31.12.2025	873	-	-	*873*	-	1.114.264	544.134	**1.659.271**
Amounts at 31.12.2024	993	-	-	*993*	-	700.837	-	**701.830**
% Change	*(12,1)%*	-	-	*(12,1)%*	-	*59,0%*	*n.a.*	***136,4%***
Receivables due from customers (1)								
Amounts at 31.12.2025	7.216.527	*2.772.130*	*1.673.498*	*2.770.899*	1.592.328	2.281.560	5.045.581	**16.135.996**
Amounts at 31.12.2024	6.985.624	*2.900.077*	*1.612.971*	*2.472.576*	1.521.001	2.303.393	-	**10.810.018**
% Change	*3,3%*	*(4,4)%*	*3,8%*	*12,1%*	*4,7%*	*(0,9)%*	*n.a.*	***49,3%***
Goodwill								
Amounts at 31.12.2025	17.248	-	-	*17.248*	38.020	-	-	**55.268**
Amounts at 31.12.2024	-	-	-	-	38.020	-	-	**38.020**
% Change	*n.a.*	-	-	*n.a.*	*0,0%*	-	-	***45,4%***
Other assets								
Amounts at 31.12.2025	114.656	*114.656*	-	-	-	195.170	241.914	**551.740**
Amounts at 31.12.2024	163.000	*163.000*	-	-	-	219.965	-	**382.965**
% Change	*(29,7)%*	*(29,7)%*	-	-	-	*(11,3)%*	*n.a.*	***44,1%***

(1) In the Governance & Services and Non-Core Segment, at 31 December 2025, there are government securities for 1.770,6 million Euro (1.579,0 million Euro at 31 December 2024) and in the illimity Group Segment, at 31 December 2025, there are government securities for 1.000,2 million Euro.

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RECLASSIFIED INCOME STATEMENT DATA AT 31.12.2025 (in thousands of Euro)	COMMERCIAL & CORPORATE BANKING SEGMENT				NPL SEGMENT	GOVERNANCE & SERVICES AND NON-CORE SEGMENT (1)	ILLIMITY SEGMENT	CONS. GROUP TOTAL
	TOTAL COMMERCIAL & CORPORATE BANKING SEGMENT	*of which: FACTORING AREA*	*of which: LEASING AREA*	*of which: CORPORATE BANKING & LENDING AREA*				
Net interest income	**219.013**	***101.544***	***52.741***	***64.728***	**269.149**	**(17.363)**	**88.546**	**559.345**
Net commission income	**95.254**	***59.005***	***11.105***	***25.144***	**(2.420)**	**(1.710)**	**31.450**	**122.574**
Other components of net banking income	27.583	*(26)*	-	*27.609*	32.406	44.852	2.699	107.540
Net banking income	**341.850**	***160.523***	***63.846***	***117.481***	**299.135**	**25.779**	**122.695**	**789.459**
Net credit risk losses/reversals	(34.323)	*(8.018)*	*(4.579)*	*(21.726)*	(140)	6.176	(80.682)	(108.969)
Net profit (loss) from financial activities	**307.527**	***152.505***	***59.267***	***95.755***	**298.995**	**31.955**	**42.013**	**680.490**
Operating costs	**(179.905)**	***(100.821)***	***(34.463)***	***(44.621)***	**(190.515)**	**(39.577)**	**(89.663)**	**(499.660)**
Charges related to the banking system	-	-	-	-		(600)	(681)	(1.281)
Net allocations to provisions for risks and charges	(2.058)	*(1.882)*	*142*	*(318)*	(2.684)	369	(152)	(4.525)
Non-recurring expenses and income	-	-	-	-	-	222.814	(21.420)	201.394
Profit (loss) on equity investments	-	-	-	-	-	-	198	198
Gains (losses) on disposal of investments	-	-	-	-	-	-	195	195
Pre-tax profit (loss) from continuing operations	**125.564**	***49.802***	***24.946***	***50.816***	**105.796**	**214.961**	**(69.510)**	**376.811**
Income taxes for the year relating to current operations	(38.511)	*(15.274)*	*(7.651)*	*(15.586)*	(32.448)	30.656	(7.600)	(47.903)
Profit (loss) for the year	**87.053**	***34.528***	***17.295***	***35.230***	**73.348**	**245.617**	**(77.110)**	**328.908**
(Profit) loss for the year attributable to non-controlling interests	-	-	-	-	-	(1.457)	545	(912)
Profit (loss) for the year attributable to the Parent Company	**87.053**	***34.528***	***17.295***	***35.230***	**73.348**	**244.160**	**(76.565)**	**327.996**

(1) The income statement figures of the Governance & Services and Non-Core Segment at 31 December 2025 include 309,9 million Euro related to the non-recurring income, i.e. the so-called "gain on a bargain purchase" in accordance with IFRS 3 related to the acquisition of illimity Bank, shown under "Non-recurring charges and income".

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SEGMENT KPIs (in thousands of Euro)	COMMERCIAL & CORPORATE BANKING SEGMENT				NPL SEGMENT	GOVERNANCE & SERVICES AND NON-CORE SEGMENT (1)	ILLIMITY SEGMENT (1)
	TOTAL COMMERCIAL & CORPORATE BANKING SEGMENT	*of which: FACTORING AREA*	*of which: LEASING AREA*	*of which: CORPORATE BANKING & LENDING AREA*			
Credit cost (2)							
Amounts at 31.12.2025	0,50%	*0,30%*	*0,28%*	*0,84%*	n.s.	(1,09)%	n.s.
Amounts at 31.12.2024	0,61%	*0,26%*	*0,29%*	*1,20%*	n.s.	(0,41)%	n.a.
% Change	*(0,11)%*	*0,04%*	*(0,01)%*	*(0,36)%*	*n.s.*	*(0,68)%*	*n.a.*
Coverage ratio on gross bad loans							
Amounts at 31.12.2025	73,8%	*80,9%*	*86,6%*	*44,8%*	n.s.	41,0%	n.s.
Amounts at 31.12.2024	74,0%	*83,3%*	*94,2%*	*47,2%*	n.s.	53,1%	n.a.
% Change	*(0,2)%*	*(2,4)%*	*(7,6)%*	*(2,4)%*	*n.s.*	*(12,1)%*	*n.a.*
RWA (3)							
Amounts at 31.12.2025	5.923.080	*2.467.630*	*1.288.940*	*2.166.510*	1.819.369	1.215.149	3.480.873
Amounts at 31.12.2024	5.769.725	*2.729.714*	*1.200.451*	*1.839.560*	1.733.692	1.171.961	n.a.
% Change	2,7%	*(9,6)%*	*7,4%*	*17,8%*	4,9%	3,7%	n.a.

(1) In the Governance & Services and Non-Core Segment, at 31 December 2025, there are government securities for 1.770,6 million Euro (1.579,0 million Euro at 31 December 2024) and in the illimity Group Segment, at 31 December 2025, there are government securities for 1.000,2 million Euro.

(2) This indicator is calculated comparing the value of net credit risk losses/reversals over the annual average loans to customers (calculated quarterly).

(3) Risk Weighted Assets; the amount only relates to the credit risk.

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Commercial & Corporate Banking Segment

The Commercial & Corporate Banking Segment includes the following business Areas:

- Factoring: Area dedicated to supporting the trade credit of SMEs operating on the domestic market, which develop towards export, or which from export, turn to Italian customers; it includes a business unit specialised in the acquisition of tax receivables transferred from bankruptcy proceedings, which operates under the Fast Finance brand. This unit acquires tax receivables, accrued and accruing, already requested for reimbursement, or future, arising from proceedings or in previous years;
- Leasing: Area that provides finance and operating leases - but not real estate leases, as the Group does not offer them - to small economic operators and SMEs;
- Corporate Banking & Lending: this business area includes the contribution from Euclidea SIM, a company acquired on 21 November 2025, and combines several units:
  - Structured Finance, a segment dedicated to supporting companies and private equity funds in structuring financing, both bilateral and pooled;
  - Equity Investments, a segment dedicated to investments in non-financial companies and in units of intermediaries;
  - Lending, a segment dedicated to the Group's medium/long-term operations, focussed on supporting the business operating cycle and the disbursement of consumer credit in the form of salary- or pension-backed loans.

Below are the Segment results at 31 December 2025.

RECLASSIFIED INCOME STATEMENT DATA (in thousands of Euro)	YEAR		CHANGE	
	2025	2024	ABSOLUTE	%
Net interest income	**219.013**	**238.795**	**(19.782)**	**(8,3)%**
Net commission income	**95.254**	**96.175**	**(921)**	**(1,0)%**
Other components of net banking income	27.583	16.454	11.129	67,6%
Net banking income	**341.850**	**351.424**	**(9.574)**	**(2,7)%**
Net credit risk losses/reversals	(34.323)	(40.413)	6.090	(15,1)%
Net profit (loss) from financial activities	**307.527**	**311.011**	**(3.484)**	**(1,1)%**
Operating costs	**(179.905)**	**(164.065)**	**(15.840)**	**9,7%**
Net allocations to provisions for risks and charges	(2.058)	(3.194)	1.136	(35,6)%
Pre-tax profit (loss) from continuing operations	**125.564**	**143.752**	**(18.188)**	**(12,7)%**
Income taxes for the year relating to current operations	(38.511)	(48.144)	9.633	(20,0)%
Profit (loss) for the year	**87.053**	**95.608**	**(8.555)**	**(8,9)%**

Net profit of the Commercial & Corporate Banking Segment amount to 87,1 million Euro, down 8,6 million Euro compared to 31 December 2024, mainly due to the decrease in net banking income of 9,6 million Euro as well as higher operating costs of 15,8 million Euro (mainly due to the strengthening of the workforce and higher depreciation and amortisation), the effects of which were partially offset by lower net credit risk losses of 6,1 million Euro and an improvement of 1,1 million Euro in the item "net allocations to provisions for risks and charges".

The Segment's net banking income amounts to 341,9 million Euro, down 2,7% compared to the previous year as a result of the reduction in the contribution of the Factoring Area (-16,3 million Euro), the effect of which was partially offset by the positive performance of the Corporate Banking & Lending Area (+4,2 million Euro) and the Leasing Area (+2,5 million Euro). Overall, against the reduction in net interest income (-19,8 million Euro) and essential

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stability of net commissions, the other components of net banking income grew significantly by 11,1 million Euro, thanks to the contribution of the Corporate Banking & Lending Area.

As at 31 December 2025, the Segment recorded net value adjustments of 34,3 million Euro, down 15,1% compared to the previous financial year.

Operating costs amount to 179,9 million Euro as at 31 December 2025, up by 9,7% compared to the previous financial year. This result is mainly due to higher personnel expenses (mainly due to increased headcount), higher amortisation on new software developments that came into use in 2025, and higher other administrative expenses (mainly related to communication and marketing initiatives to support the business in question).

The item "net allocations to provisions for risks and charges" as at 31 December 2025 amounts to 2,1 million Euro, mainly attributable to a 1,9 million Euro provision for Ecobonus related to the Factoring Area. The figure is down from net allocations of 3,2 million Euro at 31 December 2024 (which mainly related to provisions to cover risks connected with outstanding disputes on tax credits for superbonus and other building tax bonuses).

The operating performance of the business areas making up the Segment is described and analysed further on.

The following table details the gross and net amounts as well as the relevant coverage ratios of receivables due from customers by credit quality.

COMMERCIAL & CORPORATE BANKING (in thousands of Euro)	BAD LOANS	UNLIKELY TO PAY	PAST DUE EXPOSURES	TOTAL NON-PERFORMING (STAGE 3)	PERFORMING EXPOSURES (STAGES 1 AND 2)	TOTAL LOANS
POSITION AT 31.12.2025						
Nominal amount	126.099	234.011	36.437	**396.547**	7.071.724	**7.468.271**
Losses	(93.000)	(112.790)	(4.537)	**(210.327)**	(41.416)	**(251.744)**
Carrying amount	33.099	121.221	31.900	**186.220**	7.030.307	**7.216.527**
Coverage ratio	*73,8%*	*48,2%*	*12,5%*	***53,0%***	*0,6%*	***3,4%***
Gross ratio	*1,7%*	*3,1%*	*0,5%*	***5,3%***	*94,7%*	***100,0%***
Net ratio	*0,5%*	*1,7%*	*0,4%*	***2,6%***	*97,4%*	***100,0%***
POSITION AT 31.12.2024						
Nominal amount	118.745	208.606	57.286	**384.637**	6.860.428	**7.245.065**
Losses	(87.825)	(97.986)	(5.012)	**(190.823)**	(68.618)	**(259.441)**
Carrying amount	30.920	110.620	52.274	**193.814**	6.791.810	**6.985.624**
Coverage ratio	*74,0%*	*47,0%*	*8,7%*	***49,6%***	*1,0%*	***3,6%***
Gross ratio	*1,6%*	*2,9%*	*0,8%*	***5,3%***	*94,7%*	***100,0%***
Net ratio	*0,4%*	*1,6%*	*0,7%*	***2,8%***	*97,2%*	***100,0%***

Net non-performing exposures in the Commercial & Corporate Banking Segment stand at 186,2 million Euro at 31 December 2025, down 7,6 million Euro on 31 December 2024 (193,8 million Euro). The trend is mainly attributable to a decrease in exposures classified as past due of 20,4 million Euro (mainly attributable to the Factoring Area), the effect of which was partially offset by the increase in the year of 10,6 million Euro of unlikely to pay (mainly relating to exposures of the Corporate Banking & Lending Area).

The coverage ratio of the impaired portfolio was 53,0% as at 31 December 2025, up from 49,6% as at 31 December 2024 mainly due to the reduction in the incidence of past due within the impaired portfolio.

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In the Commercial & Corporate Banking Segment, there are mainly impaired loans classified as POCI, referring mainly to assets arising from business combinations (excluding those arising from the recent combination relating to the illimity Group, whose POCI are specifically shown in the illimity Segment): the net value of these assets was 8,4 million Euro at 31 December 2025, of which 5,6 million Euro were impaired (both these figures are substantially in line with those at 31 December 2024).

KPIs	AMOUNTS		CHANGE	
	31.12.2025	31.12.2024	ABSOLUTE	%
Credit cost (1)	0,50%	0,61%	-	(0,11)%
RWA (2)	5.923.080	5.769.725	153.355	2,7%

(1) This indicator is calculated comparing the value of net credit risk losses/reversals over the annual average loans to customers (calculated quarterly).
(2) Risk Weighted Assets; the amount only relates to the credit risk.

To ensure a better understanding of the results for the year, below we comment on the contribution of the individual business areas to the Commercial & Corporate Banking Segment.

Factoring Area

RECLASSIFIED INCOME STATEMENT DATA (in thousands of Euro)	YEAR		CHANGE	
	2025	2024	ABSOLUTE	%
Net interest income	**101.544**	**114.552**	**(13.008)**	**(11,4)%**
Net commission income	**59.005**	**62.279**	**(3.274)**	**(5,3)%**
Other components of net banking income	(26)	11	(37)	n.s.
Net banking income	**160.523**	**176.842**	**(16.319)**	**(9,2)%**
Net credit risk losses/reversals	(8.018)	(6.763)	(1.255)	18,6%
Net profit (loss) from financial activities	**152.505**	**170.079**	**(17.574)**	**(10,3)%**
Operating costs	**(100.821)**	**(89.547)**	**(11.274)**	**12,6%**
Net allocations to provisions for risks and charges	(1.882)	(8.905)	7.023	(78,9)%
Pre-tax profit (loss) from continuing operations	**49.802**	**71.627**	**(21.825)**	**(30,5)%**
Income taxes for the year relating to current operations	(15.274)	(24.558)	9.284	(37,8)%
Profit (loss) for the year	**34.528**	**47.069**	**(12.541)**	**(26,6)%**

At 31 December 2025, the contribution made by the Factoring Area towards net banking income booked by the Commercial & Corporate Banking Segment comes to 160,5 million Euro, down 9,2% on last year's results. This result is due to the lesser contribution of net interest income (-13,0 million Euro) and net commission income (-3,3 million Euro). Turnover in 2025 amounts to 13,4 billion Euro, an increase of 122 million Euro compared to the figure as at 31 December 2024, while receivables amount to 3,3 billion Euro, a decrease of 346 million Euro compared to the previous year's figure.

Net credit risk losses total 8,0 million Euro at 31 December 2025, up on the 6,8 million Euro at 31 December 2024.

Therefore, net profit from financial activities amounts to 152,5 million Euro (-10,3% on 31 December 2024).

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Operating costs of 100,8 million Euro at 31 December 2025 are up 11,3 million Euro compared to 31 December 2024. As previously mentioned, this increase was mainly due to higher personnel expenses related to the increase in the workforce, higher amortisation on new software developments that came into use in 2025, as well as higher other administrative expenses (mainly for communication and marketing initiatives to support the business in question).

The item "net allocations to provisions for risks and charges" shows net allocations made at 31 December 2025 of 1,9 million Euro, a significant improvement compared to the net allocations of 8,9 million Euro at 31 December 2024 (which were attributable to the aforementioned provisions to cover risks related to outstanding disputes on tax credits for superbonus and other building tax bonuses). This improvement substantially relates to some releases recorded in 2025 for the successful resolution of existing disputes, which partially offset the provisions made in the year for the area in question, mainly associated with Ecobonus allocations in the amount of 1,9 million Euro.

As regards the main equity aspects, at 31 December 2025, total net commitments for the Area amount to 2.772,1 million Euro, down 4,4% on the figure at 31 December 2024, mainly due to the decrease of net performing exposures (-115,1 million Euro).

The following table shows the gross and net amounts as well as the relevant coverage ratios of receivables due from customers by credit quality.

FACTORING AREA (in thousands of Euro)	BAD LOANS	UNLIKELY TO PAY	PAST DUE EXPOSURES	TOTAL NON-PERFORMING (STAGE 3)	PERFORMING EXPOSURES (STAGES 1 AND 2)	TOTAL LOANS
POSITION AT 31.12.2025						
Nominal amount	85.714	73.254	16.207	**175.175**	2.715.440	**2.890.615**
Losses	(69.359)	(39.987)	(615)	**(109.961)**	(8.523)	**(118.485)**
Carrying amount	16.355	33.267	15.592	**65.214**	2.706.916	**2.772.130**
Coverage ratio	*80,9%*	*54,6%*	*3,8%*	***62,8%***	*0,3%*	***4,1%***
POSITION AT 31.12.2024						
Nominal amount	74.911	72.638	31.948	**179.497**	2.838.617	**3.018.114**
Losses	(62.381)	(37.890)	(1.200)	**(101.471)**	(16.566)	**(118.037)**
Carrying amount	12.530	34.748	30.748	**78.026**	2.822.051	**2.900.077**
Coverage ratio	*83,3%*	*52,2%*	*3,8%*	***56,5%***	*0,6%*	***3,9%***

The Area's total net non-performing exposures amount to 65,2 million Euro, down 16,4% from the 31 December 2024 figure, mainly due to the decrease in past due (-15,2 million Euro) positions, only partly offset by the increase in non-performing exposures. In overall terms, the coverage of impaired exposures increases from 56,5% to 62,8%, mainly due to these changes in terms of the proportion of non-performing loans and past due positions to total impaired loans.

KPIs	AMOUNTS		CHANGE	
	31.12.2025	31.12.2024	ABSOLUTE	%
Credit cost [1]	0,30%	0,26%	-	0,04%
RWA [2]	2.467.630	2.729.714	(262.084)	(9,6)%

(1) This indicator is calculated comparing the value of net credit risk losses/reversals over the annual average loans to customers (calculated quarterly).
(2) Risk Weighted Assets; the amount only relates to the credit risk.

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The credit cost increases from 0,26% at 31 December 2024 to 0,30% at 31 December 2025 as a result of the aforementioned economic dynamics in 2025.

It should be noted that net non-performing exposures include a total of 20,1 million Euro in respect of the NHS, down 9,1 million Euro compared with 31 December 2024.

Leasing Area

RECLASSIFIED INCOME STATEMENT DATA (in thousands of Euro)	YEAR		CHANGE	
	2025	2024	ABSOLUTE	%
Net interest income	**52.741**	**50.530**	**2.211**	**4,4%**
Net commission income	**11.105**	**10.786**	**319**	**3,0%**
Net banking income	**63.846**	**61.316**	**2.530**	**4,1%**
Net credit risk losses/reversals	(4.579)	(4.508)	(71)	1,6%
Net profit (loss) from financial activities	**59.267**	**56.808**	**2.459**	**4,3%**
Operating costs	**(34.463)**	**(34.000)**	**(463)**	**1,4%**
Net allocations to provisions for risks and charges	142	(344)	486	n.s.
Pre-tax profit (loss) from continuing operations	**24.946**	**22.464**	**2.482**	**11,0%**
Income taxes for the year relating to current operations	(7.651)	(7.524)	(127)	1,7%
Profit (loss) for the year	**17.295**	**14.940**	**2.355**	**15,8%**

Net banking income from the Leasing Area amounts to 63,8 million Euro, an increase of 2,5 million Euro compared with the figure at 31 December 2024 (+4,1%) due mainly to the higher commercial volumes.

Net credit risk losses on receivables amount to 4,6 million Euro, essentially in line with the figure at 31 December 2024.

Operating costs total 34,5 million Euro, essentially stable on 31 December 2024.

At 31 December 2025, the Area's total net loans amount to 1.673,5 million Euro, up 3,8% compared to 31 December 2024.

The following table shows the gross and net amounts as well as the relevant coverage ratios of receivables due from customers by credit quality.

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LEASING AREA (in thousands of Euro)	BAD LOANS	UNLIKELY TO PAY	PAST DUE EXPOSURES	TOTAL NON-PERFORMING (STAGE 3)	PERFORMING EXPOSURES (STAGES 1 AND 2)	TOTAL LOANS
POSITION AT 31.12.2025						
Nominal amount	13.266	16.693	9.612	**39.571**	1.669.784	**1.709.355**
Losses	(11.485)	(9.833)	(2.853)	**(24.171)**	(11.686)	**(35.857)**
Carrying amount	1.781	6.860	6.759	**15.400**	1.658.098	**1.673.498**
Coverage ratio	*86,6%*	*58,9%*	*29,7%*	***61,1%***	*0,7%*	***2,1%***
POSITION AT 31.12.2024						
Nominal amount	10.074	17.628	8.505	**36.207**	1.612.635	**1.648.842**
Losses	(9.494)	(11.222)	(2.180)	**(22.896)**	(12.975)	**(35.871)**
Carrying amount	580	6.406	6.325	**13.311**	1.599.660	**1.612.971**
Coverage ratio	*94,2%*	*63,7%*	*25,6%*	***63,2%***	*0,8%*	***2,2%***

Net impaired exposures amount to 15,4 million Euro at 31 December 2025, an increase of 2,1 million Euro compared to December 2024 mainly due to the increase in the year in non-performing positions. The coverage ratio of impaired assets increased from 63,2% in December 2024 to 61,1% in December 2025, while the coverage of performing loans was 0,7%, slightly down from the 31 December 2024 figure of 0,8%.

KPIs	AMOUNTS		CHANGE	
	31.12.2025	31.12.2024	ABSOLUTE	%
Credit cost (1)	0,28%	0,29%	-	(0,01)%
RWA (2)	1.288.940	1.200.451	88.489	7,4%

(1) This indicator is calculated comparing the value of net credit risk losses/reversals over the annual average loans to customers (calculated quarterly).
(2) Risk Weighted Assets; the amount only relates to the credit risk.

Corporate Banking & Lending Area

RECLASSIFIED INCOME STATEMENT DATA (in thousands of Euro)	YEAR		CHANGE	
	2025	2024	ABSOLUTE	%
Net interest income	**64.728**	**73.713**	**(8.985)**	**(12,2)%**
Net commission income	**25.144**	**23.110**	**2.034**	**8,8%**
Other components of net banking income	27.609	16.443	11.166	67,9%
Net banking income	**117.481**	**113.266**	**4.215**	**3,7%**
Net credit risk losses/reversals	(21.726)	(29.142)	7.416	(25,4)%
Net profit (loss) from financial activities	**95.755**	**84.124**	**11.631**	**13,8%**
Operating costs	**(44.621)**	**(40.518)**	**(4.103)**	**10,1%**
Net allocations to provisions for risks and charges	(318)	6.055	(6.373)	(105,3)%
Pre-tax profit (loss) from continuing operations	**50.816**	**49.661**	**1.155**	**2,3%**
Income taxes for the year relating to current operations	(15.586)	(16.062)	476	(3,0)%
Profit (loss) for the year	**35.230**	**33.599**	**1.631**	**4,9%**

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Net banking income of the Corporate Banking & Lending Area comes to 117,5 million Euro at 31 December 2025, up 4,2 million Euro on 31 December 2024 (+3,7%). The positive change is a result of the combined effect of the following factors:

- a 9,0 million Euro decrease in net interest income, resulting from lower contributions from Lending and Corporate Banking of 5,1 million Euro and 3,9 million Euro, respectively;
- higher net commission income of 2,0 million Euro, mainly from the Lending unit;
- significant increase in the contribution of the other components of net banking income, amounting to 11,2 million Euro, mainly represented by the year write-back of the fair value of securities in the Corporate Banking unit.

Net credit risk losses amount to 21,7 million Euro, down 7,4 million Euro compared to 31 December 2024.

The increase in operating costs of 4,1 million Euro compared to 31 December 2024 was mainly attributable to higher personnel expenses related to the increase in the number of staff, higher legal expenses and lower claims against customers in the Lending business, as well as higher file management costs related to the salary-/pension-backed loans business in line with the higher volumes disbursed.

The item “net allocations to provisions for risks and charges” shows net allocations equal to 0,3 million Euro for the year in question. The comparison with the comparative figure is very much impacted by net releases of 6,1 million Euro in 2024, which related to the settlement of disputes arising from the acquisition of the former Aigis Banca business unit.

At 31 December 2025, the Area's total net receivables due from customers amounts to 2.770,9 million Euro, up 298,3 million Euro on 31 December 2024.

The following table shows the gross and net amounts as well as the relevant coverage ratios of receivables due from customers by credit quality.

CORPORATE BANKING & LENDING AREA (in thousands of Euro)	BAD LOANS	UNLIKELY TO PAY	PAST DUE EXPOSURES	TOTAL NON-PERFORMING (STAGE 3)	PERFORMING EXPOSURES (STAGES 1 AND 2)	TOTAL LOANS
POSITION AT 31.12.2025						
Nominal amount	27.119	144.064	10.618	**181.801**	2.686.500	**2.868.301**
Losses	(12.156)	(62.970)	(1.069)	**(76.195)**	(21.207)	**(97.402)**
Carrying amount	14.963	81.094	9.549	**105.606**	2.665.293	**2.770.899**
Coverage ratio	*44,8%*	*43,7%*	*10,1%*	***41,9%***	*0,8%*	***3,4%***
POSITION AT 31.12.2024						
Nominal amount	33.760	118.340	16.833	**168.933**	2.409.176	**2.578.109**
Losses	(15.950)	(48.874)	(1.632)	**(66.456)**	(39.077)	**(105.533)**
Carrying amount	17.810	69.466	15.201	**102.477**	2.370.099	**2.472.576**
Coverage ratio	*47,2%*	*41,3%*	*9,7%*	***39,3%***	*1,6%*	***4,1%***

Net impaired exposures at 31 December 2025, amounting to 105,6 million Euro, increase by 3,1 million Euro compared to the end of 2024, as the increase in unlikely-to-pay loans during the year (+11,6 million Euro) was only partially offset by the decrease in bad debts and impaired past-due exposures. The coverage of impaired loans ranges from 39,3% in December 2024 to 41,9% in December 2025.

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KPIs	AMOUNTS		CHANGE	
	31.12.2025	31.12.2024	ABSOLUTE	%
Credit cost (1)	0,84%	1,20%	-	(0,36)%
RWA (2)	2.166.510	1.839.560	326.950	17,8%

(1) This indicator is calculated comparing the value of net credit risk losses/reversals over the annual average loans to customers (calculated quarterly).
(2) Risk Weighted Assets; the amount only relates to the credit risk.

Npl Segment

This is the Banca Ifis Group's Segment dedicated to non-recourse acquisition and managing secured and unsecured distressed retail loans (excluding those resulting from the acquisition of the illimity Group, included in the specific illimity Segment), as well as third-party portfolio management. The business is closely associated with converting non-performing loans into performing assets and collecting them.

The table below shows the loans portfolio of the Npl Segment, by method of transformation and accounting criterion; the "interest on income statement" refers to the components of the net banking income deriving from the booking at amortised cost of the related loans portfolio; in particular, interest income is included from the amortised cost for 182,3 million Euro and other components of the net interest income from cash flow changes for 126,5 million Euro, as reported in the summary table of "Reclassified economic data" below in this paragraph.

PROPRIETARY PORTFOLIO OF THE NPL SEGMENT (in thousands of Euro)	OUTSTANDING NOMINAL AMOUNT	CARRYING AMOUNTS	CARRYING AMOUNT / RES. NOM. AMOUNT	INTEREST ON INCOME STATEMENT
Cost	497.893	138.989	27,9%	-
Non-judicial	8.871.761	479.024	5,4%	106.299
of which: Collective (curves)	*8.307.572*	*183.936*	*2,2%*	*14.013*
of which: Plans	*564.189*	*295.088*	*52,3%*	*92.286*
Judicial	8.449.335	930.802	11,0%	202.474
of which: Other positions undergoing judicial processing	*1.372.340*	*139.463*	*10,2%*	-
of which: Writs, Property Attachments, Garnishment Orders	*2.086.513*	*634.972*	*30,4%*	*176.601*
of which: Secured and Corporate	*4.990.482*	*156.367*	*3,1%*	*25.873*
Total	**17.818.989**	**1.548.815**	**8,7%**	**308.773**

The business can be divided up into three macro categories:

- post-acquisition management, when all information retrieval operations take place to help decide the most appropriate conversion method, the receivable is classified in a so-called "staging" area and recognised at cost (139,0 million Euro at 31 December 2025), with no contribution to profit or loss. As a rule, 6-12 months later, the positions are directed towards the most appropriate form of management, depending on their characteristics;
- non-judicial operations, which deal with practices that can be handled through collection by settlement. Practices awaiting information about the most appropriate collection instrument are classified into a basin called "mass management" and at 31 December 2025 come to 183,9 million Euro as compared with

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165,5 million Euro at 31 December 2024 (up 11,1%). Practices on which a realignment plan has been agreed and formalised come in at 295,1 million Euro at 31 December 2025;

- legal management, which covers all practices in the various stages of legal processing, ranging from obtaining a court order to a garnishment order. Practices awaiting the most appropriate legal action are included in the category of "Other positions undergoing judicial processing" and come to 139,5 million Euro at 31 December 2025; practices in phases of writ, attachment order and garnishment order are allocated to a specific basin, coming in at 635,0 million Euro. The judicial management basin include all "Secured and Corporate" positions of corporate banking origin or real estate, equal to 156,4 million Euro at 31 December 2025.

Finally, it should be noted that, by seizing market opportunities and in compliance with its business model, the Group may proceed with the sale to third parties of Npl portfolios consisting of positions for which all collection activities have essentially been completed and no further significant recoveries are expected.

RECLASSIFIED INCOME STATEMENT DATA (in thousands of Euro)	YEAR		CHANGE	
	2025	2024	ABSOLUTE	%
Net interest income	**269.149**	**280.300**	**(11.151)**	**(4,0)%**
Net commission income	**(2.420)**	**(1.041)**	**(1.379)**	**132,5%**
Other components of net banking income	32.406	16.957	15.449	91,1%
- of which: gains (losses) on the disposal of financial assets	*32.582*	*16.070*	*16.512*	*102,8%*
Net banking income	**299.135**	**296.216**	**2.919**	**1,0%**
Net credit risk losses/reversals	(140)	52	(192)	n.s.
Net profit (loss) from financial activities	**298.995**	**296.268**	**2.727**	**0,9%**
Operating costs	**(190.515)**	**(199.185)**	**8.670**	**(4,4)%**
Net allocations to provisions for risks and charges	(2.684)	2.227	(4.911)	n.s.
Non-recurring expenses and income	-	(610)	610	(100,0)%
Pre-tax profit (loss) from continuing operations	**105.796**	**98.700**	**7.096**	**7,2%**
Income taxes for the year relating to current operations	(32.448)	(33.056)	608	(1,8)%
Profit (loss) for the year	**73.348**	**65.644**	**7.704**	**11,7%**

Net interest income, which comes to 269,1 million Euro (down 11,2 million Euro on the balance recorded for the previous year), consists of:

- interest income from amortised cost, i.e. the interest accruing at the original effective rate, which increases from 185,1 million Euro at 31 December 2024 to 182,3 million Euro at 31 December 2025, due to a decrease in the average value of underlying assets, which have completed the documentary check phase and have left the staging phase;
- interest income on notes and other minority components, which shows a balance of 3,2 million Euro at 31 December 2025, a reduction on the 6,8 million Euro recorded in 2024;
- other components of net interest income from change in cash flow, which change from 130,5 million Euro of 31 December 2024 to 126,5 million Euro at 31 December 2025, and reflect the change in expected cash flows according to the collections made in respect of forecasts. This item is made up of, on the one hand, out-of-court settlements totalling 37,4 million Euro, to which recovery plans contributed 50,8 million Euro, partly offset by the negative effect of curve models totalling 13,4 million Euro. On the other hand, are legal expenses of 89,1 million Euro, following actions for injunction, attachment and garnishment orders;

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- interest expense of 42,9 million Euro, up 0,8 million Euro on the previous year's balance.

Net commissions represent a cost of 2,4 million Euro at 31 December 2025, a rise compared to the cost of 1,0 million Euro at 31 December 2024.

During 2025, portfolios of loans and debt securities belonging to the Npl Segment were sold, in line with the Group's policies, generating net profits on disposals of 32,6 million Euro, an increase of 16,5 million Euro compared to 31 December 2024.

In view of the above, the Npl Segment's net banking income comes to a total of 299,1 million Euro, up 2,9 million Euro compared with 31 December 2024.

The item "net credit risk losses/reversals" of the Npl Segment is exclusively related to the change in the allowance for impairment losses on securities and loans related to securitisation transactions with underlying impaired loans.

Operating costs, amounting to 190,5 million Euro as at 31 December 2025, decreased by 8,7 million Euro compared to 31 December 2024, mainly due to lower Npl recovery expenses.

The item "net allocations to provisions for risks and charges" as at 31 December 2025 showed a negative balance of 2,7 million Euro, mainly attributable to a provision to guarantee a portfolio sale. The comparison with the comparative figure as at 31 December 2024, characterised by net reversals of 2,2 million Euro, is influenced by the fact that significant reversals were recorded in that year on disputed files.

As a consequence of the foregoing, the year's profit of the Npl Segment is 73,3 million Euro, up 7,7 million Euro on 31 December 2024.

Below is the breakdown of net loans by credit quality.

STATEMENT OF FINANCIAL POSITION DATA (in thousands of Euro)	AMOUNTS		CHANGE	
	31.12.2025	31.12.2024	ABSOLUTE	%
Net bad loans	1.136.236	1.184.378	(48.142)	(4,1)%
Net unlikely to pay	400.758	308.540	92.218	29,9%
Net non-performing past due exposures	3.995	3.837	158	4,1%
Total net non-performing exposures to customers (Stage 3)	**1.540.989**	**1.496.755**	**44.234**	**3,0%**
Total net performing exposures (Stages 1 and 2)	51.339	24.246	27.093	111,7%
- of which: proprietary loans acquired	*7.826*	*10.666*	*(2.840)*	*(26,6)%*
- of which: loans and current accounts vs customers	*3.164*	*533*	*2.631*	*n.s.*
- of which: debt securities	*37.439*	*11.602*	*25.837*	*222,7%*
- of which: receivables related to servicer activities	*2.910*	*1.445*	*1.465*	*101,4%*
Total on-balance-sheet receivables due from customers	**1.592.328**	**1.521.001**	**71.327**	**4,7%**
- of which: owned receivables acquired measured at amortised cost	***1.548.815***	***1.507.421***	***41.394***	***2,7%***

As regards the Npl Segment loans, 1.548,8 million Euro are represented by receivables classified as POCI - Purchased or originated credit-impaired -, the category envisaged by the accounting standard IFRS 9. These are loans that were non-performing at the date they were acquired or originated. These receivables represent the Segment's core business. Excluded from this classification are new disbursements of performing loans, debt securities measured at amortised cost, and receivables related to servicer activities on behalf of third parties.

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KPIs	AMOUNTS		CHANGE	
	31.12.2025	31.12.2024	ABSOLUTE	%
Nominal amount of receivables managed	17.818.989	21.605.929	(3.786.940)	(17,5)%
RWA (1)	1.819.369	1.733.692	85.677	4,9%

(1) Risk Weighted Assets; the amount only relates to the credit risk.

Total Estimated Remaining Collections (ERC) amount to 2,5 billion Euro.

NPL SEGMENT NON-PERFORMING LOAN PORTFOLIO PERFORMANCE	31.12.2025	31.12.2024
Opening loan portfolio	**1.507.421**	**1.629.215**
Purchases (+)	168.558	18.032
Sales (-)	(77.455)	(49.588)
Gains (losses) on disposals (+/-)	32.632	16.068
Interest income from amortised cost (+)	182.298	185.126
Other components of interest from change in cash flow (+)	126.475	130.487
Collections (-)	(391.114)	(421.919)
Closing loan portfolio	**1.548.815**	**1.507.421**

Total purchases in the Npl Segment in 2025 come to 168,6 million Euro, a significant increase on the 18,0 million Euro recorded at 31 December 2024. In 2025, sales of Npls were completed for a total price of 77,5 million Euro, which generated net profits of 32,6 million Euro.

At 31 December 2025, the portfolio managed by the Npl Segment includes 1.771.840 positions, for a nominal amount of 17,8 billion Euro.

Governance & Services and Non-Core Segment

The Segment comprises, among other things, the resources required for the performance of the services of the Strategic Planning, Finance, Operations, Human Resources, Communication, Marketing, Public Affairs & Sustainability functions, as well as the structures responsible for raising, managing and allocating financial resources to the operating Segments. This Segment also includes Proprietary Finance activities (proprietary securities desk) and Securitisation & Structured Solution activities (investment in Asset Backed Securities, instrumental to the realisation of securitisation transactions), with the exception of those falling within the competence of the illimity Group (which is included in the specific illimity Segment). The Segment also includes run-off portfolios originated from the former Interbanca as well as other residual personal loan portfolios.

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RECLASSIFIED INCOME STATEMENT DATA (in thousands of Euro)	YEAR		CHANGE	
	2025	2024	ABSOLUTE	%
Net interest income	**(17.363)**	**13.410**	**(30.773)**	**(229,5)%**
Net commission income	**(1.710)**	**(3.359)**	**1.649**	**(49,1)%**
Other components of net banking income	44.852	41.461	3.391	8,2%
Net banking income	**25.779**	**51.512**	**(25.733)**	**(50,0)%**
Net credit risk losses/reversals	6.176	2.691	3.485	129,5%
Net profit (loss) from financial activities	**31.955**	**54.203**	**(22.248)**	**(41,0)%**
Operating costs	**(39.577)**	**(43.666)**	**4.089**	**(9,4)%**
Charges related to the banking system	(600)	(8.136)	7.536	(92,6)%
Net allocations to provisions for risks and charges	369	489	(120)	(24,5)%
Non-recurring expenses and income	222.814	-	222.814	n.a.
-of which: for gain on a bargain purchase provisional on acquisition illimity Bank	*309.939*	-	*309.939*	*n.a.*
Pre-tax profit (loss) from continuing operations	**214.961**	**2.890**	**212.071**	**n.s.**
Income taxes for the year relating to current operations	30.656	(968)	31.624	n.s.
Profit (loss) for the year	**245.617**	**1.922**	**243.695**	**n.s.**
(Profit) loss for the year attributable to non-controlling interests	(1.457)	(1.596)	139	(8,7)%
Profit (loss) for the year attributable to the Parent Company	**244.160**	**326**	**243.834**	**n.s.**

The Segment's net banking income amounts to 25,8 million Euro, down 25,7 million Euro compared to 31 December 2024 and is determined in particular by the following dynamics:

- net interest income is negative for 17,4 million Euro, decreasing by 30,8 million Euro compared with 31 December 2024. The negative variance is attributable for 23,5 million Euro to lower margins on the treasury side (mainly due to lesser loan volumes compared with 2024), for 4,4 million Euro is due to lower net interest income of the run-off portfolio of the Non-Core division and 3,2 million Euro to the lower contribution from the Proprietary Finance unit.
- other components of net banking income increase by 3,4 million Euro. The positive change is mainly due to the improved performance recorded on the Segment's proprietary portfolio, where the positive effect of higher dividends and similar income of 9,8 million Euro and higher trading profits of 7,9 million Euro was only partially offset by the lower contribution of 9,8 million Euro from gains on disposals and the lower fair value measurements of the financial assets of the Non-Core division of 4,8 million Euro (which, however, in 2024, were characterised by the disposal of a participating financial instrument with a capital gain of 6,2 million Euro).

In terms of funding, the “Rendimax deposit account” product continues to constitute the Group’s main source of finance, with a comprehensive cost of approximately 127,1 million Euro, 6,3 million Euro lower than last year. The reduction was mainly due to lower average assets under management, which fell from 4.394 million Euro in 2024 to 4.219 million Euro at 31 December 2025. The average rate stood at 3,01% at 31 December 2025, broadly in line with last year.

At 31 December 2025, the carrying amount of bonds issued by Banca Ifis amounts to 1.909,7 million Euro , up by 402,4 million Euro compared to the figure at 31 December 2024 (1.507,3 million Euro) mainly as a result of the

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issue on 8 July 2025 of a 400 million Euro bond maturing in November 2029 as part of the EMTN programme (for more details on this, see the section "Significant events occurred in the year" in the Directors' Report on the Group). Interest expenses accrued in 2025 on total issues amount to 103,1 million Euro.

Funding through securitisations (excluding those relating to the illimity Group, allocated to the illimity Segment) amounts to 952,6 million Euro as at 31 December 2025, and decreased by 687,5 million Euro compared to the figure as at 31 December 2024 following the total repurchase of the senior securities of the Emma and Indigo Lease securitisations (which had a total carrying amount of 668,8 million Euro as at 31 December 2024). For further details with reference to these securitisations, refer to "Section 2 - Prudential Consolidation Risks", subsection "1.4 Liquidity Risk", paragraph "Self-Securitisation Transactions" in "Part E - Information on Risks and Related Hedging Policies" of the Notes to the Consolidated Financial Statements. As a result of these trends during the year, the Segment's securitisation funding as at 31 December 2025 consisted solely of securities issued by the ABCP Programme vehicle in the amount of 952,6 million Euro, relating to the senior tranche.

Accrued interest expense drops from 77,5 million Euro at 31 December 2024 to 40,2 million Euro at 31 December 2025 due to the aforementioned subscriptions by Banca Ifis of the Emma and Indigo Lease securities previously placed with third parties, as well as due to the change in the market curves to which the securitisations are indexed.

Also worth mentioning is the access to funding through an MRO refinancing operation in the amount of 500 million Euro, carried out at the end of December and repaid on 7 January 2026, and an OT (Other Type of operation) operation with the ECB in the amount of 260 million US Dollar (equal to 221 million Euro), repaid on 8 January 2026.

Overall, the average cost of funding allocated to the Segment stood at 3,30% at 31 December 2025, down from the 3,87% average for 2024.

With regard to the credit cost, the figure at 31 December 2025 shows net write-backs of 6,2 million Euro, an improvement of 3,5 million Euro compared to 31 December 2024, essentially due to the positive restructuring of an individually significant position.

Operating costs amount to 39,6 million Euro, recording a reduction of 4,1 million Euro compared to 31 December 2024, mainly due to lower consultancy costs.

The item "charges related to the banking system" includes the costs incurred during the financial year for the operation of the banking system guarantee funds (excluding the portion attributable to illimity Bank, which is allocated to the illimity segment), and amounts to 0,6 million Euro. The comparative balance as at 31 December 2024 amounted to 8,1 million Euro, as it related to the cost of the annual contribution to the Interbank Deposit Protection Fund (FITD), of which 7,9 million Euro were attributable to Banca Ifis and the remaining amount to Banca Credifarma.

With reference to the item "net allocations to provisions for risks and charges", it shows net reversals of 0,4 million Euro in 2025, substantially in line with the net reversals of 0,5 million Euro in 31 December 2024.

The item "non-recurring charges and income" shows a net positive balance of 222,8 million Euro at 31 December 2025 and consists of the following items:

- non-recurring operating costs attributable to 2025, amounting to 87,1 million Euro and mainly related to the public exchange and purchase offer for illimity Bank launched by Banca Ifis in January 2025 (for more details see the section on "Significant events during the year" within this Directors' Report on the Group), as well as to the process of integrating the illimity Group companies into the Banca Ifis Group (such as personnel expenses incurred for voluntary redundancy incentive schemes), limited to the portion pertaining to the Governance & Services and Non-Core Segment. In other words, non-recurring costs incurred by companies of the illimity Group are excluded, as they are included in the specific illimity Segment;

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- the non-recurring income relating to the "gain on a bargain purchase" in accordance with IFRS 3 amounting to 309,9 million Euro, arising from the acquisition of illimity Bank on 4 July 2025 and the comparison of the consideration paid with the fair value of the net assets acquired.

Taxes for the year allocated to the Governance & Services and Non-Core Segment were positive for 30,7 million Euro (compared to negative taxes of 1,0 million Euro at 31 December 2024), due to the presence within the Segment's gross profit of 215,0 million Euro of the aforementioned "gain on a bargain purchase" of 309,9 million Euro, which is not taxed.

As a result of the trends described above, the Governance & Services and Non-Core Segment's result for the year was a profit of 245,6 million Euro, a significant increase compared to the figure at 31 December 2024, which amounted to a profit of 1,9 million Euro (+243,7 million Euro) mainly due to the inclusion in the figures at 31 December 2025 of the aforementioned gain on a bargain purchase in the amount of 309,9 million Euro and the aforementioned non-recurring expenses attributable to the Segment (amounting to 87,1 million Euro gross of tax and 60,5 million Euro net of tax). Excluding the profit attributable to minority interests attributable to the Segment, the Segment's contribution to the profit attributable to the Parent Company is positive by 244,2 million Euro. If these non-recurring items were excluded from the result for the financial year, the Governance & Services and Non-Core Segment would register a loss of 5,2 million Euro, down from the profit of 0,3 million Euro at 31 December 2024.

As regards equity figures, at 31 December 2025, total net receivables for the Segment amount to 2.281,6 million Euro, down 21,8 million Euro on the figure at 31 December 2024 (2.303,4 million Euro).

It should be noted that the Governance & Services and Non-Core Segment includes receivables, mainly impaired, belonging to the POCI category, mainly referring to business combinations performed by the Banca Ifis Group during previous financial years (excluding receivables arising from the business combination relating to the illimity Group, which are allocated to the specific illimity Segment):

- net non-performing loans: 5,9 million Euro at 31 December 2025, up 0,2 million Euro on the figure recorded at 31 December 2024;
- net performing exposures: 9,8 million Euro at 31 December 2025, down 1,3 million Euro on the figure recorded at 31 December 2024.

The following table shows the gross and net amounts as well as the relevant coverage ratios of receivables due from customers by credit quality.

GOVERNANCE & SERVICES AND NON-CORE SEGMENT (in thousands of Euro)	BAD LOANS	UNLIKELY TO PAY	PAST DUE EXPOSURES	TOTAL NON-PERFORMING (STAGE 3)	PERFORMING EXPOSURES (STAGES 1 AND 2)	TOTAL LOANS (1)
POSITION AT 31.12.2025						
Nominal amount	9.208	41.125	7.046	**57.379**	2.243.188	**2.300.567**
Losses	(3.778)	(10.941)	(2.217)	**(16.936)**	(2.072)	**(19.008)**
Carrying amount	5.430	30.184	4.829	**40.443**	2.241.117	**2.281.560**
Coverage ratio	*41,0%*	*26,6%*	*31,5%*	***29,5%***	*0,1%*	***0,8%***
POSITION AT 31.12.2024						
Nominal amount	7.938	31.084	7.106	**46.128**	2.278.168	**2.324.296**
Losses	(4.218)	(10.622)	(2.286)	**(17.126)**	(3.777)	**(20.903)**
Carrying amount	3.720	20.462	4.820	**29.002**	2.274.391	**2.303.393**
Coverage ratio	*53,1%*	*34,2%*	*32,2%*	***37,1%***	*0,2%*	***0,9%***

(1) In the Governance & Services and Non-Core Segment, at 31 December 2025, there are government securities amounting to 1.770,6 million Euro (1.579,0 million Euro at 31 December 2024).

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Net impaired loans in the Governance & Services and Non-Core Segment increase by 11,4 million Euro compared to the December 2024 figure, mainly due to an increase in non-performing and unlikely to pay positions. Performing loans are down by 33,3 million Euro compared with the balance of the close of the previous year, despite the increase relating to government securities of the Segment (which went from 1.579,0 million Euro at 31 December 2024 to 1.770,6 million Euro at end December 2025).

The coverage of non-performing exposures in the Segment is affected by receivables whose gross values already take into account the estimate of expected losses. This coverage stands at 29,5% at 31 December 2025, down from 37,1% at 31 December 2024. The coverage of the portfolio as a whole goes from 0,9% at 31 December 2024 to 0,8% at 31 December 2025, and is substantially attributable to the increase in the proportion of non-performing exposures to the total portfolio over the year.

illimity Segment

The illimity Segment includes the contribution of the business units of all the companies included within the illimity Group (for more details on this, see the specific section 'Significant Events during the Year' within this Directors' Report on the Group). Therefore, this Segment is new for the second half of 2025 at the level of the Segments' contribution to the results of the Banca Ifis Group, and at the level of the income statement it is characterised by zero comparative figures and by results at 31 December 2025 limited to the period pertaining to the Banca Ifis Group (i.e. only the six months from July to December 2025, given that control of illimity Bank was achieved on 4 July 2025) and including the effects of the so-called "PPA - Purchase Price Allocation". For more details on the disclosure of Operating Segments, refer to 'Part L - Segment Reporting' of the Notes to the Consolidated Financial Statements.

RECLASSIFIED INCOME STATEMENT DATA (in thousands of Euro)	YEAR
	2025(1)
Net interest income	**88.546**
Net commission income	**31.450**
Other components of net banking income	2.699
Net banking income	**122.695**
Net credit risk losses/reversals	(80.682)
Net profit (loss) from financial activities	**42.013**
Operating costs	**(89.663)**
Charges related to the banking system	(681)
Net allocations to provisions for risks and charges	(152)
Non-recurring expenses and income	(21.420)
Profit (loss) on equity investments	198
Gains (losses) on disposal of investments	195
Pre-tax profit (loss) from continuing operations	**(69.510)**
Income taxes for the year relating to current operations	(7.600)
Profit (loss) for the year	**(77.110)**
(Profit) loss for the year attributable to non-controlling interests	545
Profit (loss) for the year attributable to the Parent Company	**(76.565)**

(1) The figures refer to the period of illimity in the Banca Ifis Group as of 4 July 2025 and are inclusive of the effects of the relevant PPA.

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The Segment's net banking income stands at 122,7 million Euro, and is determined in particular by the following dynamics:

- the net interest income is positive for 88,5 million Euro, and is made up of interest income for 184,2 million Euro (which includes the effect relating to the so-called "reversal" on the six months of the adjustments of the PPA on the financial assets at amortised cost of the illimity Group) and interest expense of 95,7 million Euro, representing the cost of funding in the period July-December 2025 of the illimity Group, which includes the bond issues of illimity Bank and the securitisation securities issued by the various vehicles included in the illimity Group's consolidation scope;
- net commissions of 31,5 million Euro, of which 38,5 million Euro related to commission income and 7,1 million Euro to commission expenses;
- the other components of net banking income amount to 2,7 million Euro for the six months, reflecting the performance recorded on the illimity Group's proprietary portfolio, consisting of dividends and similar income of 1,1 million Euro, a positive result from trading activities of 0,8 million Euro, a loss of hedging activities for 0,1 million Euro, the positive contribution of 1,7 million Euro from the fair value measurement of financial assets, as well as losses from the disposal of debt securities of 0,7 million Euro.

The credit cost for the period July-December 2025 shows net adjustments of 80,7 million Euro.

Operating costs amount to 89,7 million Euro, and consist of personnel expenses of 32,9 million Euro, other administrative expenses of 56,2 million Euro, net operating income of 7,0 million Euro, and net adjustments to tangible and intangible assets of 7,6 million Euro.

The item “Charges related to the banking system” includes the costs incurred during the second half of 2025 for the operation of the banking system's guarantee funds pertaining to illimity Bank and comes to 0,7 million Euro.

Net allocations to provisions for risks and charges amount to 0,2 million Euro for the six months.

The item “non-recurring income and expenses” shows a net balance as at 31 December 2025 negative by 21,4 million Euro and includes the non-recurring operating costs attributable to the period from July to December 2025 related to the Offer for illimity Bank and to the process of integration of the illimity Group companies into the Banca Ifis Group, limited to the portion pertaining to the illimity Segment. These costs refer to the share for the period of offer-related consultancy costs incurred by illimity Bank, ICT costs related to the integration into the Banca Ifis Group, as well as personnel expenses for redundancy incentives.

At 31 December 2025, the Segment records net profits on shareholdings of 0,2 million Euro. Specifically, it represents the effect on the six-month period from July to December 2025 of the valuation of investments subject to joint control or significant influence by illimity Bank.

The illimity Segment shows net profits from the sale of investments of 0,2 million Euro, which only accrued in the second half of 2025.

As a result of the above trends, the result for the year of the illimity Segment before tax was a loss of 69,5 million Euro. DTAs from tax losses accrued by the illimity Group were not recognised. At the level of the illimity Segment, taxes for the year are still negative and amount to 7,6 million Euro, reflecting:

- 10,5 million Euro for negative tax effects related to the settlement of a dispute in the illimity Group as a result of new strategic choices in the new parent company Banca Ifis;
- positive tax effects of 2,9 million Euro, mainly reflecting the so-called "reversal" on the six months of the PPA.

Net of the tax effect and excluding the loss attributable to third parties pertaining to the illimity Segment amounting to 0,5 million Euro, the Segment's contribution to the profit attributable to the Parent Company is negative by 76,6 million Euro.

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Net of the extraordinary and non-recurring items impacting the income statement in the second half of the year for the illimity Segment (relating to non-recurring charges as above amounting to 19,0 million Euro net of tax, as well as to the tax effect of 10,5 million Euro from the settlement as a result of Banca Ifis' new strategic choices), the contribution to profit attributable to the Parent Company would have been negative by 47,1 million Euro.

Regarding balance sheet data, at 31 December 2025, the total net receivables of the Segment amount to 5.045,6 million Euro. It should be noted that the illimity Segment includes financial assets (loans and debt securities) mainly impaired loans belonging to the POCI category, referring both to the Npl purchase activity carried out by the illimity Group and to the additional impaired assets that emerged as a result of the business combination relating to the acquisition of the illimity Group by Banca Ifis (i.e. the assets that were classified as impaired at the date of purchase, 4 July 2025). The POCI of the illimity Segment have a carrying amount of 1.093,2 million Euro at 31 December 2025.

The following table shows the gross and net amounts as well as the relevant coverage ratios of financial assets due from customers at amortised cost by credit quality.

ILLIMITY SEGMENT (in thousand Euro)	BAD LOANS	UNLIKELY TO PAY	PAST DUE EXPOSURES	TOTAL NON-PERFORMING (STAGE 3)	PERFORMING EXPOSURES (STAGES 1 AND 2)	TOTAL LOANS (1)
POSITION AT 31.12.2025						
Nominal amount	172.989	920.440	77.343	**1.170.772**	4.121.680	**5.292.452**
Losses	(1.224)	(5.202)	(3.547)	**(9.973)**	(236.898)	**(246.871)**
Carrying amount	171.765	915.238	73.796	**1.160.799**	3.884.782	**5.045.581**
Coverage ratio	*0,7%*	*0,6%*	*4,6%*	***0,9%***	*5,7%*	***4,7%***

(1) At 31 December 2025, government securities amounting to 1,000,2 million Euro are held in the illimity Segment.

The coverage of non-performing exposures in the Segment is affected by such receivables whose gross values already take into account the estimate of expected losses.

KPIs	AMOUNTS
	31.12.2025
RWA (1)	3.480.873

(1) Risk Weighted Assets; the amount only relates to the credit risk.

Even after the acquisition by Banca Ifis, illimity continued, in agreement with the new parent company, the analysis activities concerning the valuation of certain securitisation notes and units of AIFs recorded as a result of transformation operations of its assets that occurred in previous years, which had already begun in the 2024 financial year following the recommendations transmitted by the Bank of Italy following the inspection to which illimity Bank was subjected in the previous year.

These analyses are part of a verification process aimed at ensuring, at each reporting date, an accurate and timely update of the estimates and aimed at including the best available information - time by time - in the determination of expected cash flows and the related impact on these instruments in the financial statements.

In particular, in estimating the Expected Credit Loss (ECL) on certain securitisation notes underlying the above-mentioned transformation transactions, the most up-to-date information on the actual recoverability of the credit positions in the portfolio was factored in, also in light of the due diligence activities completed in December.

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In addition, Internal Audit carried out a third update of the assessment concerning the verification of the classification and valuation, for accounting and prudential purposes, of these financial instruments, which was completed in December and was also factored into these Financial Statements.

The inclusion of these elements in the best estimates of the instruments' recoverability led to the reclassification of some specific securitisation notes to credit status, resulting in a change in their classification to Stage 3 impaired financial assets as of the date of acquisition of the illimity Group.

Finally, an overall analysis was performed that also factored in the results of the due diligence, including on the recoverability of the remaining credit exposures recorded in the balance sheet; the most up-to-date information was then included in the estimates, which led to an increase in value adjustments, also in consideration of the progressive deterioration of the portfolio that occurred during the period.

These effects were factored into the Purchase Price Allocation (PPA) process at the date of acquisition of the illimity Group.

For more details on the PPA process with reference to the figures of the illimity Group, refer to 'Part G - Business Combinations of Companies or Business Units' of the Notes to the Consolidated Financial Statements.

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Banca Ifis shares

The share price

The ordinary shares of Banca Ifis are listed on the STAR segment, and the bank is listed on the Ftse Italia Mid Cap index. The following table shows the share prices at the end of the year.

Official share price	31.12.2025	31.12.2024	31.12.2023	31.12.2022	31.12.2021
Share price at year-end	25,38	21,18	15,70	13,31	17,07

Price/book value

Below is the ratio of the share price at year-end and equity attributable to the Parent Company per share outstanding.

Price/book value	31.12.2025	31.12.2024	31.12.2023	31.12.2022	31.12.2021
Share price at year-end	25,38	21,18	15,70	13,31	17,07
Equity attributable to the Parent Company per share	34,70	32,95	32,01	30,24	29,85
Price/book value	**0,73**	**0,64**	**0,49**	**0,44**	**0,57**

The situation in terms of price/book value shows a value of less than per unit for all the years reported: in this regard, it should be noted that this is a structural situation for the Italian context in that the quotations show significant discounts for all Italian banks even with respect to tangible net worth.

Outstanding shares	31.12.2025	31.12.2024	31.12.2023	31.12.2022	31.12.2021
Number of shares outstanding at year end (in thousands)(1)	61.080	52.572	52.468	52.433	53.472

(1) Outstanding shares are net of treasury shares held in the portfolio.

Earnings per share and Price/Earnings

Here below is the earnings per share (EPS), namely the ratio of the profit for the period attributable to the Parent Company to the weighted average of the ordinary shares outstanding at year-end, net of treasury shares in portfolio. For more details, please refer to “Section 25 - Earnings per Share” in “Part C - Information on the Consolidated Income Statement” of the Notes to the Consolidated Financial Statements.

Earnings per share and diluted earnings per share	31.12.2025	31.12.2024
Net profit for the year attributable to the Parent Company (in thousands of Euro)	327.996	161.578
Average number of outstanding shares (1)	56.770.114	52.529.787
Average number of shares outstanding for diluted earnings per share purposes	57.376.954	53.383.843
Earnings per share (EPS)	**5,78**	**3,08**
Diluted earnings per share (EPS)	**4,39**	**3,03**
Normalised net profit for the year attributable to the parent company (in thousand Euro) (2)	108.086	161.934
Normalised earnings per share (EPS)	**1,90**	**3,08**
Normalised diluted earnings per share (EPS)	**1,88**	**3,03**

(1) Outstanding shares are net of treasury shares held in the portfolio.
(2) For the logic of normalisation of the net profit for the year pertaining to the Parent Company, see the section 'Group financials and income results', 'Reclassified income statement items'.

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Payout ratio

The Board of Directors of Banca Ifis will propose to the Shareholders' Meeting the distribution of a balance on the dividend for FY 2025 of 0,92 Euro (gross of withholding taxes) for each of the Banca Ifis shares issued and outstanding (and therefore excluding treasury shares held by the Bank). In November 2025, an interim dividend of 1,20 Euro per share had already been distributed for FY 2025. The total 2025 dividends (interim payment and balance) thus amount to 2,12 Euro per share, corresponding to a payout ratio of 39,5%.

Payout ratio (in thousands of Euro)	2025	2024
Net profit attributable to the Parent Company	327.996	161.578
Parent Company dividends (1)	129.489	111.910
Payout ratio (1)	**39,5%**	**69,3%**
Normalised net profit attributable to the Parent Company (2)	108.086	161.934
Normalised payout ratio (2)	**119,8%**	**69,1%**

(1) The figures for FY 2025 comprise the total of 1,20 Euro per share distributed as an interim dividend in November 2025 and 0,92 Euro per share as a proposal for a final dividend for the FY 2025 prepared by the Board of Directors of Banca Ifis.
(2) For the logic of normalisation of the net profit for the year pertaining to the Parent Company, see the section 'Group financials and income results', 'Reclassified income statement items'.

Shareholders

As at 31 December 2024, the parent company's share capital amounted to 53.811.095 Euro and was divided into 53.811.095 shares, each worth a nominal amount of 1 Euro.

During 2025, the Board of Directors of Banca Ifis resolved, in execution of the mandate conferred by the Extraordinary Shareholders' Meeting of 17 April 2025, to increase the share capital for cash, in one or more instalments and in divisible form, with the exclusion of option rights pursuant to Article 2441, paragraph 4, first sentence, of the Italian Civil Code, to service the tender offer launched by Banca Ifis on illimity Bank. In particular:

- on 04 July 2025 (when control was acquired of illimity Bank), 7.069.448 Banca Ifis ordinary shares - regular entitlement, coupon 32 - worth a nominal amount of 1,00 Euro each were issued, with an increase in share capital from 53.811.095,00 Euro to 60.880.543,00 Euro divided into 60.880.543 ordinary shares worth a nominal amount of 1,00 Euro each;
- on 21 July 2025, following the reopening of the terms of the Offer, 605.983 Banca Ifis ordinary shares - regular entitlement, coupon 32 - worth a nominal amount of 1,00 Euro each were issued, with an increase in share capital from 60.880.543,00 Euro to 61.486.526,00 Euro divided into 61.486.526 ordinary shares worth a nominal amount of 1,00 Euro each;
- on 5 September 2025, following conclusion of the sell-out procedure, 53.929 Banca Ifis ordinary shares - regular entitlement, coupon 32 - worth a nominal amount of 1,00 Euro each were issued, with an increase in share capital from 61.486.526,00 Euro to 61.540.455,00 Euro divided into 61.540.455 ordinary shares worth a nominal amount of 1,00 Euro each;
- on 19 September 2025, following conclusion of the joint procedure, 278.470 Banca Ifis ordinary shares - regular entitlement, coupon 32 - worth a nominal amount of 1,00 Euro each were issued, with an increase in share capital from 61.540.455,00 Euro to 61.818.925,00 Euro divided into 61.818.925 ordinary shares worth a nominal amount of 1,00 Euro each.

For more details on these share issues to service the Offer on illimity Bank, refer to the section “Significant events during the year” below in this Directors' Report on the Group.

As a result of the above dynamics, the share capital of the Parent Company at 31 December 2025 amounts to 61.818.925,00 Euro and is broken down into 61.818.925 shares for a nominal amount of 1 Euro each.

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Below are Banca Ifis's shareholders that, either directly or indirectly, own equity instruments with voting rights representing over 3% of Banca Ifis's share capital:

- Ernesto Fürstenberg Fassio (through Fürstenberg Scogliera Holding S.A.): 45,1%;
- market: 49,5%;
- Riccardo Preve: 4,2% (on its own for 0,3% and through Preve Costruzioni S.p.A. for 3,9%).

The remaining 1,2% corresponds to the portion of treasury shares held by Banca Ifis.

Corporate governance rules

Banca Ifis has adopted the Corporate Governance Code for listed companies. The Bank's Board of Directors has established the Control and Risk Committee, the Appointments Committee and the Remuneration Committee. The Board of Directors has also appointed a Supervisory Body with autonomous powers of initiative and control pursuant to Italian Legislative Decree No. 231/2001.

Internal dealing rules

Banca Ifis regulations on internal dealing are aligned with the relevant EU legislation (EU Regulation No. 596/2014, the Market Abuse Regulation) and aims to ensure the utmost transparency in the Bank's disclosures to the market.

The “Policy on transactions carried out by Relevant Persons and Persons Closely Related to them in shares, debt securities and related financial instruments issued by Banca Ifis S.p.A.” (Internal Dealing Policy) regulates:

- the requirements related to identifying the Relevant Persons and the so-called “closely related people”;
- the management of information relating to transactions exceeding the minimum amount threshold on units, credit securities or related instruments issued by Banca Ifis, carried out, directly or indirectly, by a Relevant Person or by a Closely Related Person and subject to notification obligations;
- the handling of closed periods, i.e. those periods during which the Relevant Persons must refrain from trading in shares or other debt instruments issued by Banca Ifis as well as financial instruments linked to them.

The Relevant Persons are:

- the members of the Board of Directors;
- the members of the Board of Statutory Auditors;
- managers regarded as “key managers”, i.e.:
  - CEO of Parent Company;
  - Co-General Manager Chief Operating Officer (COO);
  - Co-General Manager Chief Commercial Officer (CCO);
  - Head of the Communication, Marketing, Public Affairs & Sustainability Department;
  - Chief of Staff and Chairman's Communication;
  - Chief Financial Officer (CFO);
  - Manager charged with preparing the company’s financial reports;
  - Chief Financial Officer (CLO);
  - Head of the Npl Department;
  - Head of Internal Audit;
  - Head of Compliance;
  - Chief Financial Officer (CRO);
  - Head of Anti-Money Laundering;
  - Head of the Human Resources Department;

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  - General Counsel;
  - Head of the Investor Relations & Corporate Development Department;
  - CEO of Ifis Npl Servicing;
  - General Manager of Ifis Npl Servicing;
  - CEO of Banca Credifarma.

- any person holding an interest, calculated pursuant to Article 118 of the Issuers' Regulation, equal to at least 10% of the share capital of Banca Ifis, represented by shares with voting rights as well as another individual who controls the Bank;
- additional persons identified as such, even for limited periods of time, by specific resolution of the Board of Directors of Banca Ifis.

Persons closely related to Relevant Persons are also subject to the Internal Dealing Policy.

This document is available on Banca Ifis's website, www.bancaifis.it, in the "Corporate Governance" Section, “Internal Dealing” sub-section.

Rules for the handling of inside information

Internal procedures for handling inside information and the list of individuals who have access to inside information are aligned with the Market Abuse Regulation.

In compliance with Article 115-bis of Italian Legislative Decree No. 58/1998, Banca Ifis has created a list of individuals who, in performing their professional and work duties or in carrying out their activity, have access to inside information (the list of insiders). Banca Ifis constantly updates this list.

In addition, the Group has adopted the “Group policy for the handling of inside information” in order to:

- prevent individuals who, based on their duties, have no reason to know such information from accessing it;
- identify the individuals who have access to such information at all times.

This policy also describes the process of handling inside information of third-party issuers, also with reference to the management of passive market surveys.

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Significant events during the year

The Banca Ifis Group transparently and promptly discloses information to the market, constantly publishing information on significant events through press releases. Please refer to the "Media" section of the institutional website www.bancaifis.it to view all press releases, as well as to the specific section dedicated to the offer on all shares of illimity Bank.

Voluntary totalitarian tender and exchange offer on all shares of illimity Bank

On 7 January 2025, the Board of Directors of Banca Ifis approved the promotion of a voluntary takeover and exchange offer on all shares of illimity Bank. The offer was disclosed to the market on 8 January 2025 by means of a notice circulated pursuant to Article 102, paragraph 1 of Legislative Decree No. 58/98 (the "TUF") and Article 37 of the regulations adopted by Consob Resolution No. 11971/99 (the "Issuers' Regulations"). The offer envisaged the acquisition by Banca Ifis of 100% ownership of the shares of illimity Bank listed on Euronext Milan, Segment Euronext STAR Milan. In particular, Banca Ifis has proposed that for each share of illimity Bank tendered to the offer, a consideration expressing a unit valuation of 3,55 Euro, based on the official price of Banca Ifis shares on 7 January 2025, will be paid. This consideration originally consisted of:

- 0,1 newly issued shares of Banca Ifis for each share of illimity Bank and
- a cash component originally of 1,414 Euro, thereafter adjusted to 1,506 Euro following the detachment, on 19 May 2025, of the coupon for the balance of the dividend for FY 2024.

On 10 March 2025, Banca Ifis announced that the Italian Antitrust Authority (AGCM) had granted its authorisation for the transaction, without imposing any conditions, limitations or requirements, and that, in light of this, Banca Ifis did not identify any further antitrust authorisations necessary to complete the offer.

On 14 March 2025, the President of the Council of Ministers forwarded to Banca Ifis the resolution accepting the proposal of the Ministry of Economy and Finance (MEF) not to exercise the special powers under the “Golden Power” regulation in relation to the acquisition by Banca Ifis, through the Offer, of the entire share capital of illimity.

On 28 April 2025, Banca Ifis received approval from the European Central Bank (ECB) for the direct and indirect acquisition of a controlling stake in illimity Bank, in accordance with Articles 19 *et seq.* of Italian Legislative Decree No. 385 of 1 September 1993.

Following the authorisation of the European Central Bank, on 2 May 2025 Banca Ifis also received all the necessary authorisations pertaining to the Bank of Italy and specifically:

- the authorisation of the indirect acquisition of a controlling interest in illimity SGR S.p.A.[5] and the purchase of a qualified shareholding in Hype S.p.A.;
- the authorisation of the acquisition of the stake in illimity for a consideration exceeding 10% of the Banca Ifis Group's equity on a consolidated basis; and
- the ruling to ascertain that the amendments to Banca Ifis's articles of association resulting from the share capital increase to service the offer do not conflict with the sound and prudent management of Banca Ifis.

The Bank of Italy also confirmed the eligibility of the new shares issued as part of the capital increase as Common Equity Tier 1 (CET1).

After obtaining the aforementioned regulatory authorisations, Consob, by resolution No. 23543 of 7 May 2025, approved the offer document pursuant to Article 102, paragraph 4 of the TUF.

[5] *This company was renamed Fürstenberg SGR S.p.A. as of 18 December 2025.*

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On 8 May 2025, the Board of Directors of Banca Ifis resolved, in execution of the mandate conferred by the Extraordinary Shareholders' Meeting of 17 April 2025, to increase the share capital for cash, in one or more tranches and in divisible form, with the exclusion of option rights pursuant to Article 2441, paragraph 4, first sentence, of the Italian Civil Code, to service the total voluntary takeover offer promoted by Banca Ifis on all the ordinary shares of illimity pursuant to Articles 102 and 106, paragraph 4, of the TUF.

On 24 June 2025, Banca Ifis announced that it would pay a cash premium of 5%, equal to 0,1775 Euro (the "additional cash consideration"), for each illimity share tendered to the offer if the acceptance threshold were to exceed 90% of illimity's share capital (the "90% threshold").

On 27 June 2025, the accession period for the offer ended. On the basis of the results of the acceptances on that date, which reached 84,092%, in order to reach the threshold of 90% - the relevant threshold for the residual takeover bid and subsequent squeeze out procedures - the Bank announced, upon completion of the acceptance period, that it wished to proceed with the reopening of the terms pursuant to and for the purposes of Article 40-bis, paragraph 1, letter a), of the Issuers' Regulation; as a result, the acceptance period was reopened for 5 trading days and, precisely, for the sessions from 7 July to 11 July 2025.

Based on these final results of the Bid, as of the payment date (4 July 2025) Banca Ifis holds 70.694.489 illimity shares.

On 4 July 2025 Banca Ifis announced the new composition of the subscribed and paid up share capital resulting from the paid up and divisible share capital increase pursuant to the resolution of 8 May 2025, in partial execution of the mandate conferred on the Board of Directors by the Extraordinary Shareholders' Meeting of 17 April 2025, to service the voluntary takeover offer for all the ordinary shares of illimity Bank, through the issue of a maximum number of 8.406.781 ordinary shares of Banca Ifis, worth a nominal amount of 1,00 euro each, with regular dividend rights and the same characteristics as the shares in circulation on the issue date, to be released by contribution in kind as to service the offer.

The certificate of capital increase was filed on 04 July 2025 with the Companies' Register of Venice, Rovigo. 7.069.448 Banca Ifis ordinary shares - regular entitlement, coupon 32 - worth a nominal amount of 1,00 Euro each were issued, with an increase in share capital from 53.811.095,00 Euro to 60.880.543,00 Euro divided into 60.880.543 ordinary shares worth a nominal amount of 1,00 Euro each.

On 11 July 2025, the re-opening period for the offer ended. At the end of the reopening period, total acceptances of the bid reached 92,488% (taking into account treasury shares). Therefore, on the basis of the results of the re-opening of the terms and taking into account the 70.694.489 illimity shares already tendered to the bid during the acceptance period, on the payment date following the re-opening of the terms (18 July 2025) Banca Ifis held 77.752.504 illimity shares, representing 92,488% of its share capital (taking into account treasury shares).

On the basis of the final results achieved, which were confirmed on 16 July 2025, Banca Ifis took steps to give effect to the payment of the 5% cash bonus to each illimity shareholder who tendered their illimity shares to the bid.

The payment date was set for 18 July 2025. On that date, against the transfer in favour of Banca Ifis of the right of ownership of the illimity shares tendered during the reopening of the terms, Banca Ifis:

- in favour of members who brought their illimity shares into the offer during the reopening of the terms:
  - issued and allotted the Banca Ifis shares offered, at a ratio of 0,10 newly issued Banca Ifis shares for every illimity share tendered, and thus for a total of 605.983 new Banca Ifis shares, representing 0,985% of Banca Ifis's share capital following the issue of these new Banca Ifis shares;
  - paid 1,6835 Euro for each illimity share tendered and so for a total of 10.201.728,85 Euro; and

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- in favour of the adherents who had already tendered their illimity shares to the bid during the acceptance period (and had therefore already received the consideration on the payment date of 4 July 2025), paid only the additional cash consideration (0,1775 Euro per illimity share), as a supplement.

The deadline for the payment of the cash amount of the fractional part in favour of the subscribers who tendered their illimity shares to the bid during the reopening of the terms was set for 25 July 2025, as provided in Section F, Paragraph F.6 of the Offer Document.

On 21 July 2025, Banca Ifis communicated the new composition of the subscribed and paid-up share capital resulting from the paid-in and divisible share capital increase pursuant to the resolution of 8 May 2025, in partial execution of the mandate conferred on the Board of Directors by the Extraordinary Shareholders' Meeting of 17 April 2025, to service the offer.

The certificate of capital increase was filed on 21 July 2025 with the Companies' Register of Venice, Rovigo. 605.983 Banca Ifis ordinary shares - regular entitlement, coupon 32 - worth a nominal amount of 1,00 Euro each were issued, with an increase in share capital from 60.880.543,00 Euro (as updated by communication given on 4 July 2025) to 61.486.526,00 Euro divided into 61.486.526 ordinary shares worth a nominal amount of 1,00 Euro each.

On the basis of the final results of the reopening of the terms, the legal requirements for the fulfilment of the purchase obligation pursuant to article 108, paragraph 2, of the TUF have been verified, given that Banca Ifis holds a total shareholding of more than 90%, but less than 95%, of the share capital of illimity Bank, calculated by calculating the 76.754.322 shares tendered in acceptance of the offer as well as the 998.182 treasury shares held by illimity Bank, which, for the purposes of calculating the threshold set forth in Article 108, paragraph 2, of the TUF, must be counted in the overall stake held by Banca Ifis (numerator) without being deducted from the share capital of illimity Bank (denominator).

Therefore, Banca Ifis, as stated in the Offer Document, has not expressed its intention to restore a sufficient free float to ensure the regular trading of illimity shares and has undertaken to fulfill the obligation to purchase pursuant to Article 108, paragraph 2, of the TUF in relation to the remaining 7.313.486 illimity shares, representing 8,700% of illimity Bank's share capital (including treasury shares).

As part of the procedure for the fulfilment of the obligation to purchase pursuant to Article 108, paragraph 2 of the TUF, Banca Ifis paid to the shareholders of illimity Bank who requested Banca Ifis to purchase their residual shares pursuant to Article 108, paragraph 2 of the TUF the consideration per residual share, determined in accordance with the provisions of Article 108, paragraphs 3 and 5 of the TUF, namely:

- a consideration identical to the consideration of the bid, i.e. for each illimity share tendered to the offer, 1,6835 Euro, as cash component, and 0,1 newly issued Banca Ifis shares, as share component (the "share consideration" and, together with the cash consideration, the "purchase obligation consideration pursuant to article 108, paragraph 2, of the TUF"); or, alternatively,
- only to shareholders who expressly requested it in the request for sale, a full cash consideration of 4,0767 Euro for each illimity share, calculated pursuant to article 50-ter, paragraph 1, letter a) of the Issuers' Regulation, and, therefore, equal to the sum (x) of the weighted average of the official prices of Banca Ifis shares recorded on Euronext Milan Euronext STAR Milan segment, in the five trading days preceding the payment date as a result of the reopening of the terms (i.e., in the sessions of 11 July, 14 July, 15 July, 16 July and 17 July 2025), which is equal to 23,9317 Euro, multiplied by 0,1 (i.e. the exchange rate) and (y) of the cash consideration (the "alternative cash consideration").

The period agreed with Borsa Italiana during which Banca Ifis complied with the purchase obligation pursuant to Article 108, paragraph 2 of the TUF, and the holders of residual shares could, by submitting a request for sale, request Banca Ifis to purchase such illimity shares, commenced at 08:30 (Italian time) on 28 July 2025 and ended at 17:30 (Italian time) on 29 August 2025 (the "period for submission of requests for sale"). At the time the sell-out started on 28 July 2025, Banca Ifis held 91,3% of the share capital of illimity Bank on the market.

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The sell-out procedure was successfully completed on 29 August 2025, as by the close of the application period, requests for sale had been submitted for a total of 2.446.348 residual shares. These residual shares represent 2,910% of the share capital of illimity Bank and 33,447% of the total residual shares subject to the procedure for the fulfilment of the purchase obligation pursuant to Article 108(2) of the TUF (including treasury shares). Therefore, on the basis of these provisional results and taking into account the 2.446.348 residual shares subject to requests for sale, the 76.754.322 shares of illimity Bank already held by Banca Ifis at the closing date and the 998.182 treasury shares held by illimity Bank, Banca Ifis was found to own 80.198.852 shares of illimity Bank, representing 95,398% of illimity Bank's share capital (taking into account treasury shares).

Based on these results, on 5 September 2025 (the date of payment of the purchase obligation consideration) Banca Ifis paid:

- in favour of the holders of 539.298 residual shares (representing 22,045% of the residual shares for which requests to sell were submitted) who requested to receive the consideration, for each residual share for which a request to sell was submitted:
  - 1,6835 Euro, as cash consideration and thus for a total of 907.908,18 Euro; and
  - 0,1 newly issued Banca Ifis shares, as consideration in shares, according to the ratio of 0,1 Banca Ifis shares for each illimity Bank share requested for sale, and thus for a total of 53.920 new Banca Ifis shares, representing 0,088% of Banca Ifis's share capital following the issuance of such new shares;
- in favour of the holders of 1.907.050 residual shares (representing 77,955% of the residual shares for which requests to sell were submitted) who requested to receive the alternative cash consideration, 4,0767 Euro for each residual share for which a request to sell was submitted, and so for a total of 7.774.470,74.

On 05 September 2025, Banca Ifis communicated the new composition of the subscribed and paid-up share capital resulting from the paid-in and divisible share capital increase pursuant to the resolution of 8 May 2025, in partial execution of the mandate conferred on the Board of Directors by the Extraordinary Shareholders' Meeting of 17 April 2025, to service the offer.

The certificate of capital increase was filed on 05 September 2025 with the Companies' Register of Venice, Rovigo. 53.929 Banca Ifis ordinary shares - regular entitlement, coupon 32 - worth a nominal amount of 1,00 Euro each were issued, with an increase in share capital from 61.486.526,00 Euro (as updated by communication given on 21 July 2025) to 61.540.455,00 Euro divided into 61.540.455 ordinary shares worth a nominal amount of 1,00 Euro each.

The 53.929 newly-issued Banca Ifis shares were assigned as a share component of the consideration to the shareholders of illimity Bank who submitted requests to sell their shares of illimity Bank in the context of the procedure for the fulfilment of the purchase obligation pursuant to Article 108(2) of the TUF by Banca Ifis.

In consideration of the foregoing, the legal prerequisites for the fulfilment of the purchase obligation pursuant to Article 108, paragraph 1, of the TUF and for the exercise of the purchase right pursuant to Article 111 of the TUF in relation to the remaining 3.868.956 shares of illimity Bank, representing 4,602% of the share capital (the so-called "squeeze out"), as Banca Ifis came to hold an overall stake of more than 95% in the share capital of illimity Bank. Therefore, Banca Ifis, as stated in the Offer Document, by exercising its squeeze-out right, has also fulfilled its purchase obligation pursuant to Article 108(1) of the TUF vis-à-vis the shareholders of illimity Bank who so requested, thereby giving effect to the joint procedure.

As part of the joint procedure, Banca Ifis undertook to pay to the shareholders of illimity Bank, for each additional residual share, a consideration determined pursuant to the provisions of Article 108(3) and (5) of the TUF, i.e.:

- a consideration identical to the consideration of the offer, i.e. 1,6835 Euro, as consideration in cash, and 0,1 newly issued Banca Ifis shares, as consideration in shares; or, alternatively

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- only to illimity Bank shareholders who expressly request it in the request for sale of the additional residual shares (the “request for sale for the joint procedure”), a full cash consideration of 4,0767 Euro for each illimity share, calculated pursuant to article 50-ter, paragraph 1, letter a) of the Issuers’ Regulation, and, therefore, equal to the sum (x) of the weighted average of the official prices of Banca Ifis shares recorded on Euronext Milan Euronext STAR Milan segment, in the five trading days preceding the payment date as a result of the reopening of the terms (i.e., in the sessions of 11 July, 14 July, 15 July, 16 July and 17 July 2025), which is equal to 23,9317 Euro, multiplied by 0,1 (the exchange rate) and (y) of the cash consideration, as alternative cash consideration.

The period of the joint procedure started at 08:30 (Italian time) on 8 September 2025 and ended at 17:30 (Italian time) on 12 September 2025.

On 12 September 2025, the aforesaid joint procedure was concluded and applications were submitted for the sale of a total of 2.075.029 additional residual shares, representing 2,468% of the share capital of illimity Bank and 53,633% of the total additional residual shares subject to the joint procedure.

Based on these results, Banca Ifis paid on 19 September 2025 (the payment date of the joint procedure):

- in favour of the holders of 990.787 additional residual shares (representing 47,748% of the additional residual shares for which requests for sale were submitted for the joint procedure) who requested to receive the consideration, for each additional residual share for which a request for sale was submitted:
  - 1,6835 Euro as consideration in cash; and
  - 0,1 newly issued Banca Ifis shares, as consideration in shares;
- in favour of the holders of 1.084.242 additional residual shares (representing 52,252% of the additional residual shares for which a request for sale for the joint procedure has been submitted) who requested to receive the alternative cash consideration, 4,0767 for each additional residual share for which a request for sale for the joint procedure has been submitted.

The holders of the remaining 1.793.927 additional shares who did not submit a request for the joint procedure (the "non-requesting shareholders") only received the bid consideration.

Therefore, considering also the non-requesting shareholders, Banca Ifis on 19 September paid the following in settlement of the squeeze out:

- for the additional requesting shareholders who did not request the alternative cash consideration and for the non-requesting shareholders, Banca Ifis:
  - issued and allotted the consideration in shares, i.e. Banca Ifis shares offered, at a ratio of 0,1 newly issued Banca Ifis shares for each additional share remaining, for a total of 278.470 new Banca Ifis shares, equal to 0,450% of Banca Ifis' share capital following the issuance of these new Banca Ifis shares; Banca Ifis' share capital following this issuance is represented by 61.818.925 ordinary shares;
  - paid the cash consideration (i.e. 1,6835 for each additional remaining share) and so for a total of 4.688.066,02;
- for the additional requesting shareholders who requested the alternative cash consideration, Banca Ifis paid the alternative cash consideration (i.e. 4,0767 Euro for each additional share requested to be sold in the joint procedure) and so for a total of 4.420.129,36 Euro.

Borsa Italiana, pursuant to Article 2.5.1, paragraph 6, of the Stock Exchange Regulations, consequently ordered, by order No. 9059 taken on 2 September 2025, the delisting of the shares of illimity Bank from the listing on Euronext Milan, Euronext STAR Milan segment (so-called "delisting") as of 19 September 2025 (the payment date of the joint procedure), subject to the suspension of trading in the shares of illimity Bank on 17 and 18 September 2025.

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On 19 September 2025, Banca Ifis communicated the new composition of the subscribed and paid-up share capital resulting from the paid-in and divisible share capital increase pursuant to the resolution of 8 May 2025, in partial execution of the mandate conferred on the Board of Directors by the Extraordinary Shareholders' Meeting of 17 April 2025, to service the offer.

The certificate of capital increase was filed on 19 September 2025 with the Companies' Register of Venice, Rovigo. 278.470 Banca Ifis ordinary shares - regular entitlement, coupon 32 - worth a nominal amount of 1,00 Euro each were issued, with an increase in share capital from 61.540.455,00 Euro (as updated by communication given on 5 September 2025) to 61.818.925,00 Euro divided into 61.818.925 ordinary shares worth a nominal amount of 1,00 Euro each.

The 278.470 newly issued Banca Ifis shares were allotted as a share component of the consideration to the shareholders of illimity Bank in the context of the joint procedure.

As a result of the completion of the squeeze-out procedure, on 19 September 2025, Banca Ifis holds 100% of the share capital of illimity Bank. The value of the equity investment held by Banca Ifis in illimity Bank totalled 330,5 million Euro, which represents the cumulative acquisition cost of illimity Bank's shares through the various stages of the aforementioned offer. Specifically, 147,0 million Euro was disbursed through cash consideration while 183,5 million Euro was paid through an offer of Banca Ifis shares.

On 25 September 2025, the Ordinary and Extraordinary Shareholders' Meeting of illimity Bank took place, which was called to resolve, inter alia, on the renewal of the corporate bodies. This meeting appointed a Board of Directors of illimity Bank for the financial years 2025, 2026 and 2027 (expiring with the approval of the Financial Statements for FY 2027), consisting of, among others, Ernesto Fürstenberg Fassio as Chairman, Rosalba Benedetto and Luca Lo Giudice as Vice Chairmen, and Frederik Geertman as CEO.

On 18 December 2025, Banca Ifis announced that it had completed the due diligence activities preparatory to the determination of the badwill (or 'gain on a bargain purchase' under IFRS 3) arising from the acquisition of illimity Bank, as requested by the European Central Bank (ECB) on 29 April. The results are in line with the Banca Ifis Group's estimates and expectations. The analysis, conducted by an independent external company, allows Banca Ifis to confirm the cost and revenue synergies announced on 8 January 2025 and quantifiable in the order of about 75 million Euro per year, before taxes. The outcome of the due diligence revealed the need for additional impairments at the date of acquisition of 75 million Euro (of which 20 million Euro was already included and expensed in the results as at 30 September 2025) on top of the previous impairments of 290 million Euro made by illimity Bank during 2025.

As required by the European Central Bank, the outcome of the due diligence was transmitted to the Bank of Italy after approval by the Board of Directors of Banca Ifis.

Banca Ifis reported the impacts of the due diligence in the Preliminary Updated Results to 31 December 2025, approved by the Board of Directors on 11 February 2026, and in this Consolidated Financial Statements as at 31 December 2025.

On 9 February 2026, the Board of Directors of illimity Bank ratified the appointment of Raffaele Zingone (former Co-General Manager and Chief Commercial Officer of Banca Ifis) as the company's new Chief Executive Officer. Zingone, who will continue in his role at Banca Ifis, succeeds Frederik Geertman, who has led illimity Bank since last September.

Banca Ifis will now pursue the roadmap to the full integration of illimity Bank into the banking group, to be completed during 2026.

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The Shareholders' Meeting has approved the 2024 Financial Statements and the distribution of a dividend of 0,92 Euro per share for the year

On 17 April 2025, the Extraordinary and Ordinary Shareholders' Meeting of Banca Ifis, approved the 2024 Financial Statements and the consequent distribution of a dividend balance of 0,92 Euro for each Banca Ifis ordinary share issued and outstanding, already considered as a deduction of Equity at 31 December 2024, with ex-dividend no. 31 date of 19 May 2025, record date of 20 May 2025 and payment date of 21 May 2025. At the same time, the Shareholders' Meeting also approved the renewal of the Board of Directors and expanded from 13 to 14 the number of Directors who will hold office until the date of the Shareholders' Meeting convened to approve the Annual Report for the year ending 31 December 2027. Rosalba Benedetto and Chiara Paolino join the Board of Directors. They will further strengthen the Board's expertise in the areas of brand reputation, sustainability and corporate management.

The Board of Directors of Banca Ifis, which met on the sidelines of the Shareholders' Meeting, renewed Frederik Geertman as CEO and appointed Rosalba Benedetto as Vice Chairman of the Banking Group.

Completed issue of a 400 million Euro bond maturing in November 2029

On 8 July 2025, Banca Ifis completed the placement of a 400 million Euro senior preferred debenture loan aimed at institutional investors. The transaction is part of the 5 billion Euro EMTN issuance programme.

In detail, the bond issue matures in November 2029 and the reoffer price was set at 99,758 with a coupon payable annually of 3,625%. The offer was subscribed for 1,5 times the amount issued.

The bond issued by Banca Ifis is listed on the Luxembourg Stock Exchange, with a rating of Baa3 by Moody's and BB+ by Fitch.

Acquisition of Euclidea SIM finalised: Banca Ifis enters asset management services

In line with the principles announced at the start of the year by Ernesto Fürstenberg Fassio to develop a distinctive and competitive offering both technologically and in terms of transparency and cost efficiency, Banca Ifis signed an agreement on Monday 28 July 2025 to acquire 100% of the shares of Euclidea SIM S.p.A. and successfully completed the acquisition on 21 November 2025. The closing of the transaction came after the Banca Ifis Group obtained the necessary regulatory approvals from the Bank of Italy and the clearance with respect to Golden Power. The purchase of Euclidea SIM generated an impact on the Banca Ifis Group's CET1 ratio of approximately 20 bps.

Euclidea SIM is an independent securities brokerage firm offering analysis and portfolio management services. Euclidea's experienced market managers base their choices on a proprietary AI- and machine learning-based "fund ranking" algorithm for selecting actively and passively managed funds based on objective parameters (e.g. cost and historical performance). Through the use of its digital platform, the brokerage firm is thus able to offer a portfolio management service with transparent and competitive pricing and very positive historical performance. The company manages a clientèle mainly concentrated in the private segment: at the end of 2024, the company managed around 400 million Euro in assets on behalf of more than 2.000 clients.

The transaction constitutes the first step in a broader project to expand the offering to the sphere of asset management services.

Leveraging its own history and Euclidea SIM's positive track record, Banca Ifis can thus also broaden the areas of dialogue with business customers, already served within the Commercial & Corporate Banking Segment, and take advantage of the synergies between the Bank and Euclidea SIM by flanking the Rendimax deposit account with a customised advanced digital asset management service.

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With the acquisition of Euclidea, through the new Fürstenberg brand, the new line of financial services and products in asset management, investment funds and advisory is being prepared. The products and the investment platform will continue to maintain the Euclidea brand, which characterises its quality, innovative footprint, and the market proposition, which is also confirmed by the track record obtained in recent years.

Directors Regazzi and Meruzzi join the Board of illimity Bank and resign from the Board of Banca Ifis

On 25 September 2025, following the successful completion of the offer on illimity Bank on 19 September 2025 and in order to be appointed to the Board of Directors of that company, the independent directors Monica Regazzi and Giovanni Meruzzi resigned from their positions of:

- member of the Board of Directors and of the Supervisory Body, as far as Monica Regazzi is concerned;
- member of the Board of Directors and Chair of the Remuneration Committee and Supervisory Body, as far as Giovanni Meruzzi is concerned.

At this stage, the appointment of Monica Regazzi and Giovanni Meruzzi to the Board of Directors of illimity Bank was promoted by Banca Ifis in order to ensure the Parent Company's oversight during the company's integration phase, guaranteeing the presence of directors with adequate skills and experience, as well as the independence requirements provided for by current regulations.

At the date of their resignation, Monica Regazzi and Giovanni Meruzzi did not hold shares in Banca Ifis and, in line with the remuneration policy adopted by the Banca Ifis Group, their termination of office does not entail the payment of allowances or other benefits.

Restructuring of the Emma SPV securitisation worth over 600 million Euro

On 8 October 2025, Banca Ifis successfully completed an STS securitisation transaction of loans with a total nominal amount of 610 million Euro for the purpose of funding its subsidiary Banca Credifarma. The transaction, with Banca Ifis acting as Sole Arranger, was finalised with the acquisition of the loans by the special purpose vehicle Emma SPV.

The transaction, which took the form of a restructuring ("size increase") of a transaction originally carried out in 2018 by the former Farbanca and previously restructured in 2021, allowed Banca Credifarma, the originator of the securitised loans, to increase its funding on more favourable terms, in terms of both cost and duration. Specifically, three classes of asset-backed securities were issued as part of the transaction: the senior class, with a nominal amount of 438,3 million Euro, was fully subscribed by Banca Ifis; the mezzanine and junior classes, with a nominal value of 58,5 million Euro and 112,9 million Euro, respectively, were fully subscribed by Banca Credifarma as originator. The senior bonds were also admitted to trading on the Euronext Access Milan segment managed by Borsa Italiana and were rated by Moody's and Scope Rating agencies with a rating of Aa3 (sf) and AAA (sf), respectively. The receivables as collateral for the transaction derive from land, mortgage and unsecured loans granted by Banca Credifarma. The restructuring made it possible to bring the transaction into line with the requirements for STS securitisations ("Simple, Transparent and Standardised" securitisations) under EU Regulation 2017/2042 (Securitisation Regulation) , as well as to adapt the characteristics of the deal and the senior securities so that the latter could be used as collateral in funding transactions with the ECB.

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85 million Euro offer received from Banca Sella for the sale of the stake held by illimity Bank in Hype accepted

On 3 November 2025, the Board of Directors of illimity Bank, meeting in extraordinary session under the chairmanship of Ernesto Fürstenberg Fassio, accepted the offer of Banca Sella Holding to acquire 50% of the capital of Hype.

The offer includes a financial consideration of 85 million Euro. With the transaction, the Banca Ifis Group would obtain a capital benefit of approximately 55 bps in terms of CET1.

The offer was made by Banca Sella Holding, which identified Banca Sella as the buyer, in accordance with the procedure set out in the shareholders' agreements signed in June 2023 by the then CEO of illimity Bank, Mr Corrado Passera, and Banca Sella Holding.

For significant events occurring after 31 December 2025 with regard to this Hype shareholding, refer to the section below entitled 'Subsequent events'.

Distribution of a 2025 interim dividend of 73,3 million Euro (1,20 Euro per share)

On 10 November 2025, the Board of Directors of Banca Ifis resolved to distribute an interim dividend on 2025 profits for a total amount of euro 73.295.604,00, equal to 1,2 euro per share (gross of withholding taxes), for each of the 61.079.670 Banca Ifis shares issued and outstanding (already net of 739.255 treasury shares). The interim dividend 2025 was paid with ex-dividend date 24 November 2025, record date of 25 November and payment date of 26 November 2025. The report by the Board of Directors and the accounting statement at 30 September 2025 pursuant to Article 2433-bis of the Italian Civil Code, on the basis of which the Board of Directors of Banca Ifis resolved to distribute the interim dividend and included in the Interim Report as at 30 September 2025 - are made available to the public at the Bank's registered office, as well as on the authorised storage mechanism and on the Bank's institutional website, www.bancaifis.it, in the “Investor Relations & Corporate Development" section. Lastly, for the purposes of the distribution of the interim dividend, on 10 November 2025, the independent auditing firm PricewaterhouseCoopers S.p.A. issued the opinion required by Article 2433-bis of the Italian Civil Code, which has been made available to shareholders at the Bank's registered office.

Riccardo Preve and Moroello Diaz della Vittoria Pallavicini co-opted as Members of the Board of Directors of Banca Ifis, replacing the resigning Giovanni Meruzzi and Monica Regazzi

On 11 December 2025, following the positive completion on 3 December of the prior fit and proper assessment by the Bank of Italy, the resolution adopted by the Board of Directors of Banca Ifis on 23 October 2025 became effective. Said resolution provided for the co-optation, pursuant to Article 2386 of the Italian Civil Code and Article 11 of the Articles of Association, and subject to the suspensive condition of a positive outcome of the prior fit and proper assessment by the Bank of Italy, of Mr Riccardo Preve (non-independent director) and Mr Moroello Diaz della Vittoria Pallavicini (independent director), in replacement of the resigning Giovanni Meruzzi and Monica Regazzi. The latter had been appointed in September 2025 to the Board of Directors of illimity Bank in order to ensure oversight by the Parent Company Banca Ifis during the integration phase. The co-opted directors will remain in office until the next Shareholders’ Meeting of Banca Ifis, which will be called upon to confirm them for the remainder of the current Board’s term of office. Mr Moroello Diaz della Vittoria Pallavicini was also appointed as a member of the Remuneration Committee, replacing Prof. Giovanni Meruzzi. The Remuneration Committee is therefore composed as follows: Beatrice Colleoni (Chair), Moroello Diaz della Vittoria Pallavicini and Luca Lo Giudice.

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Fürstenberg is launched: the investment ecosystem designed for entrepreneurs and families Fürstenberg SGR as the first milestone

The Banca Ifis Group, also in light of the recent corporate transactions, has embarked on a transformation path that will enable it to enter daily banking through the illimity retail platform, one of the assets recently brought into the Group, and to integrate its investment companies and divisions under the Fürstenberg brand.

This plan will lead Banca Ifis to expand its offering, while consistently preserving its specialty finance vocation, and confirms the shareholder's commitment to long-term growth.

Within this evolution, illimity SGR, a company within the illimity ecosystem specialising in alternative investments, as of 18 December 2025 adopted the name Fürstenberg SGR, thereby becoming an integral part of the range of financial services and products for asset management that will be offered to clients under the new Fürstenberg brand.

What has just been described, however, represents only the first step in a broad project that will be progressively enriched over the coming months (see also what is reported later in the section 'Subsequent events').

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Subsequent events

Banca Ifis issues a ten-year Tier 2 bond for 400 million Euro

On 13 January 2026, Banca Ifis successfully completed the placement of a Tier 2 subordinated bond targeted at institutional investors. The issuance has a ten-year maturity, expiring in April 2036, carries a coupon of 4,546% and is callable after 5 years. The amount issued totals 400 million Euro.

At the end of the placement, the Bank recorded an issue price of 100%, equivalent to a spread of 200 basis points over the reference rate: this represents the lowest spread ever achieved by the Bank for a Tier 2 subordinated issuance. The issuance is intended to replace other subordinated bonds currently outstanding, issued by Banca Ifis and illimity Bank, and will generate significant medium-term savings in terms of funding costs for the Banca Ifis Group.

The bond has been listed on the Luxembourg Stock Exchange and is rated Ba3 by Moody's and BB- by Fitch.

Euclidea SIM changes its name to Fürstenberg SIM and the Fürstenberg ecosystem also welcomes the Corporate & Investment Banking divisions of Banca Ifis and illimity Bank

With effect from 26 January 2026, Euclidea SIM, the investment firm acquired by Banca Ifis in November 2025 and active in portfolio analysis and management services, has changed its name to Fürstenberg SIM and has officially become part of the Fürstenberg ecosystem. Through the product brand Fürstenberg Euclidea, Fürstenberg SIM will offer clients an advanced investment management approach, focusing on simple solutions designed to address the complexity of the financial world.

Furthermore, as of 26 January 2026, the Corporate & Investment Banking (CIB) divisions of Banca Ifis and illimity Bank have also been incorporated under the Fürstenberg brand. These divisions include the operational units of Structured Finance, Equity Investment, M&A Advisory, Equity Capital Markets and Debt Capital Markets.

These are two decisive milestones in the wide-ranging project that is leading Banca Ifis to market itself in the asset management market under the Fürstenberg brand name (see also the section on "Significant events during the year" above).

The objective of this new and multi-faceted division is to support families, entrepreneurs and institutional investors in the growth and enhancement of their wealth.

This target will be pursued through an integrated approach, ranging from wealth management to Investment Banking solutions based on specialised expertise and a deep understanding of the entrepreneurial landscape. This is complemented by access to Private Capital through co-investments in small and medium-sized enterprises and high-potential mid-caps.

The mission of the new entity is also clearly reflected in the payoff chosen to express the vision underpinning the project: "Finance for Future", which confirms the Group's commitment to generating sustainable value over time for all stakeholders.

The Group's services and products are showcased on the new website www.furstenberg.eu, which serves as a dedicated online platform for visibility and promotion.

Disposal to Banca Sella of the equity interest held by illimity Bank in Hype for a price of 85 million Euro

Following the receipt of the required regulatory approvals in early 2026, on 6 February 2026 the equity interest held by illimity Bank in Hype, corresponding to 50% of the company's share capital, was sold to the Banca Sella Group at the agreed price of 85 million Euro, with an impact of 55 basis points in terms of CET1.

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Disposal by illimity Bank of loan assets in the amount of 41 million Euro

On 28 January 2026, illimity Bank finalised a transaction for the sale of loans recorded under assets held for sale for an equivalent value of 41 million Euro, in line with the carrying value in the balance sheet as at 31 December 2025.

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Information on major risks and uncertainties and international tensions

This section aims to provide a specific disclosure on the impacts generated by international tensions, especially with reference to the Middle East and the continuing Russia-Ukraine conflict, to which international tensions related to restrictive trade policies mainly implemented by the Trump administration have been added.

At the Banca Ifis Group level, country risk monitoring is carried out on conflict-affected countries. This continuous monitoring has revealed a limited number of counterparties present in the areas involved by the current international tensions, to which modest direct credit exposures correspond. Similarly, no particular critical issues have been noted with regard to the trade receivables portfolio.

Furthermore, the Risk Management function, in addition to the risk factors usually considered, continues to deem it reasonable to include the current geopolitical tense situation as an additional risk factor.

With regard to the analyses carried out by the Banca Ifis Group on the impact of the introduction of customs duties by the US administration on European products, refer to what is detailed in the Notes to the Consolidated Financial Statements, within the sub-section "2.3 Methods for measuring expected losses", paragraph "1.1 Credit Risk" of "Section 2 - Risks of the Consolidated Financial Statements" within "Part E - Information on Risks and Related Hedging Policies", as well as to what is stated in this Directors' Report on the Group in the paragraph "Business outlook".

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Business outlook

In the current macroeconomic context, the Italian and European economies are going through a phase of moderate but stable growth, after the slowdown recorded in 2025. The most recent forecasts by the European Commission and the Bank of Italy indicate an increase in Italian GDP of around 1% in 2026, supported by improved business confidence, a gradual recovery of investments and recovering domestic demand.

Inflation, after the peak observed in the previous two years, is gradually moving back towards the 2% target, thanks to lower energy prices and reduced tensions on food and industrial goods. This development allowed the European Central Bank (ECB) to start a cycle of lowering reference rates, which will continue, albeit gradually, during 2026.

The lower interest rate environment favours an improvement in financing conditions for households and businesses, with positive effects on lending and funding volumes, but also leads to downward pressure on bank interest income. In this scenario, the Banca Ifis Group will continue to focus on careful liquidity management, strengthening the diversification of funding sources and a selective pricing strategy to preserve the overall profitability of the portfolio.

At the international level, however, uncertainty factors related to financial market volatility, the geopolitical situation in some global areas and the evolution of fiscal policies in major European countries remain.

The ongoing war involving Iran has shifted from a regional crisis to a geopolitical uncertainty, with potential macroeconomic implications that cannot be foreseen to date. The conflict has raised the price of oil and gas, and, if it continues for several months, could fuel inflationary pressures and reduce global growth.

Overall, the macroeconomic conditions forecast for 2026 are deemed consistent with the maintenance of a stable framework for the Italian banking system and the continuation of the sustainable growth path undertaken by the Banca Ifis Group.

In 2025, net profit attributable to the Parent Company Banca Ifis amounted to 328,0 million Euro and includes the positive contribution of Banca Ifis and the effects of the first-time consolidation of the illimity Group as of 1 July 2025. Non-recurring items mainly relate to the gain on a bargain purchase (badwill) and non-recurring integration charges as well as the due diligence results on the illimity Group and costs related to the offer on illimity Bank.

The pro-forma CET1 stood at 13,7%, confirming the Banca Ifis Group's ability to successfully finalise an extraordinary transaction such as the acquisition of illimity Bank without affecting its solidity profile.

For FY 2026, the Banca Ifis Group expects to achieve net profit in the range of 170–190 million Euro, in the absence of macroeconomic or geopolitical shocks. The Group's strategy is focused on the integration project, on the commercial development of the combined entity and on reducing the cost of funding, with the aim of achieving significant benefits in terms of cost and revenue synergies as early as 2027.

In particular, with regard to the integration of illimity Bank, the sale of Hype to the Banca Sella Group for 85 million Euro has already been finalised, with an impact of 55 bps of CET1. The review of the perimeter of non-core assets is continuing and is expected to generate positive results for the Group in the coming months. In addition, the reorganisation continues of strategic IT partnerships with a view to improving the Group's efficiency and technological competitiveness, particularly in areas with a high innovation content such as AI, and allowing confirmation of the cost synergies announced with the voluntary totalitarian tender and exchange offer.

Finally, the full integration of the direct banking platform and other strategic business areas of illimity Bank will enable Banca Ifis to further strengthen its market leadership in supporting SMEs.

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Performance of the Group's main companies

The following is a summary of the main equity investments in Group companies with evidence of the most significant balance sheet, income statement and operating data referring to 31 December 2025.

With regard to the parent company Banca Ifis, reference is made to the '2025 Report and Financial Statements' of Banca Ifis included in this bundle.

Ifis Npl Investing

STATEMENT OF FINANCIAL POSITION DATA (in thousands of Euro)	AMOUNTS		CHANGE	
	31.12.2025	31.12.2024	ABSOLUTE	%
Total assets	1.688.997	1.689.157	(160)	(0,0)%
Receivables due from customers measured at amortised cost	1.553.840	1.512.262	41.578	2,7%
Equity	507.766	560.767	(53.001)	(9,5)%

INCOME STATEMENT DATA (in thousands of Euro)	AMOUNTS		CHANGE	
	31.12.2025	31.12.2024	ABSOLUTE	%
Net banking income	141.263	116.290	24.975	21,5%
Operating costs	(129.117)	(133.043)	3.926	(3,0)%
Profit (loss) for the year	91.996	75.582	16.414	21,7%

The balance sheet changes recorded between the end of 2025 and the end of 2024 with reference to loans to customers are mainly due to the dynamics relating to the purchases of Npl portfolios made during the year (for more details, refer to the balance sheet comments on the Npl segment within the section "Contribution of operating Segments to Group results" within this Directors' Report on the Group).

As far as the income statement figures are concerned, Ifis Npl Investing posted a net profit of 92,0 million Euro as at 31 December 2025, an increase of 21,7% compared to the figure of 75,6 million Euro as at 31 December 2024. In particular, growth was led by net banking income, up 25,0 million Euro (+21,5%) from the previous year, thanks to higher net interest income (+4,3 million Euro, mainly due to the containment of the cost of funding) and higher profits from the sale of financial assets (+16,6 million Euro).

Against these trends in net interest and other banking income, there was substantial stability in operating costs.

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Banca Credifarma

STATEMENT OF FINANCIAL POSITION DATA (in thousands of Euro)	AMOUNTS		CHANGE	
	31.12.2025	31.12.2024	ABSOLUTE	%
Total assets	815.798	719.482	96.316	13,4%
Receivables due from customers measured at amortised cost	747.554	700.781	46.773	6,7%
Equity	131.837	129.154	2.683	2,1%

INCOME STATEMENT DATA (in thousands of Euro)	AMOUNTS		CHANGE	
	31.12.2025	31.12.2024	ABSOLUTE	%
Net banking income	34.828	36.734	(1.906)	(5,2)%
Operating costs	(17.584)	(15.593)	(1.991)	12,8%
Profit (loss) for the year	12.101	13.020	(919)	(7,1)%

Banca Credifarma reported a net profit of 12,1 million Euro as at 31 December 2025, compared to 13,0 million Euro in 2024 (-7,1%).

Net banking income totals 34,8 million Euro, down 5,2% from 2024, mainly due to the lesser contribution made by net interest income, which decreases by 8,2%, coming to 28,6 million Euro. The 17,2% reduction in interest income compared to 2024 was in fact only partially offset by the parallel decrease in interest expenses, which accrued on deposits from other banks, the Emma securitisation programme and customer current accounts.

As at 31 December 2025, the company recorded net write-backs on loans amounting to 0,9 million Euro, a significant improvement over the previous year's figure of 1,4 million Euro.

Operating costs amount to 17,6 million Euro, up 12,8% from 15,6 million Euro in 2024, mainly as a result of higher net allocations to provisions for risks and charges (+0,5 million Euro) and an increase in administrative expenses (+0,9 million Euro).

As a result of these dynamics at the level of the decrease in net banking income and the increase in operating costs, the effects of which were only partially offset by the improvement in the credit cost, Banca Credifarma's 2025 profit was 0,9 million Euro worse than the 2024 figure.

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illimity Group

The figures reported here for the illimity Group are intended as those for the purposes of the consolidated financial statements of the Banca Ifis Group. Therefore, the figures at the income statement level are characterised by nil comparative data and by results as at 31 December 2025 limited to the period pertaining to the Banca Ifis Group (i.e. only the six months from July to December 2025, considering that control of illimity Bank was achieved on 4 July 2025) and including the effects of the so-called "PPA - Purchase Price Allocation". In substance, the figures reported below correspond, net of any reclassifications, with those reported with reference to the illimity Segment in the section 'Contribution of Business Segments to Group Results' of this Directors' Report on the Group.

STATEMENT OF FINANCIAL POSITION DATA (in thousands of Euro)	AMOUNTS		CHANGE	
	31.12.2025	31.12.2024	ABSOLUTE	%
Total assets	7.086.918	n.a.	n.a.	n.a.
Receivables due from customers measured at amortised cost	5.045.581	n.a.	n.a.	n.a.
Equity	561.632	n.a.	n.a.	n.a.

INCOME STATEMENT DATA (in thousands of Euro)	AMOUNTS		CHANGE	
	31.12.2025	31.12.2024	ABSOLUTE	%
Net banking income	123.995	n.a.	n.a.	n.a.
Operating costs	(112.232)	n.a.	n.a.	n.a.
Profit (loss) for the year	(77.110)	n.a.	n.a.	n.a.

With regard to comments on the financial and economic dynamics of the illimity Group that contributed to the results of the Banca Ifis Group as at 31 December 2025, refer to the comments in the paragraph "illimity Segment" contained within the section "Contribution of operating Segments to Group results" of this Directors' Report on the Group.

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Sustainability Statement

The desire to create value for all stakeholders is inherent in the DNA of Banca Ifis. This objective is translated into a sustainability approach that is integrated into the Group's strategic and operational framework, following the "double bottom line" approach inspired by the Chairmanship. The Bank's sustainable transformation, which started with the initiatives included in the D.O.E.S. Business Plan, has been translated into concrete initiatives on all “E”,”S”,”G” dimensions. These actions have led the Bank to achieve important results, which are detailed and described in the Group's Consolidated Sustainability Report.

The year 2025 marked a milestone in the Group's journey: the takeover bid on illimity Bank kicked off an industrial project combining two innovative realities to create a banking group of reference for Italian small and medium-sized enterprises. Added to this was the acquisition of Fürstenberg SIM (formerly known as Euclidea SIM), the Group's first step into asset management services, which will be offered to clients under the new Fürstenberg brand.

The Group is focused on making the most of its assets, realizing the synergies communicated to the market and promoting a modern and inclusive corporate culture. In this path of growth and transformation, ESG topics continue to represent an opportunity for development, consistent with the strategy and approach followed over the past few years. The Group has integrated them into its business through financial products and services that can support SMEs in their sustainable transition path. Sustainability has also become the foundation of the Bank’s business model, including in the management of non-performing loans, which can represent an opportunity for financial reintegration, by offering sustainable repayment plans that enable families and businesses to regain access to credit. Consolidated Sustainability Reporting responds to the regulatory requirements launched at European level in the area of ESG disclosure, representing not only a disclosure tool, but also an opportunity to represent the Group's approach to sustainability to stakeholders, emphasising actions, metrics and objectives linked to the most relevant sustainability topics.

With regard to the environment, the Group's commitment to reducing the indirect impacts of its financing activities continued, alongside a focus on limiting energy consumption, sourcing energy from renewable sources and adopting the highest international standards (such as LEED certification) for the optimisation of the Group's real estate assets. As a partner for SME customers, the Group continued to work on expanding its product offering for sustainable mobility and energy transition.

With reference to social issues, which have always been a distinctive element of the Group since the launch of Kaleidos, the Social Impact Lab set up in 2022 at the impetus of the Chairmanship, 2025 was an opportunity to consolidate the initiatives launched: since its inception, Kaleidos has developed more than 60 high social impact projects with a commitment of 10 million Euro. This was flanked by the impact measurement model prepared in collaboration with the Polytechnic University of Milan, which makes it possible to objectively quantify the social impact generated on the communities and people benefiting from the initiatives developed. The results of the measurement showed that, on average, every Euro invested by Banca Ifis in initiatives supporting the territory that have generated more than five Euro of social value for the general public. The commitment in the social sphere, increasingly integrated into the business, has also materialised in the strengthening of the sustainable Npl collection model, and with the launch of a financing product dedicated to companies operating in the 'Economy of Beauty'. The commitment is also reflected in an articulated plan in favour of employees and aimed at enhancing the themes of diversity, equity and inclusion: after obtaining the Winning Women Institute certification as the first financial institution in Italy, the Group's positioning was confirmed by the certification according to the UNI PdR 125:2022 standard.

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Also in the social sphere, through Ifis art, a project that brings together all the initiatives carried out by the Bank to promote art, Banca Ifis started work in June to rescue and secure The Migrant Child, one of only two works by the artist Banksy on Italian soil. The work was finally saved on 24 July 2025 and the Bank will now proceed with the restoration of the building that housed it, Palazzo San Pantalon in Venice.

Aspects of good governance underpin the Group's activities, not only with reference to elements of regulatory compliance and safeguarding integrity and ethics, but also with a focus on transparency towards stakeholders, as demonstrated in the Consolidated Sustainability Report.

The Group's commitment, recognised by all stakeholders, has led to important awards, such as the award as the best ESG programme in Europe in the Small-Mid Cap segment, assigned for the second year running by the independent research company Extel Institutional Investors, and the upgrade to 'AAA' of the ESG rating assigned by MSCI (second consecutive upgrade in two years), which includes Banca Ifis among the leaders in the sector.

This path will also be further enriched through the integration of the sustainability practices of the new subsidiary illimity Bank, which, in line with Banca Ifis, is positioned at the top of the main international indexes, and whose main sustainability initiatives are described in this document and explored in the Consolidated Sustainability Report of illimity.

Finally, in January 2026, Banca Ifis further strengthened its sustainability positioning also with reference to the most important international initiatives, by signing up to the Principles for Responsible Banking and the principles of the Global Compact, initiatives born under the aegis of the United Nations.

With the transposition of Directive (EU) 2022/2464, known as the Corporate Sustainability Reporting Directive (CSRD), Legislative Decree No. 125 of 6 September 2024 introduced into Italian law the obligation for several categories of companies, including large public interest companies, to draw up an annual sustainability statement. This reporting must comply with the standards set by the European Financial Reporting Advisory Group (EFRAG) and the requirements of other applicable European regulations, such as EU Regulations 2088/2019 and 852/2020.

Banca Ifis S.p.A., a public interest entity that meets the required size criteria, will publish - as of financial year 2024 - a Consolidated Sustainability Statement in line with the provisions of Legislative Decree no. 125/24. This requires a dual approach, considering both the impacts of the company on society and the environment (inside-out perspective) and how sustainability factors affect the company itself (outside-in perspective).

The data and information collection process was carried out in cooperation with the different business functions according to the principles of relevance, faithful representation, comparability, verifiability and comprehensibility, as recommended by EFRAG's ESRS (see ESRS 1, section 2).

This Sustainability Report represents the result of a continuous journey towards achieving corporate transparency and the integrated management of sustainability within the Bank's strategy, in line with the Group's approach, the UN 2030 Agenda, the goals of the Paris Agreement and the transition to a sustainable economy.

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1. General disclosures

1.1 ESRS 2 - General disclosures

1.1.1 Basis for preparation

Consolidation scope

[BP-1 DP 5a,bi,bii]

The Consolidated Sustainability Statement has been prepared by the Parent Company Banca Ifis S.p.A. and includes all companies consolidated on a line-by-line basis in the Financial Statements with reference to the reporting period between 1 January 2025 and 31 December 2025.

More specifically, the following entities are included in the reporting[6]:

- Ifis Finance Sp. z o.o.
- Ifis Rental Services S.r.l.
- Ifis Npl Investing S.p.A.
- Cap.Ital.Fin. S.p.A.
- Ifis Npl Servicing S.p.A.
- Ifis Finance I.F.N. S.A.
- Banca Credifarma S.p.A.
- illimity Group
- Fürstenberg SIM S.p.A.[7]

The scope of the Consolidated Sustainability Statement coincides with that of financial reporting, ensuring consistency and comparability between the non-financial and financial information reported in the Consolidated Financial Statements[8]. For further details, please refer to the Notes to the Consolidated Financial Statements, Section 3 - Scope and methods of consolidation, Part A. With regard to the illimity Group and Fürstenberg SIM S.p.A., the acquisition transactions were completed on July 4, 2025, and November 21, 2025, respectively. Specifically, regarding the illimity Group, Banca Ifis' consolidated reporting includes the most significant initiatives and policies.

[BP-1 DP 5c]

The information contained in the Consolidated Sustainability Statement includes the material impacts, risks and opportunities (hereinafter also referred to as "IROs") associated with Banca Ifis that emerged as material from the double materiality assessment (also referred to as double materiality assessment), which cover both its own operations and direct and indirect business relationships along the value chain. With reference to the latter, this information mainly concerns, upstream, the suppliers involved in the development of the Group's products and

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[6] It should be noted that only the investee illimity Bank is subject to the scope of application of Legislative Decree no. 125/2024 on a consolidated basis; no other company included in the Banca Ifis Group's consolidation perimeter is subject to the obligation to prepare its Sustainability Report on an individual or consolidated basis. It is specified that no operational control was identified for any of the companies consolidated using the equity method. As regards Justlex and Redacta, these companies were considered as value chain players by virtue of their existing business relationship with the Group and included in the reporting of indirect Scope 3 emissions. Specifically, the materiality assessment conducted on the Scope 3 categories revealed the predominance of the supply component over the investment component of the Justlex and Redacta companies; therefore, these companies were placed in Scope 3 category 1. With regard to the newly-associated Edulia, the materiality assessment revealed the prevalence of the investment component over the supply component; therefore, the company was placed in Scope 3 category 15.

[7] It should be noted that Euclidea SIM S.p.A., acquired on 21 November 2025, was renamed Fürstenberg SIM S.p.A. effective 26 January 2026.

[8] It should be noted that due to the residual size of the Group's activities for Romania and Poland (employees <2%), the policies and actions described refer to Italy, except where specified.

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services and, downstream, the customers reached through business relations, as well as the communities and territories within which the Bank operates.

For more details on the materiality assessment, refer to the section "double materiality assessment" (see 1.1 ESRS 2 - General Disclosures, section 1.1.4 Managing Impacts, Risks and Opportunities: double materiality assessment). Information on the coverage of policies, actions, targets and metrics, as well as data on the value chain, are set out in the different thematic chapters of the document.

[BP-1 DP 5d]

The Group has decided not to make use of the option to omit information on intellectual property, know-how or innovation results.

Disclosures in relation to specific circumstances

[BP-2 DP 10a,b]

The Ifis Group's Consolidated Sustainability Report includes a number of quantitative disclosures prepared on the basis of estimates, industry averages and other proxies, as these are not always based on directly available primary data.

In particular, as part of the reporting on Climate Change under ESRS E1, quantitative data on the entire value chain, upstream and downstream, are reported in order to fulfil the E1-6 reporting requirements on gross Scope 1, 2 and 3 greenhouse gas emissions and total GHG emissions, using estimates based on industry average data and additional proxies.

The Group periodically reviews the emission categories mapped and reported and, during 2025, expanded the scope of Scope 3 emissions calculation and reporting by including four additional categories compared to previous reporting.

With reference to Scope 3 emissions, the categories included in the reporting boundary are therefore: no. 1 "Purchased goods and services", no. 2 "Capital goods", no. 3 "Fuel and energy-related activities", no. 5 "Waste generated during operations", no. 6 "Business travel", no. 7 "Employee commuting" and no. 15 "Investments" identified by the GHG Protocol.

In addition, from a methodological point of view, refinements were made to make the calculation more reliable and precise.

Below are the metrics differentiated by type of underlying data used by Ifis Group to prepare estimates for its value chain based on indirect sources, as well as the basis for the preparation used to determine each metric.

For category no. 1, emissions arising from purchasing expenses related to lawyers and consultants, auditing firms, outsourcing services, customer information expenses, software support and rental, telephone and data transmission expenses, advertising and advertisements, document postage and archiving, and other miscellaneous expenses are reported. These emissions were calculated using the GHG Protocol's Spend-Based Method using emission factors provided by Eurostat based on the NACE economic activities contained in the Environmentally Extended Input Output (EEIO).

For category no. 2, emissions from tangible and intangible fixed assets, purchased during the year, are reported, calculated according to the 'Spend-based' methodology on balance sheet data using emission factors provided by Eurostat based on the categories contained in the EEIO.

For category No. 3, emissions from fuel and energy-related activities are considered, i.e. emissions related to the car fleet and emissions related to the consumption of leased premises and buildings. This category is calculated by applying the average-data method, with emission factors derived by the Department for Energy Security and

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Net Zero (DESNZ[9]) from the document 'Conversion factors 2025: full set (for advanced users)'. It is specified that, where precise data on the consumption of owned or leased premises were not available, an estimate based on Energy Performance Certificates (APE) was used.

For category no. 5, emissions from ordinary and special waste are reported, calculated according to the Average-data method, with emission factors derived from the Department for Energy Security and Net Zero (DESNZ). It is specified that ordinary waste, if not derived from weighing systems, was estimated using certain reference indicators: for Italy the per m² indices of the MEF TARES Guidelines, and for foreign locations the EEA per capita indices. Waste destination percentages were determined on the basis of data available from the Eurostat database.

For category no. 6, with reference to Italian sites, emissions related to employees' business travel, including air flights, train journeys, car journeys and other means of transport, calculated on the basis of data offered by ticketing service providers and related emission factors derived from the Department for Energy Security and Net Zero (DESNZ) are considered; with reference to foreign sites, emissions were calculated by applying the 'Spend-Based' methodology, using emission factors derived from the Department for Energy Security and Net Zero (DESNZ).

For category no. 7, emissions from employee commuting calculated according to the distance-based and average-data methodologies based on the results of the internal questionnaire on home-work trips are reported. These emissions were calculated using emission factors derived from the Department for Energy Security and Net Zero (DESNZ).

Finally, for category No. 15, the calculation was performed by applying a differentiated level of estimation depending on the availability and granularity of the input data. Where available, timely counterparty data were used; in the absence of such information, the calculation was conducted using sector proxies, in line with the Partnership for Carbon Accounting Financials (PCAF), assigning quality scores of 4 or 5 depending on the specific case. To this end, data and proxies from established databases such as the Bank of Italy, European Environment Agency and Bloomberg were used. Where necessary, this information was supplemented with Eurostat's Environmentally Extended Input-Output (EEIO) tables, which provide average emission factors per NACE sector, expressed in terms of emission intensity per unit of turnover at the average European level. For 2025, government bond issues were also included, estimated in line with the PCAF guidelines.

[BP-2 DP 10c,11a]

As described above, despite the adoption of 'reasonable efforts' in accordance with the regulations when compiling sustainability data, it was not possible to use data derived from primary sources for Scope 3 category 1, 2 and almost all category 15[10]. This is due to several factors, including the complexity of the value chain, characterised by the presence of numerous players, the lack of sector-specific standards, the limited use of IT tools for the direct collection of data and information, as well as the significant presence of small and medium-sized enterprises (SMEs) within the Group's customer base, which have limited capabilities in monitoring and reporting sustainability data.

Therefore, uncertainties in measurement resulting from the use of proxies and secondary data persist, however the accuracy of metrics calculated using sectoral proxies is ensured by assumptions, data quality and authoritative sources used at the national, European or international level: as mentioned above, the EEIO emission factors provided by Eurostat with reference to category 1 and 2 emissions and part of category 6 and the emission factors provided by the Department for Energy Security and Net Zero (DESNZ) for categories 3, 5, 6 and 7 were considered. Category 15 emission factors were deduced using institutional sources and international databases, including

[9] Formerly known by the acronym DEFRA.
[10] For further details on use of primary data refer to E1-6 AR 46g,h.

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sectoral data from the Bank of Italy, GHG emissions from the European Environment Agency and Bloomberg financial indicators, used to calculate sectoral Emission Intensity. For government bonds, official UNFCCC and OECD emission data were also used. Any further methodological details will be provided in the following paragraphs of the disclosure.

In addition, the Bank has adopted an IT platform as a centralised tool for the collection and processing of monetary amounts and quantitative metrics reported by the various business functions, defining a structured approach to ensure the accuracy, consistency and reliability of the reported information, while reducing levels of measurement uncertainty.

[BP-2 DP 10d]

Also with a view to the future, Banca Ifis aims at increasingly accurate reporting, favouring, where possible, the use of point data over estimates, using the best available standards (such as GHG Protocol and PCAF).

[BP-2 DP 9a,b]

In accordance with the definitions of "time horizons" for reporting purposes under the EFRAG ESRS, the Banca Ifis Group adopts the following time intervals:

- short-term time horizon: corresponding to the period adopted as the reference period for its financial statements, i.e. one year;
- medium-term time horizon: up to five years from the end of the short-term reference period;
- long-term time horizon: beyond five years.

[BP-2 DP 13a,b]

Following the acquisitions made during 2025, this Consolidated Sustainability Report includes the consolidated data referring to the Group's new scope for the reporting period, as well as any methodological refinements aimed at aligning reporting processes. In view of the new reporting scope, the comparative figures for FY 2024 have not been updated.

With specific reference to metrics, details on relevant methodological refinements and corrections are given in the dedicated chapters (see 2.2 ESRS E1 - Climate Change, section 2.2.4 Metrics; 3.1 ESRS S1 - Own Labour Force, section 3.1.10 Metrics).

This report has been prepared in accordance with the framework of the Task Force on Climate-related Financial Disclosures (TCFD); to this end, a reconciliation table has been drawn up between the sections of the Consolidated Sustainability Report and the expectations of the TCFD (see Other Sustainability Information, section 5.4 Reconciliation of TCFD Requirements to Consolidated Sustainability Reporting).

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1.1.2 Strategy

[SBM-1 DP 42]

Banca Ifis was founded in 1983 as a specialised factoring operator. Today, the Bank and the Group support businesses, particularly SMEs, with specialised credit solutions: factoring, leasing, medium/long-term loans and corporate & investment banking.

Over the years, the Group has also become one of the main specialised operators in the Italian impaired loans sector and a leader in the Npl - small ticket unsecured segment, combining purchasing and management or transformation of non-performing loans. The acquisition of the servicer FBS in 2019, today Ifis Npl Servicing, was the first step on a path that has consolidated the Group's role as an integrated player active across the entire impaired loans chain, from portfolio purchase to portfolio management. In addition, it has a division entirely dedicated to the management and financing of tax credits through advances and boasts a significant presence in pharmacy finance through Banca Credifarma, which was created through the merger by incorporation of Credifarma into Farbanca on 11 April 2022.

These corporate activities are flanked by services for retail customers, with the Rendimax Deposit Account, an on-line deposit account for family and business savings, and the Rendimax Current Account. Since 2018, the Group operates in consumer credit with Cap.Ital.Fin. S.p.A., a financial intermediation company specialised in salary- and pension-backed loans, also in payment delegations.

During 2025, the Group finalised the acquisition of 100% of the illimity Group, the challenger bank created with a strong technological and digital vocation, which stands out for its innovative model and its broad offer of credit to SMEs in the areas of performing, restructuring, recovery and investment banking services, as well as a wide range of digital retail products. Finally, in November 2025, Banca Ifis successfully completed the acquisition of 100% of Fürstenberg SIM (formerly Euclidea SIM), a securities brokerage company offering portfolio analysis and management services.

These acquisitions strengthen the Bank's leadership position in the speciality finance market, ensuring greater commercial action in services to SMEs and expanding the Group's market perimeters. The Group, also in light of the recent corporate transactions, has embarked on a transformation path that will enable it to enter daily banking through the illimity retail platform, one of the assets recently brought into the Group, and to integrate its investment companies and divisions under the Fürstenberg brand. This plan will lead Banca Ifis to expand its offering, while consistently preserving its specialty finance vocation, and confirms the shareholder’s commitment to long-term growth.

Within this evolution, illimity SGR, a company within the illimity ecosystem specialising in alternative investments, as of 18 December 2025 adopted the name Fürstenberg SGR, thereby becoming an integral part of the range of financial services and products for asset management that will be offered to clients under the new Fürstenberg brand.

The Group operates in the Italian banking scene, a significant market for Banca Ifis, as an active player in speciality finance and abroad, with a focus on Eastern Europe where Ifis Finance Sp. z.o.o. in Poland and Ifis Finance I.F.N. S.A. are present in Poland and Romania, respectively.

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The number of employees by geographical area is shown below:

[SBM-1 DP 40aiii]

Geographical area	Number of employees (head count)	
	2025	2024
Italy	2.668	1.983
Poland	15	14
Romania	12	16
Total employees	2.695	2.013

It should be noted that the increase in the number of employees with reference to Italy, compared to what was reported in 2024, is due to the inclusion in the count also of the employees of the illimity Group, amounting to 672, and of Fürstenberg SIM, amounting to 19, as at 31 December 2025.

[SBM-1 DP 40ai,aii,e,f,g]

The conclusion of the D.O.E.S 2022-2024 (Digital, Open, Efficient, Sustainable) Business Plan, together with the achievement of all the targets set, further strengthened the Bank's orientation towards digitisation and sustainability.

Also in view of the perimeter changes during 2025, the Group's strategic lines in the ESG area will be consolidated during 2026, in order to integrate the opportunities arising from the synergies created into the next Business Plan.

Recent acquisitions have also led the Group to extend the scope of products and services offered and acquire new customer groups to which it can offer concrete solutions to support its sustainable transition. In addition to offering various solutions to support the green transition of SMEs, such as tools for sustainable mobility, energy efficiency, subsidised loans and scoring tools to assess the ESG performance of clients, recent acquisitions offer a sustainable financing model linked to ESG objectives of corporate clients, in line with illimity's Green, Social & Sustainability-Linked Loan Framework. This tool enables loans that support projects with positive environmental and social impacts, as well as the Bank's ESG commitments, with a view to transparency and alignment with international best practices.

With reference to the Npl (non-performing loans) business, the implementation of the strategy aimed at enhancing the Group's sustainable recovery model[11] continues, whose ultimate goal is the financial re-inclusion of households and businesses. The Group's products and services related to sustainability topics are described in detail in the chapter on the Transition Plan (see 2.2 ESRS E1 - Climate Change, section 2.2.1 Transition Plan, DP 16b).

[SBM-1 DP 42a]

On the basis of the business model described above and the corporate structure as at 31 December 2025, the Group collects data on its operating perimeter and value chain in a centralised manner through information flows from the companies to the parent company, Banca Ifis, which analyses and develops them, with the aim of

[11] Banca Ifis operates in the field of impaired loan recovery with an approach based on dialogue and transparency, interpreting its recovery action as an opportunity for financial re-inclusion, consistent with the approach promoted by the Chairman and focussed on sustainability.

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identifying significant IROs and possible relationships between the various elements of the value chain, periodically producing reports and documentation useful to internal and external stakeholders.

[SBM-1 DP 42,c]

As regards the various elements of the Banca Ifis value chain, it is structured into a network of upstream counterparts, including suppliers, business partners, banks and investors, and downstream counterparts, including customers, employees, communities and distributor partners, with the aim of offering targeted financial solutions and supporting the economic and social fabric.

In particular, the upstream value chain consists of all the resources and activities that enable the Group to deliver its products and services:

- suppliers play a key role by providing strategic consulting services to support business innovation and digitisation, as well as goods and services essential to the Group's operational functioning. These also include information providers, which offer data and analysis crucial for credit assessment, risk management and decision-making support. A further crucial contribution comes from legal activity services, which ensure regulatory compliance and provide assistance in handling disputes.
- business partners are mainly represented by suppliers of capital goods and motor vehicles. These entities support leasing and financing operations by providing the Group with machinery, equipment and vehicles necessary for the pursuit of financial activities aimed at companies and individuals;
- partner banks assume a strategic role in supporting Banca Ifis in the management of impaired loans through co-investment and joint asset management transactions;
- investors, finally, represent an important source of capital for the Bank. These include institutional investors, such as funds and insurance companies, who contribute to the financial strength and growth of the Group's operations.

In a parallel fashion, the Group's downstream value chain includes the distribution and delivery of services to end users:

- distributor partners, including brokers and agents, play an essential role in the dissemination of the Bank's financial products and services, facilitating the matching of supply and demand for credit and leasing solutions, as well as operating in the management of impaired loans;
- customers represent the central point in the downstream value chain. Banca Ifis's customers are both private individuals and companies, who benefit from a wide range of financial solutions, including leasing, factoring, loans and credit management tools, tailored to their specific needs;
- communities and the third sector, with which Banca Ifis actively cooperates to promote sustainable economic development initiatives and projects with a social purpose.

The integration of upstream and downstream activities supports the Group's own operations, enabling it to offer innovative solutions, manage risks effectively and support long-term economic and social growth.

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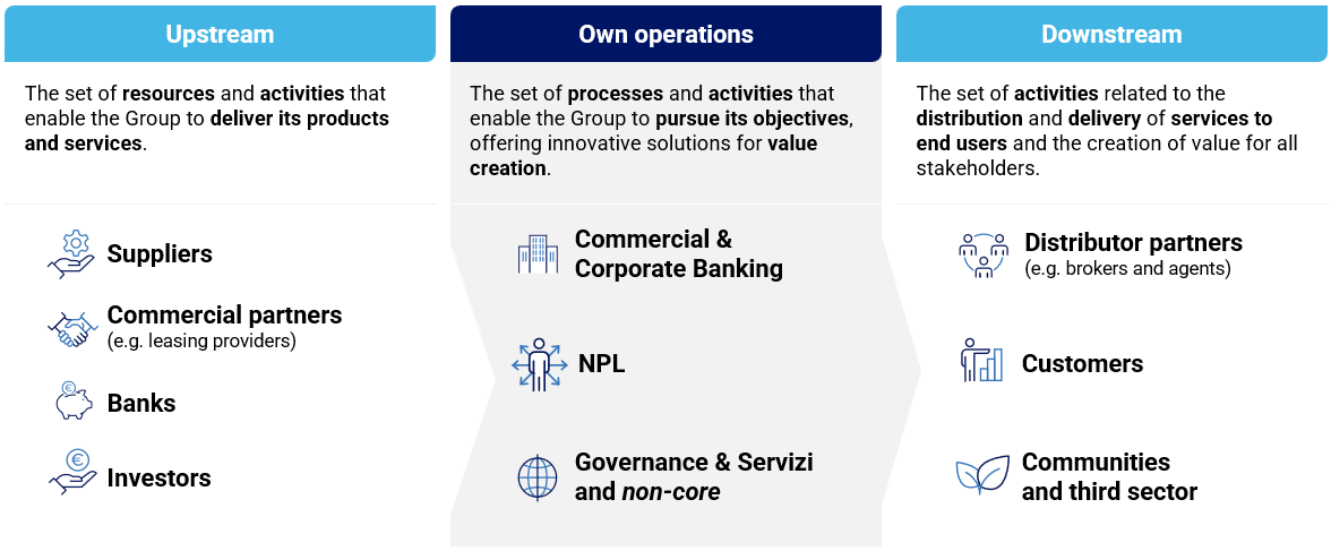

[SBM-1 DP 42b]

In addition, the mapping of the value chain involved the identification and evaluation of activities and processes through which the Bank generates value. These include supporting SMEs, which has always been in the DNA of the Group, which sees itself as "a company that banks". With this in mind, the focus is on entrepreneurs with the aim of responding to their needs with a diversified and structured Commercial and Corporate Banking offering, including factoring, financial leasing and operating leases, advisory services for corporate acquisitions, M&A and medium- and long-term financing, tax credit purchases, Investment Banking and Special Situations. In the Npl segment, the value generated is hinged on the combination of the capacity to acquire and transform bad loans, offering families and businesses the possibility of agreeing on and managing sustainable repayment plans. In particular, recovery activities are interpreted with a view to the financial re-inclusion of families and businesses, with a substantial focus not only on compliance with applicable regulations and self-regulatory codes, but also with specific processes aimed at meeting the needs of debtor clients.

In addition to its ordinary business of factoring, leasing and financing to support businesses, in 2025 the Bank continued to assist SMEs - both customers and non-customers - by offering opportunities for products combined with public subsidies to support investments and working capital, such as financial leasing associated with the Nuova Sabatini facility, financial leasing assisted by the SME Guarantee Fund, financing assisted by the SME Guarantee Fund, factoring with recourse assisted by the SME Guarantee Fund and financing assisted by the SupportItalia SACE guarantee.

Finally, starting 2019, the Bank has launched a series of products and services that can improve the quality of life of customers and stakeholders. This approach takes the form of an innovative financial offer ranging from products dedicated to sustainable mobility to products dedicated to energy transition. The main initiatives implemented by the Ifis Group include:

- leasing products aimed at promoting sustainable mobility by offering hybrid and electric cars;
- e-bike rental dedicated to small hirers and tourism operators;
- leasing products related to the energy transition of SMEs, the leasing of photovoltaic systems and charging stations and columns;
- the conduct of regular analyses, in concert with the business structures, to identify additional customer financing opportunities to support the sustainable transition.

Alongside these, the Group has further strengthened its social commitment with a product designed to reduce the gap between Northern and Southern Italy in health and medical care. In particular, the Bank has set up a series of partnerships with leading medical equipment distributors that form the basis of a new leasing and rental product entirely dedicated to pharmacies, healthcare operators and medical centres in six Italian regions: Calabria,

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Campania, Apulia, Sardinia, Sicily and Molise. The service consists of diagnostics, prevention and treatment. The new tool reinforces the Group's commitment to supporting personal well-being and raising awareness of health and scientific research topics. To do so, the Bank has entered into partnerships that allow priority access to medical devices and has defined a subsidised price for the cost of leasing and renting per medical instrument.

In 2025, 'Valore Venezia' was launched, a distinctive product to enhance Banca Ifis's positioning in supporting the territory and the art world. Specifically, this product is aimed at companies belonging to specific sectors and categories active in the world of beauty, allowing them to access a flexible form of credit with subsidised pricing.

Understanding the interaction between capital, strategic pillars and the company's business model is essential to develop a sustainable value creation process over time. This requires the ability to intercept changes in the external environment, including the evolving needs of stakeholders, in order to respond effectively, generate value and strengthen the organisation's resilience.

Constant monitoring of market trends, with particular attention to the main macroeconomic, industrial and regulatory dynamics, as well as to the changing needs of stakeholders, allows us to manage risks and seize opportunities, maximising the value generated through the strategy adopted. Actively listening to stakeholders plays a crucial role in this process: understanding their expectations guides informed choices, improving product offerings and contributing to people's financial well-being and quality of life.

The Group's objective is to support customers and stakeholders in addressing social and environmental challenges, supporting their investments in a context of financial strength.

Interests and views of stakeholders

[SBM-2 DP 45ai,aiii,aiv,b]

Transparency and dialogue have always been the hallmarks of Banca Ifis's approach to communication with key stakeholder categories: employees, customers, investors, shareholders, local communities, agents, institutions, industry associations, media and suppliers. Through constant interaction with stakeholders, the Group is able to understand and respond to diverse needs.

This is pursued through a variety of tools and initiatives, such as customer focus through social networks, company websites, projects and events. In addition, the Group is committed to optimising its communication actions, with the aim of offering the best experience to its stakeholders and providing timely responses to questions and enquiries. These activities are aimed, on the one hand, at monitoring corporate reputation also through dedicated platforms and, on the other hand, at integrating any considerations arising from stakeholder involvement into the Group's strategy and activities.

One concrete example is the engagement of relevant internal and external stakeholders in the analysis of double materiality assessment through the assessment of the Bank's impacts, risks and opportunities. As detailed in the dedicated section (see 1.1 ESRS 2 - General Disclosures, section 1.1.4 Managing Impacts, Risks and Opportunities: Double materiality assessment), Banca Ifis has adopted a structured approach that includes the involvement of stakeholders, articulated in three phases, paying particular attention to those most closely connected to the business model and strategy through training sessions, interviews and dedicated focus groups, aimed at gathering feedback and considerations that are also useful from a strategic perspective. The process started with the active engagement of several strategic internal functions in order to conduct a thorough analysis of impacts, risks and opportunities. Subsequently, an external survey was conducted to collect feedback from external stakeholders, expanding and strengthening the internal evaluation. Finally, top management provided an overall strategic vision, consolidated the analyses and defined the final evaluations.

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[SBM-2 DP 45aiv,av]

The results of this assessment allowed for the definition of material issues for the Bank from both an impact and financial materiality perspective, both on its own operations and on the value chain.

[SBM-2 DP 45d]

The entire process and its results have been brought to the attention and approval of the Sustainability Committee and the Board of Directors in order to keep these bodies informed of the perspectives of the Group's stakeholders.

[SBM-2 DP 45aiii]

In a parallel fashion, the Parent Company's Communication, Marketing, Public Affairs & Sustainability Department manages and coordinates the dialogue and engagement of the stakeholders, through the most appropriate channels and methods, chosen from time to time on the basis of specific needs. Specifically, it is supported by the Parent Company's Investor Relations & Corporate Development function for the management of relations and dialogue activities with the financial market, particularly with shareholders and investors, according to the principles of fairness, transparency, collaboration and absolute respect for the independence of roles. In addition, with particular reference to customers, their involvement is effectively managed by the Marketing & Business Strategy Department.

[SBM-2 DP 45a,aii]

The different engagement activities that were developed with key stakeholders are outlined below:

Stakeholder category	Engagement activity
Employees	• corporate intranet with dedicated preparation and editorial plan; • initiatives to involve employees in events and activities linked to donations and sponsorships with the aim of involving them in the areas of value for the Bank and themselves; • deployment of sports activities: promotion and brokering of registrations for inter-bank sports events; • Good Morning Ifis and Good Evening Ifis: sending press reviews of daily information; • internal newsletters; • the Linkedin Ambassador Project; • the organisation of internal contests on the company intranet, held on the occasion of sponsorships/international days/internal initiatives.
Customers	• surveys aimed at collecting feedback on study and research activities as well as on customer platforms (myIfis); • events related to innovation, change and the relationship, also connected with the presentation of the results of analyses conducted by the Research Department; • social channels in which the timeliness of response is assured in every channel; • customer care web and social; • involvement of stakeholders and companies in the reporting of trend dynamics in observatories and market watches; • “The voice of our experts” column.
Shareholders, investors and analysts	• road shows and conferences in Italy and Europe, conference calls with the management;

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Stakeholder category	Engagement activity
	• events dedicated to networking of listed companies and the market; • quarterly financial reports and annual financial statements; • financial highlights on social networks; • press releases; • dedicated meetings with investors and analysts.
Agents	• events and conventions.
Institutions and regulators	• meetings with representatives of the institutions; • participation in working parties and committees.
Industry associations	• institutional meetings; • group representatives on the association bodies.
Media	• events (e.g. press conferences); • dedicated meetings; • press releases.
Community	• support for social projects or interventions; • local initiative partnerships; • meetings and events on the territory; • collaborations with the academic world.
Suppliers	• institutional website with dedicated area for information on invoicing and Code of Ethics; • meetings scheduled as necessary and according to the type of supply.

The stakeholder engagement methods described allow for the collection and evaluation of stakeholders' interests, opinions and rights with the aim of integrating them, where possible, into the corporate strategy and model. In particular:

[S1.SBM-2 DP 12]

- with regard to its employees, the Group has integrated considerations of diversity and inclusion, workers' rights and well-being into its strategy;

[S2.SBM-2 DP 9]

- with regard to workers in the value chain, in particular suppliers[12], the Bank provides specific safeguards, in order to gather relevant information on its partners (e.g. DURC - the consolidated document attesting to compliance with the payment of social security and welfare contributions) and also started a process in early 2025 to collect information on the sustainability profile of the most relevant suppliers;

[12] *Please note that the term 'suppliers' refers to suppliers subject to the expenditure cycle.*

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[S3.SBM-2 DP 7]

- with reference to local communities, the Group develops partnerships and collaborations with third-sector entities and non-profit organisations to support the communities, people and territories in which the Group operates through Kaleidos, the Bank's Social Impact Lab created in 2022 at the instigation of the Chairmanship;

[S4.SBM-2 DP 8]

- with reference to end consumers, the Group has created dedicated products and services to support the sustainable transition of SME customers and has launched a project aimed at promoting the financial re-inclusion of Npl debtor customers, through sustainable ethical management of debt collection and support to individuals in difficulty.

[SBM-2 DP 45a]

With specific reference to the illimity Group, the main stakeholder categories have been similarly identified: governance bodies (illimity Board of Directors, Parent Company Sustainability Committee), customers, shareholders, investors (e.g. bondholders) and analysts, suppliers and partners, communities (industry associations, academia, etc.), employees and collaborators, and other stakeholder categories such as regulators and NGOs/research institutes.

The illimity Group has engaged in involving stakeholders through various methods and frequencies, depending on the activity and the purpose of the engagement. Specifically, for the purposes of the materiality assessment for FY 2025, only some specific categories of stakeholders, i.e. only employees and suppliers, were directly involved and expressed their assessment of relevance to sustainability issues, while the assessment of financial materiality was expressed by the illimity Group's internal structures.

[SBM-2 DP 45ci]

In the context of the gradual integration of the illimity Group into the Banca Ifis Group, the aim is to enhance the Group's assets, generate synergies and build a modern, inclusive and open corporate culture. The strategic review of the activities of illimity and its subsidiaries is already underway and the integration of the two highly complementary entities offers a significant opportunity for both industrial and financial growth.

In this context, Banca Ifis has initiated a detailed integration plan that includes:

- the definition of a new organisational set-up and business structure, and the evaluation of technology platforms;
- the qualitative and quantitative assessment of the illimity Group's personnel at all levels to meet the needs of the new combined entity;
- the alignment of balance sheet policies with Banca Ifis standards;
- monitoring of operations with the aim of increasing efficiency, ensuring business continuity and high service levels;
- the introduction of cross-selling initiatives to increase revenues from their respective customers.

This process aims to strengthen the Group's competitive position, offer solid remuneration to shareholders and generate value for all stakeholders, making a decisive contribution to supporting the Italian real economy, through credit of increasing quality.

1.1.3 Governance

Banca Ifis adopts the traditional administration & control model, considering it, at present, to be the most suited for ensuring the efficiency of operations and effectiveness of controls given its specific characteristics.

Under the model adopted by Banca Ifis:

- strategic supervision is performed by the Board of Directors;

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- the CEO is responsible for the company's operations. The Chief Executive Officer implements the resolutions passed by the Board of Directors, with the assistance of the Co-General Managers identified as the Chief Commercial Officer (CCO) and Chief Operating Officer (COO);
- control is performed by the Board of Statutory Auditors.

Pursuant to the Articles of Association, the Board of Directors has set up three board committees, which, with proposal, investigation and advisory functions, enable the body with strategic supervisory functions to take its decisions in a more informed manner: the Control and Risk Committee; the Appointments Committee; and the Remuneration Committee.

In addition, the Endoconsulting Scenarios and Sustainability Committee was set up in 2025, which is responsible for investigative, propositional and advisory functions in evaluating and deciding on sustainability issues in all their variations related to the operations of the Bank and the Group.

The composition, functioning and responsibilities of the board Committees are governed in the General Regulations and the Regulations of the Board of Directors and the Board Committees.

The Group publishes on its website information on the members of the administrative, management and supervisory bodies, indicating the roles and responsibilities assigned to each. For each member of a corporate body of Banca Ifis, a summary curriculum vitae is publicly available, while the full version, which also includes specific competencies, is contained within the set of documents provided to shareholders when submitting lists for the election of corporate bodies. These documents are always accessible among the material relating to the Shareholders' Meeting that appointed each representative.

The Bank operates in compliance with industry regulations and voluntarily adheres to Borsa Italiana's Corporate Governance Code, providing a broad set of information, both through the pages of its website and in the Report on Corporate Governance and Ownership Structure, approved annually by the Board of Directors and available on the corporate website.

The Report also includes details on the composition and diversity of corporate bodies, the annual self-assessment process to which they are subjected, and the annual training plans prepared for corporate officers.

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Role of the administrative, management and supervisory bodies

[GOV-1 DP 21a,d,e]

Members of the administrative, management and supervisory bodies	UoM	2025 (1)	2024
Number of executive members	No.	1	1
Number of non-executive members	No.	16	15

(1)The reported figures of 17 members correspond to 14 members of the Board of Directors and 3 members of the Board of Statutory Auditors.

Members of the Board of Directors	UoM	2025	2024
Board of Directors' gender diversity ratio (1)	%	50	54
Percentage of independent Board members (2)	%	57	77

(1) The ratio is calculated by dividing the number of female members of the Board of Directors by the total number of members. It should be noted that the Board of Statutory Auditors by its very nature does not perform executive or management functions, but only control activities.
(2) The percentage represents independent, non-executive members of the Board. This ratio is calculated by dividing the number of independent board members (8) by the total number of board members (14).

The composition of Banca Ifis's Board of Directors takes into account several factors, including the age and gender balance of its members, reflecting the core values underlying the Group's operations.

Specifically, with reference to the collective composition of the administrative body at the date of approval of this document:

- Adequate gender diversity is recorded, with 50% female board members and an average female-to-male ratio of 1,0;
- 29% of board members are under 50 years old, 64% of board members are between 50 and 65 years old and 7% are over 65 years old.

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Board of Directors				
Office	Members	Date of first appointment (1)	In office	
			from	to
Chair	Ernesto Fürstenberg Fassio	2019	17/04/2025	Approval of the 2027 financial statements
Chief Executive Officer	Frederik Herman Geertman	2021	17/04/2025	Approval of the 2027 financial statements
Director Vice Chairman	Rosalba Benedetto	2025	17/04/2025	Approval of the 2027 financial statements
Independent Director	Nicola Borri	2024	17/04/2025	Approval of the 2027 financial statements
Independent Director	Moroello Diaz della Vittoria Pallavicini	2025	02/12/2025	Approval of the 2027 financial statements
Independent Director	Chiara Paolino	2025	17/04/2025	Approval of the 2027 financial statements
Independent Director	Roberta Gobbi	2022	17/04/2025	Approval of the 2027 financial statements
Independent Director (LID)	Simona Arduini	2019	17/04/2025	Approval of the 2027 financial statements
Independent Director	Monica Billio	2019	17/04/2025	Approval of the 2027 financial statements
Director	Antonella Malinconico	2016	17/04/2025	Approval of the 2027 financial statements
Independent Director	Roberto Diacetti	2019	17/04/2025	Approval of the 2027 financial statements
Independent Director	Beatrice Colleoni	2019	17/04/2025	Approval of the 2027 financial statements
Director	Riccardo Preve	2005	03/12/2025	Approval of the 2027 financial statements
Director	Luca Lo Giudice	2019	17/04/2025	Approval of the 2027 financial statements

(1)This means the date the director was first appointed (ever) to the Board.

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Board of Auditors				
Office	Members	Date of first appointment (1)	In office	
			from	to
Chair	Andrea Balelli	2022	17/04/2025	Approval of the 2027 financial statements
Standing Auditor	Franco Olivetti	2019	17/04/2025	Approval of the 2027 financial statements
Standing Auditor	Annunziata Melaccio	2022	17/04/2025	Approval of the 2027 financial statements
Alternate Auditor	Marinella Monterumisi	2019	17/04/2025	Approval of the 2027 financial statements
Alternate Auditor	Emanuela Rollino	2022	17/04/2025	Approval of the 2027 financial statements

(1)This means the date the Chairman/Auditor was first appointed (ever) to the Board of Statutory Auditors.

[GOV-1 DP 21b]

There is no representation of employees[13] or other employees in the administration, management and supervisory bodies[14]. Industry regulations, applicable to banks, require that, at the application stage, the exponent provide information on his professionalism and competence in order to be subjected to the "Fit&Proper" process prior to taking office. In order to be considered eligible, the exponent must have exercised, for at least three years, specific activities (i.e. administration, control, management tasks, university teaching as a first or second level lecturer) in the credit, financial, securities or insurance sector or in sectors/matters in any event functional and/or related to such sectors.

[GOV-1 DP 21c]

To foster adequate suitability of the administrative body, the Board of Directors, as provided for by the applicable industry regulations, provides the Shareholders with detailed indications on the optimal qualitative and quantitative composition. The aim is to ensure the presence of members with wide-ranging and consolidated expertise within the administrative body; the same activities are also carried out by the Board of Statutory Auditors.

[13] "Employee" means a natural person who, in accordance with national law or practice, has an employment relationship with the enterprise.

[14] "Workers' representatives" means: trade union representatives, designated or elected by trade unions in accordance with national laws and practices, and representatives freely elected by workers, independent of the employer's control and in compliance with national regulations or collective agreements. These representatives do not carry out activities reserved for trade unions or compromise their position. It should be noted, in any case, that Rosalba Benedetto, a Group employee, is a member of the Parent Company's Board of Directors.

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Expertise of the Administrative Body

Areas of expertise	Directors possessing the relevant professionalism/competence
	2025
Financial markets	64%
Regulation in the banking and finance industry	64%
Strategic planning and guidelines	100%
Organisational and corporate governance structures	79%
Risk management	71%
Internal control systems and other operating mechanisms	71%
Banking and financial activities and products	71%
Accounting and financial reporting	71%
Information technology	36%

In addition to what is represented in the table above, the current board of directors also has the following and additional skills, professionalism and experience in the following areas with respect to the external reference regulations: knowledge and expertise in the areas of ESG issues of human capital management and development, diversity & inclusion management, ethics and corporate social responsibility, sustainable development and combating climate change, ESG and sustainable finance, procurement & supply chain management, and ESG regulations and standards.

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Expertise of the Supervisory Body

The controlling body is also obliged, in compliance with the applicable sector regulations, to provide shareholders with information on its composition, both quantitative and qualitative, which it considers optimal.

Areas of expertise	Directors possessing the relevant professionalism/competence
	2025
Financial markets	80%
Regulation in the banking and finance industry	80%
Strategic planning and guidelines	80%
Organisational and corporate governance structures	100%
Risk management	80%
Internal control systems and other operating mechanisms	100%
Banking and financial activities and products	80%
Accounting and financial reporting	100%
Information technology	40%

In addition to what is shown in the table above, the current auditing body has additional skills, professionalism and experience in specific areas that go beyond what is required by the relevant external regulations. These include, among others, specific knowledge of Banca Ifis, knowledge of remuneration policies, ESG (social and environmental sustainability) skills.

Governance Structure in Sustainability

[GOV-1 DP 22a]

The parent company adopts a governance structure in the area of sustainability based on a 'decentralised' model. The Communication, Marketing, Public Affairs & Sustainability Department, at the instigation of the Chair, the Board of Directors and the Sustainability Committee, coordinates and manages activities in the field of sustainability in cooperation with the other departments involved, each within its specific competence.

In particular:

- Chairman of the Board of Directors: promotes the culture of corporate social responsibility and the ethical and sustainable development of the Bank and the Group in the long term and presides over the implementation of social, philanthropic, charitable and cultural initiatives of the Bank and the Group;
- Honorary Chairman: upholds the Group's founding values, taking into account the characteristics of the Group and the family nature of the Bank's long-term controlling shareholder (on, for example, culture and social responsibility, sustainable and digital development, innovation);
- Vice Chairman: supports the Bank in the development of projects in the area of sustainability in all its forms and in the other areas of competence, identifying rules and principles, and coordinating with the Chairman for all communications concerning the Board of Directors, where these are presented as communications by the Vice Chairman;

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- Board of Directors: is responsible for the strategic supervision of the Bank and has the task of setting strategic guidelines and constantly monitoring their implementation with a view to proper and prudent management. When developing strategies for the entire Group, the Board takes sustainability goals into account and integrates ESG factors into business decisions;
- Scenarios and Sustainability Committee: board committee tasked with supporting, with investigative, propositional and advisory functions, assessments and decisions relating to sustainability matters related to the exercise of business activity and its dynamics of interaction with all stakeholders, corporate social responsibility, the examination of scenarios for the preparation of the business plan also on the basis of the analysis of issues relevant to the generation of value in the long term and, more generally, the sustainability governance of the Bank and the Group.
- Sustainability Committee: supports the Board of Directors in defining and assessing guidelines in the field of sustainability, ensuring the oversight of initiatives and actions with an environmental, social or governance impact, as well as the assessment, management and mitigation of sustainability-related risks to which the Group is exposed;
- Communication, Marketing, Public Affairs & Sustainability Department: is responsible for managing ESG activities, both within the Parent Company and in its subsidiaries. Management coordinates the functions that are involved in these activities. Within the Brand, Corporate Communication and Sustainability Operating Unit, the figure of the Sustainability Manager has been created to coordinate the implementation of the activities envisaged by the Group's sustainability strategy.

[GOV-1 DP 23,b]

The Board of Directors annually resolves on a training plan to supplement any areas and subjects to be implemented, and each body (Board of Directors, board Committees, Board of Auditors, Supervisory Board) has a budget that can be activated autonomously. The plans are prepared taking into account the results of the self-assessment on the functioning of the Body itself in order to foster the continuous updating and development of the skills necessary to perform the role and functions of the Body.

As mentioned above, the training courses provided to corporate officers, and therefore also the skills acquired by them, are always contextualised in the specific scenario of the Bank and Group companies. In particular, in addition to competences relevant to banking and the financial sector, significant competences are also expected in relation to impacts, risks and opportunities relevant to the company. From a methodological viewpoint, in fact, the courses are generally constructed with a training part delivered by prestigious external lecturers, to provide the general contextual framework, and a second part conducted by internal lecturers, with specific cases of analysis relevant to the reality of the Bank and the Group.

[GOV-1 DP 23a]

As far as sustainability matters are concerned, there is a well-established competence in this area in both the board of directors and the supervisory board.

In addition to the areas of competence declared by each director at the application stage, further competences were identified through the annual self-assessment process, which have been acquired in the meantime, also thanks to the annual training provided to Board members.

The self-assessment for the first year of the mandate showed that skills, professionalism, knowledge and experience in the following areas were adequately represented on the Board of Directors: information technology; digitalisation, innovation and cybersecurity; ESG; and managerial skills.

As part of the first year's self-assessment, an in-depth analysis of ESG competencies was also conducted, in line with the previous self-assessment. The following are the conclusions drawn by the directors, the result of their reflection on their individual expertise in this specific area.

In support of this growth process, specific training sessions were held in 2025 for members of corporate bodies, focusing on the topics:

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- ESG and sustainability risks;
- ESG and banking/Social Banking: which areas have the greatest impact.

Level of ESG competencies emerging from the self-assessment	UoM	Excellent	Good	Fair
Human capital management and development	%	67	25	8
Diversity & Inclusion management	%	67	33	0
Ethics and corporate social responsibility	%	92	8	0
Sustainable development and fight against climate change	%	58	42	1
ESG and sustainable finance	%	67	33	0
Procurement and supply chain management	%	75	25	1
ESG regulation and standards	%	75	25	0

In addition, in order to continuously implement, deepen and update these skills, sustainability topics have been covered in training meetings over the past three years.

[GOV-1 DP 22b]

In a parallel fashion, with the aim of creating sustainable value for all stakeholders, the parent company has integrated ESG considerations into its banking processes by involving all functional competencies of the company and promoting an ongoing commitment to ESG matters.

The integration of sustainability into banking processes makes it possible to support companies in their sustainable transition process, to strengthen the trust of investors, markets and all stakeholders, and to improve corporate reputation by counteracting activities and practices deemed incompatible with the Group's principles and effectively managing ESG risks. In this context, the parent company seeks to foster sustainable economic development by giving preference, in its financing decisions, to companies that adopt ethical behaviour and are distinguished by environmentally friendly production methods, the assurance of inclusive working conditions that respect human rights, and the observance of the best standards of corporate governance.

The ESG Policy defines the guidelines that the Banca Ifis Group applies with regard to sustainability, consistent with the principles set out in the Group's Code of Ethics and its values. The responsibilities of each body are defined in the corporate mission and related policies. Updates to the internal regulations attributable to the ESG sphere, including the General Regulations and the Regulations of the Board of Directors and Board Committees to describe these responsibilities more comprehensively, were approved in the competent places. In addition, article 12, letter g) of the Articles of Association assigns the Chairman the task of “promoting the culture of corporate social responsibility and the ethical and sustainable development of the Bank and the Group in the long term and overseeing the implementation of the Bank's and the Group's social, philanthropic, welfare and cultural initiatives in compliance with the regulations, including internal ones, in force from time to time and the appreciation of the artistic heritage”.

The different company departments are in charge of progressively integrating sustainability considerations into the different business processes.

The function of strategic supervision of sustainability issues is performed by the Board of Directors, which is called upon, amongst others, to deliberate on the Bank's strategic guidelines and to verify their implementation, ensuring the sound and prudent management of Banca Ifis on an ongoing basis with the aim of creating sustainable and

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lasting value. In this context, the Board takes into account the objectives of sustainable finance and, in particular, the need to integrate environmental, social and governance (ESG) factors, including climate change issues, into business decision-making processes and strategies for the entire Group. It is also responsible for the approval, on an annual basis, of the Risk Appetite Framework (hereinafter also 'RAF'), the ICAAP Report and the ILAAP Report, drawn up on the basis of the strategic indications provided by the Board. The BoD defines the organisational set-up and supervises its implementation through quarterly monitoring of the results in the quarterly financial reports and the annual financial statements.

[GOV-1 DP 22c]

The Board of Directors is regularly updated on the Group's objectives and results in the area of sustainability. More specifically, during the meeting of last 4 December, the Sustainability Committee approved the results of the double materiality assessment preparatory to the 2025 Consolidated Sustainability Statement, which were then approved by the Board of Directors. In addition, as for last year, the Board of Directors annually approves the Sustainability Statement, which is included in the Directors' Report within the Consolidated Financial Statements.

[GOV-1 DP 22ci]

The Sustainability Committee, which operates for the entire Group, was established from among the Parent Company's Management Committees. It is a collegial body of deliberative, propositional and consultative nature with portfolio. The Committee reports to the Parent Company Board of Directors on its activities at least once every six months. During 2025, 21 meetings of the Board of Directors of Banca Ifis were held.

[GOV-1 DP 22cii]

The Communication, Marketing, Public Affairs & Sustainability Department together with the Finance Department inform the Sustainability Committee about the management, monitoring and control of material risks, impacts and opportunities and the results of the double materiality assessment at least once a year.

[GOV-1 DP 22ciii]

With regard to the management of material aspects in the area of sustainability, each responsible function within the Group performs first-level controls in the context of the double materiality assessment process. These controls, carried out by the competent managers, may subsequently be subject to second-level verification by the Financial & Sustainability Reporting Monitoring & Control function, in accordance with the methods and tools defined in the internal regulations, in particular the Policy for the Management of Incorrect Financial Reporting and Sustainability Risk.

The Board of Directors, within the scope of its competences, oversees the governance of the risks to which the Bank is exposed, identifying in a timely manner their sources, possible developments and the necessary safeguards provided for by the internal control system, including those related to the Consolidated Sustainability Statement.

[GOV-1 DP 22d]

At the strategic level, the decision-making bodies, in cooperation with the relevant functions, identify the objectives to be implemented in the area of sustainability and ensure their consistency with the corporate mission, promoting transparent reporting in the Group's various reports, including, for example, the Group Transition Plan. The Board of Directors also completed the adoption of the entire set of regulations necessary to govern the process, using internal tools to guide and orient the company's operations in line with sustainability principles.

[G1.GOV-1 DP 5b]

In addition to specific technical expertise in the field of sustainability, the Banca Ifis Group's governing bodies have consolidated experience in responsible business conduct, which is crucial for the effective implementation of their functions.

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The members of the management and supervisory bodies must in fact undergo a rigorous process of evaluation of the requirements provided for by the specific industry regulations.

The Board of Directors appoints one of its members (including, if necessary, the Chief Executive Officer) as the person responsible for Group anti-money laundering, without prejudice to the collective responsibility of the corporate bodies for the prevention of money laundering and terrorist financing.

[G1.GOV-1 DP 5a]

In addition, at the proposal of the Chief Executive Officer and with the involvement of the Chair, the Board approves, verifies and ensures the proper dissemination and implementation of corporate values through the Code of Ethics. Corporate bodies and employees are required to respect and comply with the provisions of the Code. The Chairman of the Board of Directors actively promotes a culture of corporate social responsibility and the ethical and sustainable development of the Bank and the Group over the long term, also overseeing social, philanthropic, charitable and cultural initiatives. With reference to the Code of Ethics, the Supervisory Body reports to the Board of Directors on the monitoring of the application of the document and any problems related to its implementation.

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

[GOV-2 DP 26a]

As mentioned above, the results of the double materiality assessment are brought to the attention of the Sustainability Committee and the Board of Directors, who review and approve them at least once a year[15]. Banca Ifis also undertakes to keep the Board of Directors and the Sustainability Committee informed of the effectiveness of the policies adopted, the actions taken, the metrics analysed and the targets set, as well as the duty of due diligence. This approach allows for effective management and supervision of these issues at the Bank level.

[GOV-2 DP 26c]

Therefore, these bodies have been informed of the entire list of material impacts, risks and opportunities, as set out in the "double materiality assessment" section (see 1.1 ESRS 2 - General Disclosures, Section 1.1.4 Management of Impacts, Risks and Opportunities: Double materiality assessment).

These impacts, risks and opportunities are integrated into the company's sustainability strategy, orienting policies, actions and objectives on the various ESG topics. In this context, the policies and targets set are also brought to the attention of the Committee and the Board.

[GOV-2 DP 26b]

When defining the Group's strategies, the Board of Directors takes sustainability objectives into account by integrating ESG factors into business decisions.

Through the Sustainability Committee, which supports the Board in defining and evaluating sustainable guidelines, the oversight of initiatives and actions with ESG impacts is ensured, as well as the assessment, management and mitigation of sustainability, climate and environmental, social and governance material risks. In addition to the results of the double materiality assessment, the Committee also considers regulatory developments in order to define ESG strategies and objectives, with the aim of mitigating negative risks and impacts and enhancing positive opportunities and impacts.

[15] During 2025, the boards of directors, management and auditors did not consider any trade-offs concerning the relevant impacts, risks and opportunities in relation to their business strategy.

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Integration of sustainability-related performance in incentive schemes

Parent company Banca Ifis

[GOV-3 DP 29,a,b]

The Remuneration Policy, defined annually by the Parent Company, is defined with the aim of aligning the conduct of management and staff with the interests of all stakeholders, guiding their action towards the achievement of sustainable medium to long-term objectives - including sustainable finance objectives that take into account, amongst others, environmental, social and governance factors, within the framework of prudent current and prospective risk-taking.

For the year 2025, Banca Ifis, in continuity with the previous year, promoted through its incentive systems the adoption of ESG KPIs at all levels of the corporate organisation, considering all three main areas of intervention, Environmental, Social and Governance. With specific reference to the Npl business, specific KPIs have been identified in the area of Social Banking, which will complement those of the Bank, confirming the focus on the needs of people with an ethical and sustainable collection model for the Npl business, with a view to financial re-inclusion.

Banca Ifis's Remuneration Policy includes a Short Term Incentive Plan (STI), is drawn up annually, the recognition of which is conditional on the opening of specific access gates and the achievement of qualitative and quantitative performance targets assigned to the beneficiaries.

As in 2024, ESG KPIs are planned for 2025 for all variable beneficiaries within the corporate organisation, confirming the Bank's commitment to the path towards sustainable development.

The sustainability goals also meet the principle of 'gender neutrality'. Remuneration policies are, in fact, gender-neutral and contribute to the pursuit of complete equality in the economic and regulatory treatment of staff. They promote an equal level of remuneration for staff, including in terms of the conditions for its recognition and payment, for equal work.

[GOV-3 DP 29c]

In this context, the Parent Company's Remuneration Policy is also geared towards creating sustainable value over time for all stakeholders and the eco-system in which the Group operates. The Sustainability Committee supports the important path taken by the Bank in integrating ESG criteria into its mission and business model, with a clear vision: sustainability, in all its forms, represents a lever for creating value and a fundamental driver of development, which pays attention to the impacts on people, the environment and the community.

For FY 2025, the Bank promoted through its short-term incentive system the extension of ESG Key Performance Indicators (KPIs) to all levels of responsibility in the corporate organisation, considering all three main areas of intervention.

[GOV-3 DP 29a]

More specifically, Banca Ifis's short-term incentive system emphasises the importance of responsible and sustainable management of business activities. For key personnel, including the CCO, COO and CEO, performance indicators consider commitment to decarbonisation and reduction of direct environmental impacts, maintenance of gender equity, promotion of ESG training, enrichment of the product portfolio with at least one new product/service in the ESG area, and maintenance/improvement of ESG ratings.

With specific reference to the Npl business, specific KPIs have been identified in the area of sustainable recovery, which continues on from the previous year, with more challenging targets and that flank those of the Parent Company, confirming the focus on the needs of people with an ethical and sustainable collection model for the Npl business, with a view to financial re-inclusion. These KPIs, related to the Npl segment, also apply to the Chief Executive Officer and the COO.

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For personnel who are not beneficiaries of the short-term incentive scheme (STI), but who are beneficiaries of the variable performance bonus (ISR), a specific KPI related to the utilisation of ESG training is foreseen.

Finally, the involvement of the Sustainability Committee in defining remuneration and incentive policies reflects the Group's desire to direct its strategies on sustainability risks, in accordance with current regulations.

[GOV-3 DP 29e]

The Bank's remuneration and incentive policies described in the Remuneration and Remuneration Report provide for the commitment of ESG KPIs within the framework of Management by Objectives (MBO) and, if present, also within the framework of long-term plans.

For the short-term incentive scheme, the objectives are also detailed in the Implementing Regulation ("Regulation on Short-Term Incentive Schemes"), which falls within the remit of the Board of Directors. This includes the staff performance appraisal forms and a more detailed description of the incentive systems of the other categories of staff divided into homogeneous clusters, including salespeople.

The performance scorecard includes a predefined number of quantitative and qualitative indicators, each of which is given a weight in percentage terms on the total of at least 10% to ensure the significance of the objective and no more than 30% to maintain an adequate weighting of the multiple objectives.

Variable remuneration accrues according to a performance curve on target achievement levels. The result obtained from each KPI determines a weighted score, on a recognition curve varying between a minimum and a maximum achievable. The sum of the weighted scores obtained corresponds to the performance achieved in proportion to which, only if it is at least equal to a predetermined minimum score, is the amount of the incentive quantified; the latter may in any case not exceed a predetermined maximum level.

As part of the at least annual review of policies, the Board of Directors analyses, with the support of the Remuneration Committee, the gender neutrality of remuneration policies and any gender pay gap and its evolution over time.

When implementing the annual bonus system, where appropriate, the Human Resources Department focuses its attention on the gender pay gap by implementing the most significant improvement measures in favour of the less represented gender, in order to reduce the gap.

The Bank's incentive systems, both short-term and long-term, are usually prepared as part of the Parent Company's annual remuneration and incentive policies and then described in the Report on Remuneration Policy and Remuneration Paid. The Policy is submitted to the Remuneration Committee for evaluation, to the Sustainability Committee as far as it is concerned, and to the Board of Directors for resolution to submit it to the Shareholders' Meeting. Short-term and, if present, long-term implementation regulations are prepared following the shareholders' meeting resolution. It is specified that no long-term plans are envisaged in 2025.

[GOV-3 DP 29c]

In particular, for FY 2025, sustainable finance targets that take ESG factors into account have been confirmed within the short-term incentive schemes; some of these targets have been extended to the remaining corporate population not benefiting from the short-term incentive scheme (STI) but receiving the performance bonus (ISR).

The objectives assigned to the Chief Executive Officer for 2025 represent a combination of quantitative and qualitative criteria, referring to Banca Ifis's results, as well as qualitative aspects relating to strategic action. The performance scorecard includes the declination of the following KPIs:

- Economic-financial KPIs with a weight of 65%, structured over three specific drivers (profitability, credit cost and efficiency), consistent with the Parent Company's 2025 objectives;
- KPI of strategy and sustainability with a weight of 35%, which aim to assess the achievement of strategic directives, as well as the achievement of corporate objectives in the ESG area.

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The short-term variable remuneration cap payable to the CEO is set at 60% of fixed remuneration; variable remuneration will accrue on the basis of the degree of achievement of objectives, with variable remuneration being paid on a linear progression between 60% and 100% of the target bonuses.

[GOV-3 DP 29d]

The percentage of variable remuneration linked to the achievement of sustainability-related targets and impacts is, on average, 15%: within the short-term incentive scheme (STI), the overall weight of ESG KPIs varies between 10% and 20%, depending on the role held. Specifically, 20% is allocated to senior roles in the Npl business, 15% to Identified Staff (excluding Npl), while for all other beneficiaries the expected weight is 10%[16]. The performance appraisal system (Performup), which governs the Variable Result Bonus (ISR), also includes a KPI related to sustainability, with a weight of 10%.

[GOV-3 DP 29c]

Also for 2025, the provision of a Variable Result Bonus anchored to ESG topics. The agreement signed confirms the approach of the previous year, also thanks to a more than positive return from employees as it encourages their greater involvement in achieving the company's objectives and thus increasing Banca Ifis's profitability, productivity, competitiveness and efficiency.

In continuity with last year, therefore, again in 2025 the Agreement provides for an additional form of incentive of up to 20% on top of the actual basic bonus, with the aim of rewarding distinctive conduct in terms of fairness, transparency, ethics, collaboration among employees and quality of work, as well as a different, more favourable structure of the employee welfare plan

[E1.GOV-3 DP 13]

[ESRS 2 MDR-M DP 75]

The members of the Board of Directors, in line with current remuneration policies, receive fixed remuneration only. As mentioned above, the part of variable remuneration for senior figures, linked to the achievement of sustainability-related targets and impacts amounts to 15% on average. The objectives assigned to the Chief Executive Officer combine quantitative and qualitative criteria including ESG topics. For the Chief Executive Officer and top management, the Parent Company's ESG KPIs include a specific indicator linked to the decarbonisation targets of the financing portfolio, in line with the Bank's communicated commitment in this regard.

[GOV-3 DP 29]

Similarly, the illimity Group also has incentive schemes related to sustainability issues, intended for the governing body, management and beneficiary employees and governed by internal regulations and documentation published on the illimity Bank website.

The main variable remuneration mechanisms available to illimity Bank are:

- the annual incentive scheme (Management by Objectives - MBO), aimed at persons entitled to receive a variable component of remuneration linked to the fulfilment of specific conditions (set forth in the *Annual Variable Incentive Plan Regulation - MBO 2025*) and the performance objectives associated with each employee, in order to encourage and recognise the adoption of behaviour consistent with the illimity Group's long-term planning;
- the Long-Term Incentive Plan (LTIP), aimed at recipients of ordinary shares upon achievement of specific objectives and conditions (set forth in the *Regulations of the 2021-2025 Long-Term Incentive Plan*), in order to enhance the actual contributions made by the beneficiaries in line with the objectives of the 2021-2025 Strategic Plan of the illimity Group.

[16] *For more details, refer to the 2025 Report on the Remuneration Policy and Remuneration Paid.*

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Statement on due diligence

[GOV-4 DP 30-32]

Banca Ifis integrates the duty of care into its business processes and strategies, as better described in the references below.

Core elements of due diligence	Sections in the Consolidated Sustainability Statement
a) Embedding due diligence in governance, strategy and business model	1.1.3 Governance – ESRS 2 GOV-2 1.1.3 Governance – ESRS 2 GOV-3 1.1.4 Impact, risk and opportunity management: Double materiality assessment; 2.2.2 Energy, climate change adaptation and mitigation (Material impacts, risks and opportunities); 3.1 S1 - Own workforce (Material impacts, risks and opportunities); 3.2 S2 - Workers in the value chain (Material impacts, risks and opportunities); 3.3 S3 - Affected communities (Material impacts, risks and opportunities); 3.4 S4 - Consumers and end-users (Material impacts, risks and opportunities) - ESRS 2 SBM-3 2.2.1 Transition Plan - ESRS E1-1 2.2.2 Energy, Adaptation and Mitigation of Climate Change (The Group's Approach and Policies) - ESRS E1-2 3.1.1 Health and safety; 3.1.2 Work-life balance; 3.1.3 Training and skills development; 3.1.4 Equal treatment and opportunities for all; 3.1.5 Working conditions; 3.1.6 Other work-related rights (privacy) (The Group's approach and policies) - ESRS S1-1 3.2.1 Worker-related rights in the value chain (Approach and reference policies) - ESRS S2-1 3.4.1 Digitalisation and access to (quality) information; 3.4.2 Privacy; 3.4.3 Access to products and services; 3.4.4 Responsible marketing practices (Approach and reference policies) - ESRS S4-1
b) Engaging with affected stakeholders in all key steps of the due diligence	1.1.2 Strategy - ESRS 2 SBM-2 3.1.7 Engagement processes - ESRS S1-2 3.4.5 Engagement Processes - ESRS S4-2
c) Identifying and assessing adverse impacts	1.1.4 Impact, risk and opportunity management: Double materiality assessment - ESRS IRO-1
d) Taking actions to address those adverse impacts	2.2.2 Energy, Adaptation and Mitigation of Climate Change (The Actions) - ESRS E1-3 3.1.1 Health and safety; 3.1.4 Equal treatment and opportunities for all; 3.1.5 Working conditions; 3.1.6 Other work-related rights (privacy) (Actions) - ESRS S1-4 3.2.1 Worker-related rights in the value chain (Actions) - ESRS S2-4 3.4.1 Digitalisation and access to (quality) information; 3.4.2 Privacy; 3.4.3 Access to products and services; 3.4.4 Responsible marketing practices (Actions) - ESRS S4-4
e) Tracking the effectiveness of these efforts and communicating	2.2.3 Targets - ESRS E1-4 2.2.4 Metrics - ESRS E1-5 and ESRS E1-6 3.1.8 Channels - ESRS S1-3

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Core elements of due diligence	Sections in the Consolidated Sustainability Statement
	3.1.9 Targets - ESRS S1-5
	3.1.10 Metrics – ESRS S1-6, ESRS S1-7, ESRS S1-8, ESRS S1-9, ESRS S1-10, ESRS S1-12, ESRS S1-14, ESRS S1-16 e ESRS S1-17
	3.2.2 Channels - ESRS S2-3
	3.2.3 Targets - ESRS S2-5
	3.4.6 Channels - ESRS S4-3
	3.4.7 Targets - ESRS S4-5

Risk management and internal controls over the Sustainability Statement

[GOV-5 DP 36a]

The Banca Ifis Group's internal control system consists of rules, procedures and organisational structures aimed at ensuring, among other things, adherence to the business strategies, the effectiveness and efficiency of processes, and compliance of operations with the law, supervisory regulations, and the policies, procedures and codes of conduct adopted by the Group. The ESG internal control system was developed to meet the specificities of the Consolidated Sustainability Statement, following a similar approach to that adopted for financial reporting. This system is based on a Group methodological framework, focussed on criteria of consistency and reliability, which consists of the following main aspects:

- use of a coherent, centrally developed internal control system model, based on internationally recognised methodological standards, such as the “Co.So. Framework ICSR”;
- updating and dissemination within the Group according to centrally established parameters.

The pillars of this model, applied to sustainability reporting, include:

- Company Level Controls: represent the structural elements of the control system, with particular reference to the alignment of governance policies with ESG topics;
- Process Controls: relate to the description of the organisational model, including roles, processes and controls functional to the quality of the Consolidated Sustainability Statement. They also include periodic monitoring of operational activities, with the aim of gathering evidence to assess the effectiveness of internal controls over the Consolidated Sustainability Statement environment.

All business operations, where envisaged, are subject to audits by the functions or business Areas that own the various processes and operations (line controls or first line of defence), as well as by second and third line of defence departments.

With regard to the management of the risk of an incorrect Consolidated Sustainability Statement, the Group assesses the completeness, adequacy and reliability of the system of internal controls with regard to financial reporting and the Consolidated Sustainability Statement. In this context, the risk management process consists of the following sub-processes:

- identification;
- measurement;
- monitoring;
- attenuation;
- reporting.

Following the identification of the qualitative and quantitative data points relevant to the Consolidated Sustainability Statement and the data points to be included in the scope of activity using the results of the double materiality assessment, the Group has assessed the risks associated with the whole process.

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[GOV-5 DP 36b]

For each applicable quantitative data point, a risk assessment of erroneous Consolidated Sustainability Statements was carried out. This assessment determines the level of inherent (potential) risk, taking into account aspects such as the connection with changes in principles and required disclosure compared to the previous period, the nature and volume of underlying transactions, and the presence of estimation processes. Risks were also identified in terms of Assertion, in line with ESRS 1 (European Sustainability Reporting Standard 1) of the CSRD.

[GOV-5 DP 36c]

By way of example, but not limited to, the main risks identified during the preliminary analysis carried out on the 2025 Consolidated Sustainability Statement process are "inconsistency of the data/information reported within the IT platform used for data collection with the supporting evidence", "inconsistency and incompleteness of the players/sectors integrated in the IROs long list", "incompleteness/inaccuracy of the double materiality assessment due to an inappropriate assessment of the context", "incompleteness/inaccuracy of the double materiality assessment due to the lack of consideration of the contributions provided by the stakeholders involved".

Once the risks impacting the analysed processes have been identified, the activity continues by identifying the controls that the Bank's structures have put in place to mitigate these risks.

These controls involve different approaches depending on the nature of the information (referred to as “data points”) to be verified, specifically:

- for data points of a qualitative nature, the identification of first-level controls is envisaged in order to verify the conformity and completeness of the data with the requirements of the regulations and compliance with the Group’s policies, actions and targets;
- for data points of a quantitative nature, first-level controls are to be identified to mitigate the risk of an erroneous Consolidated Sustainability Statement;
- for processes relating to the Consolidated Sustainability Statement, first-level controls are to be identified to mitigate the risk of an erroneous Consolidated Sustainability Statement.

For each identified risk, at least one 'key control' is identified, i.e. a control essential to prevent material errors that cannot be intercepted by other controls. A test of design ('ToD') is performed on each 'key control' to check its suitability and, if positive, testing of operational effectiveness ('ToE') is carried out.

[GOV-5 DP 36d]

In the event of significant deviations that could affect the reliability of the Consolidated Sustainability Statement, the Banca Ifis Group proceeds swiftly to request that the anomaly be remedied to the relevant structure and to monitor the implementation of the required corrective measures, with a view to continually improving and updating the internal control system.

[GOV-5 DP 36e]

The Manager charged with preparing the company’s financial reports shares the annual Sustainability Statement with the Chief Executive Officer and then presents it to the Board of Directors, the Control and Risk Committee and the Board of Statutory Auditors. The report describes the verification activities carried out, their results and any shortcomings found.

[GOV-5 DP 36a]

Similarly, the illimity Group has its own system of internal controls to support the completeness, reliability and accuracy of data and sustainability information subject to reporting. The framework includes the description of the organisational model for the production of the Consolidated Sustainability Statement of illimity and the control tests in the execution of operational activities to obtain the necessary evidence for the assessment of the effectiveness of the system of internal controls. Specifically, the system adopted provides for the identification of processes with a significant impact on reporting and specific first-level controls, in addition to controls aimed at

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certifying the conformity of reporting, integrating risk assessments and control measures into business processes and ensuring periodic reporting to the administration, management and supervisory bodies.

[GOV-5 DP 36b]

In this context, illimity conducts analyses of key processes and their underlying reporting activities in order to identify, assess and prioritise risks based on probability and impact, with continuous monitoring of the effectiveness of controls and mitigation measures in place.

[GOV-5 DP 36c]

The risks identified in relation to illimity's Sustainability Statement are related to consistency with the Consolidated Financial Statements, completeness and accuracy of double materiality assessment, proper representation of the value chain and data integrity, mitigated through checkpoints governing how checks are performed, responsibilities and frequency of checks, as well as evidence produced and corrective actions implemented in the event of errors.

[GOV-5 DP 36d]

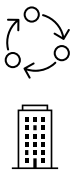
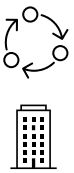
The results of the illimity Group's controls are integrated into the ESG risk management and monitoring processes, including ICAAP, ILAAP and Risk Self Assessment, and contribute to the assessment of the financial materiality of risks.

[GOV-5 DP 36e]

The findings of the risk and control assessments of the Sustainability Statement of the illimity Group are submitted to the Board of Directors at least annually. The results of the ICAAP and ILAAP exercises are forwarded to the Supervisory Authority, while the Board of Auditors is periodically informed about the progress of the sustainability reporting process.

1.1.4 Impact, risk and opportunity management: Double materiality assessment

[SBM-3 DP 48a]

ESRS	Sub topic	Impact materiality	Financial materiality - risks	Financial materiality - opportunities	Time horizon
E1	Climate change adaptation				
	Climate change mitigation				
	Energy				
E4	Direct impact drivers of biodiversity loss		Not material		
	Impacts on the state of species				
S1	Working conditions				
	Equal treatment and opportunities for all				

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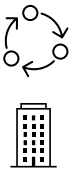
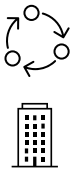
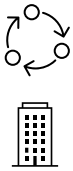
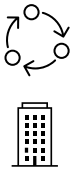
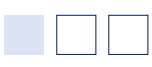
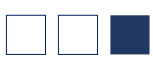
ESRS	Sub topic	Impact materiality	Financial materiality - risks	Financial materiality - opportunities	Time horizon
	Other work-related rights (privacy)				
S2	Working conditions		Not material		
	Other work-related rights				
S3	Communities' economic, social and cultural rights		Not material		
S4	Impacts for consumers and/or end-users				
	Social inclusion of consumers and/or end- users				
G1	Corporate culture				
	Protection of whistle-blowers				
	Political engagement and lobbying activities				
	Management of relationships with suppliers including payment practices				
	Corruption and bribery				

Key:

own operations value chain

 short-term medium-term  long-term

Further details on the material impacts, risks and opportunities for the Banca Ifis Group are discussed in the respective thematic chapters.

[SBM-3 DP 48b]

Impacts, risks and opportunities identified as material for Banca Ifis are integrated into its business model through actions and targeted strategies. Specifically, with reference to environmental issues, and therefore to the effects

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of greenhouse gas (GHG) emissions, current and projected, generated directly and indirectly, the Banca Ifis Group is committed to implementing concrete actions to limit negative effects and generate positive impacts to reduce its environmental impact and promote sustainable transition. The adoption of specific initiatives, such as improving energy efficiency and supporting sustainable mobility, mitigates climate risks and enhances market opportunities.

In the value chain, the Group promotes innovative financial products for the sustainable transition of SMEs. The strategy also includes strengthening governance on ESG risks, a focus on the workforce with welfare and gender equality initiatives, and investments in digital technologies to support transparency, security and better access to services.

Environment

Specifically, with regard to environmental issues, the Group is committed to implementing various actions that generate direct and indirect impacts, in order to limit negative effects and generate positive impacts.

For example, the Group offers itself as a partner to accompany its customers on the path to sustainable transition, having also defined Net Zero targets in relation to the emissions of its portfolio complemented by decarbonisation targets for the main financed sectors. In a parallel fashion, the Group also aims to reduce its own emissions. It also identifies the business implications of climate stress and the associated socio-economic transition, seizing emerging opportunities, including through the proper identification, understanding and management of risks (in line with the Materiality Assessment exercise carried out) and climate and environmental opportunities that the Group may encounter.

With regard to the topic of biodiversity, on the other hand, the double materiality assessment highlights positive impacts and material opportunities in view of the promotion of initiatives and investments that favour the protection of ecosystems, biodiversity and land conservation within the Bank's infrastructure. For this reason, the Group implements several actions to protect these aspects within its proprietary assets such as the International Sculpture Park, in addition to the Bank's commitment to adopt a strategic approach integrated in the ESG Policy.

Social

The in-house workforce is one of the core elements of the Group's strategy and business model, and the positive impacts it generates foster a continuous strengthening of the overall strategic approach.

The Group also carries out its activities with respect for the environment and human rights, constantly striving to establish a reliable and inclusive approach to minimise negative impacts, respecting both internal workers and those along the value chain.

Finally, special attention is paid to the development and promotion of the communities and territory in which the Group operates, through the generation of material impacts and opportunities closely linked to the corporate strategy and aligned with the mission and objectives of the Kaleidos Social Impact Lab. Similarly, the Group's focus on customers and consumers is also read with a view to sustainability, for example through the adoption of an ethical and sustainable debt collection model aimed at the financial re-inclusion of debtors.

Governance

Finally, with regard to aspects relating to corporate culture, the Group continues to pursue and disseminate the principles of fairness, professional ethics and its corporate values, which are fundamental to the definition of the Group's integrity.

[SBM-3 DP 48ci,cii,ciii,civ]

The double materiality assessment conducted by the Group led to the identification of 70 material impacts, risks and opportunities, appropriately described within the thematic ESRS chapters. These were identified by

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considering all operations, activities, entities and processes involved in the life cycle of the services offered, both upstream and downstream, also taking into account counterparts such as indirect suppliers and end users.

Moreover, the Group's material impacts are directly reflected on people and the environment: on the one hand, they generate benefits through initiatives such as the renovation of buildings and support for the sustainable transition of SMEs; on the other hand, they contribute to the generation of indirect GHG emissions (e.g. financing-related emissions).

These impacts stem from the strategy and business model, which focus on sustainable growth, digitisation and inclusiveness. Their effects manifest themselves both in the short term, with operational and energy improvements, and in the long term, with innovation and social inclusion projects. In particular, impacts arise mainly from the Group's activities and relationships with counterparties along the value chain, such as suppliers and customers.

[SBM-3 DP 48g]

The 2025 double materiality assessment demonstrated substantial alignment with the findings of the double materiality assessment conducted with reference to the year 2024, both in terms of material ESRS and IRO topics. Compared to the previous year, the number of impacts, risks and opportunities within the list submitted for evaluation has been rationalised with the aim of making them more in line with the Group's context and business. In addition, through a structured process, the material impacts, risks and opportunities for the subsidiaries acquired during 2025 were integrated.

[SBM-3 DP 48d]

With reference to the current financial effects, a study of the effects of climate and environmental risks on credit risk was carried out in 2025, analysing the possible impacts that climate events could cause on the risk parameters represented by the Probability of Default (PD) and the Loss Given Default (LGD) rate and consequently on the Expected Credit Loss (ECL) of the performing portfolio. The analyses carried out showed that, with reference to the overall scenario of 2025 (weighted 60% as 'baseline', 30% as ‘adverse’ and 10% as 'climate'), the impact of climate risks on the Banca Ifis Group's risk parameters (PD and LGD) is to be considered entirely marginal at the level of ECL increase, in line with previous years. However, despite the negligible impact, these effects were included in the determination of the ECL through an adjustment of the risk parameters in the preparation of the Financial Statements as at 31 December 2025. To this end, an 'adverse weather' scenario was introduced with a 10% weighting for the forward-looking conditioning of the risk parameters (PD and LGD).

For more details, refer to the Notes to the Consolidated Financial Statements, Part E - Information on Risks and Related Hedging Policies.

[SBM-3 DP 48f]

In addition, in order to gain an ever better understanding of the environment in which it operates, Banca Ifis periodically carries out a resilience analysis: work to identify and assess the impact of climate and environmental risks on the entire ecosystem in which the Group operates. This process, which includes an initial analysis of market trends, a subsequent sectoral in-depth analysis and an assessment of the risks and opportunities associated with the different segments of each sector's value chain, aims to provide a solid information basis to guide strategic decisions related to the management of these risks, promoting a sustainable and conscious approach to climate and environmental challenges.

Based on the evidence from these analyses, Banca Ifis will direct its strategy and business processes to strengthen its resilience, mitigating material impacts, managing risks related to the ecological transition and seizing opportunities offered by sustainable business models. This translates into an evolution of the commercial offer, favouring the financing of sectors and companies with less exposure to environmental risks, the integration of ESG criteria in credit assessment processes and the investment in low-impact solutions for its operations, thus contributing to the sustainable development of the ecosystem in which it operates.

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

[IRO-1 DP 53a,c]

The Banca Ifis Group conducted the double materiality assessment to identify the material sustainability impacts, risks and opportunities (known as IROs) in order to integrate them into strategic decisions.

The double materiality assessment has two interconnected dimensions:

- materiality of impact (inside-out): a sustainability issue is considered material when it produces impacts, actual or potential, positive or negative, on people or the environment in the short, medium or long term. Impacts may arise from direct business activities or from the value chain, including products and services offered and business relationships;
- financial materiality (outside-in): an issue is considered material from a financial point of view when it has or could have significant effects on the company's economic performance, financial position, cash flows, access to finance or cost of capital.

The identification of impacts, risks and opportunities was done through a top-down approach, focusing on the Group's core business, i.e. banking. Although the analysis considered all entities included in the scope of the Consolidated Sustainability Statement, the focus remained mainly on the core banking business. Furthermore, it is specified that, although the analysis followed a top-down approach, the impacts, risks and opportunities relating to the subsidiaries acquired during 2025 were integrated.

In addition, the process was conducted in accordance with ESRS 1 'General Requirements' of the European Sustainability Reporting Standards (ESRS), which constitutes the framework for preparing the Consolidated Sustainability Statement of an entity as a whole, and EFRAG's IG1 Double Materiality Guidelines. These tools provide guidance on the process of assessing double materiality; therefore, the Group has established an ESRS-compliant double materiality assessment process adapted to its specific circumstances.

[IRO-1 DP 53b,c]

In particular, according to the EFRAG Guidelines - IG1, the implementation of double materiality assessment requires the execution of four fundamental steps:

1. understanding the context of the organisation;
2. identification of IROs related to sustainability issues under the ESRS Standards;
3. evaluation and determination of material IROs;
4. reporting against the material IROs.

1. Understanding the context of the organisation

[IRO-1 DP 53bi]

By examining the information collected, Banca Ifis identified dependencies and resources, business relationships and geographical presence, considering direct operations, the upstream and downstream value chain, and the various stakeholders involved.

The internal analysis examined:

- the Bank's business model, related business strategy, business activities, market trends and customer solutions;
- annual financial reports;
- the 2024 Sustainability Statement;

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- other available information and external reports;
- additional documentation, such as the Risk Catalogue, Climate Materiality Assessment, Risk Self Assessment, IT Scenarios & Threats and the list of IROs identified for the 2024 Sustainability Statement;
- the Code of Ethics, the Group's ESG Policy, the Environmental Policy, the Organisation, Management and Control Model pursuant to Legislative Decree no. 231/2001 and the various policies relating to process and sustainability topics;
- the corporate website of Banca Ifis.

In order to conduct the double materiality assessment process in a comprehensive and regulatory-compliant manner, the bank also considered its existing relationships with its suppliers, customers and internal and external stakeholders (such as employees and affected communities), focusing mainly on the Italian territory, where Banca Ifis conducts almost all of its activities. In addition, special attention was paid to any factors that generate or could generate negative impacts on people, the environment and society.

[IRO-1 DP 53bii]

Impacts arising from the Bank's activities or its business relationships were identified through a preliminary document analysis and subsequently assessed in the double materiality assessment through input from the stakeholders involved.

The following activities were conducted in the course of the external analysis to identify potential new risks and impacts:

- in-depth analysis of industry benchmarks, carried out by studying the main annual and sustainability reports of peer and competitor companies in the financial sector;
- consultation of authoritative references to adopt a comprehensive and informed approach to sustainability and responsible governance (see 1.1 ESRS 2 - General Disclosures, section 1.1.4 Managing Impacts, Risks and Opportunities: double materiality assessment, DP 53g).

In addition, further relevant aspects were taken into account when analysing the context, including the legal and regulatory landscape, public documentation such as media reports, and scientific articles and publications exploring general trends in sustainability.

The systematic approach adopted has created a solid basis for managing sustainability-related risks and opportunities, integrating a strategic vision and an in-depth understanding of the business environment and its relationships.

Stakeholder engagement

[IRO-1 DP 53biii]

The mapping of internal and external stakeholders constituted a key step in the process of double materiality assessment. The Group has identified an exhaustive list of internal and external stakeholders with the aim of ensuring an integrated and inclusive approach.

In particular, the double materiality assessment was initially carried out internally by the Group through the active engagement of various categories of internal stakeholders, i.e. corporate functions and departments that are strategic and essential for the assessment of IROs. These include Risk Management, Sustainability, Business, General Services, Human Resources, Compliance, Procurement, Finance, General Counsel. These functions have made essential contributions to the identification and assessment of IROs, bringing specific expertise and key perspectives to support a comprehensive and thorough analysis.

Subsequently, the company conducted an analysis addressed to external stakeholders with a twofold objective: on the one hand, to obtain feedback on identified impacts, risks and opportunities, and on the other hand, to support and reinforce the Group's assessment of double materiality.

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In line with regulatory requirements, Banca Ifis has divided its external stakeholders into two main categories:

- impacted stakeholders: individuals or groups whose interests may be affected, positively or negatively, by Banca Ifis's activities and business relationships along the entire value chain, such as customers, communities, the environment, consumers and suppliers;
- users of the Consolidated Sustainability Statement: stakeholders of sustainability data, both financial and non-financial, such as current and potential investors, lenders and creditors (e.g. asset managers and lenders), business partners, trade unions and social partners, civil society and NGOs, governments, regulators, academic analysts and experts, industry associations, media, ESG assessors, government agencies.

Following the mapping and identification of the main stakeholders, the Bank adopted specific approaches to engage with the respective stakeholders and users of the Consolidated Sustainability Statement, taking into account the peculiarities of each category and using differentiated tools such as thematic workshops and one-to-one meetings, all aimed at gathering considerations and assessments in the area of double materiality.

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2. Identification of current and potential IROs related to sustainability topics

[IRO-1 DP 53c,ci,ciii]

In order to effectively identify the impacts, risks and opportunities to be analysed, the Group has adopted a structured approach consisting of the following steps:

- identification of topics, sub-topics and sub-sub-topics for each ESRS standard;
- integration of relevant information from previous materiality assessments, existing reports or analyses (e.g. human rights impact assessments and climate scenario analyses) and external inputs, such as World Economic Forum and OECD guidelines;
- consideration of the risks identified in the Group Risk Management Risk Inventory, Climate Materiality Assessment and Risk Self Assessment, including credit, market, operational, reputational, strategic and compliance risks;
- mapping of players in the value chain, both upstream and downstream, analysing stakeholders such as shareholders, employees, suppliers and customers. Data was collected on the size, activities and geographic areas of the companies with which Banca Ifis does business, in order to identify material risk areas and related IROs;
- assessment of the ways in which impacts translate into risks and opportunities, bearing in mind that not all risks and opportunities are strictly related to Banca Ifis's activities or impacts, some of which may be due to the environment in which the Group operates or dependencies related to natural, human and social resources;
- analysis of IROs, including consideration of the time horizon associated with each;
- review of the due diligence process, in line with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines, to ensure adherence to the highest international standards.

In the double materiality process, the Group once assessed individual IROs through the relevant thresholds[17] and methodologies, aggregated the results of the IROs for the reporting topics, prioritising them on the basis of the value of the impacts, in order to give importance to the risks and, finally, to the opportunities.

In order to identify and prioritise sustainability risks, the Bank made use of the analyses and findings of the Materiality Assessment, i.e. the analysis of the significance of climate and environmental risks conducted by the Group's Risk Management function, which highlighted the correlations between sustainability risks, in particular climate and environmental risks, and the traditional risks of the banking system. In addition, the findings of the Risk Self-Assessment and IT Scenarios & Threats were also optimised in the course of 2025, in order to provide a comprehensive and granular identification of the different ESG risk categories and ensure consistency between the findings of the analyses.

3. Evaluation and determination of material IROs

[IRO-1 DP 53b,biv,cii]

To determine the materiality of impact, the Group assessed the significance of impacts, both positive and negative, taking several factors into consideration. These include magnitude, which measures the severity of the impacts or the benefits caused by them; extent, which assesses how widespread the impacts are; irremediability, considered only for negative impacts, which indicates whether and to what extent the negative impacts could be

[17] The preliminary threshold for assessing the materiality of each sustainability topic was set at '4' for both impact materiality and financial materiality. It should be noted that exclusively for operational, reputational and IT risks, assessed by association with Risk Self Assessment, the materiality threshold was set at values greater than '8'.

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remedied, for example, by restoring the environment or people impacted to their previous state; and likelihood, which expresses how likely it is that such impacts will occur.

With regard to financial materiality, the magnitude, i.e. the magnitude of the impacts should a risk or opportunity materialise, and the likelihood of these risks and opportunities materialising, were taken into account. With particular reference to magnitude, it is determined from the Materiality Assessment, identifying the relevant CCO areas.

In the assessment of potential negative impacts on human rights, the severity of the impact is given priority over its likelihood, while the determination of financial materiality is based on the joint analysis of the magnitude of the economic effects and the likelihood of their materialisation.

In addition to the parameters described above, the evaluation process included an in-depth analysis of further key elements in order to ensure a comprehensive understanding of double materiality. Amongst these, particular attention was paid to impacted stakeholders, i.e. individuals or groups affected by the company's activities, to time horizons, divided into short, medium and long term to ensure an integrated and time-projected view, and to the value chain, with a specific focus on the most critical geographical areas and business relationships. This analysis allowed for a more precise contextualisation of impacts and opportunities across the entire spectrum of the company's activities.

To identify material sustainability issues, the Bank also assessed the list of IROs taking into account both current impacts (net of mitigation measures) and potential impacts.

[IRO-1 DP 53biv,c,cii]

[IRO-2 DP 59]

Following the normalisation of results, each impact, risk and opportunity was given a score on a scale of '1' to '4', where '1' indicates a low rating and '4' a very high rating. This scoring system was used to measure both the severity of impacts and the magnitude of risks and opportunities, with a focus on impacts that had already occurred, which were automatically assigned the maximum score of '4'. The likelihood rating scale followed the same criterion, with scores from '1' (low probability) to '4' (high probability).

Finally, the Group has established quantitative and qualitative thresholds to determine the materiality of issues to be disclosed, using risk management processes both to define thresholds and to assess the significance of impacts for disclosure purposes. In particular, Banca Ifis defined the materiality thresholds through a two-step process: first, the list of IROs was drawn up and then an assessment was conducted to define a preliminary threshold for both impact materiality and financial materiality; in a second step, the consistency of the results related to sustainability issues with stakeholders was verified. The threshold for defining the materiality of each sustainability issue was set at '4' for both impact and financial materiality[18]. In accordance with ESRS 1 and the Guideline, once individual IROs have been assessed according to appropriate thresholds and methodologies, results can be aggregated for reporting topics, in order to identify the relevant material ESRS topics.

[IRO-1 DP 53ciii,e]

The Group conducted impact, risk and opportunity assessments through the direct engagement of specific corporate functions, adopting a structured and thorough approach. In order to assess the overall risk profile and optimise the risk management and integration processes, the risks identified in the Risk Inventory provided by Risk Management in the Climate Materiality Assessment and Risk Self Assessment of the Group, were also integrated into the analysis for an overall and consistent view. These include credit risks, market risks, operational risks, reputational risks, strategic risks and compliance risks.

[18] As previously specified, for operational, reputational and IT risks, the materiality threshold was set at values greater than '8'.

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Sustainability risks were classified in view of their relevance to stakeholders and the results of the assessment of their financial materiality. Therefore, the process of identifying, analysing and managing these risks has been integrated into the overall risk management system, contributing to the definition of the corporate risk profile.

The integration of these factors examines risk appetite, ICAAP, credit and market risk management strategies, liquidity impact, credit risk assessment models and provisions.

[IRO-1 DP 53f]

As far as opportunities are concerned, the Group identified and assessed them taking into account the strategic guidelines dictated by the Parent Company, the business objectives and the opportunities that emerged during the extraordinary transactions that took place during 2025.

The process of identifying, evaluating and managing opportunities was carried out by involving the individual corporate functions for the areas of their competence, which formulated considerations on the basis of the overall process of managing the topics.

[IRO-1 DP 53g]

As part of the double materiality assessment, Banca Ifis considered several authoritative sources, including FTSE4Good Index Series, Global Risk Report 2024, MSCI ESG Indices, CDP, MIB ESG Index, Integrated Governance Services, Standard Ethics Indices, Bloomberg Gender-Equality Index 2022 (GEI), World Economic Forum, OECD, STOXX® Sustainability Indices, UNEP FI - Impact Radar and Principles for Responsible Banking (PRB).

To complement these sources, the Risk Management function's in-depth analyses were based on risk drivers identified by info providers such as Moody's and ENCORE, which allow for the identification of climate and environmental transition risk indicators on the basis of economic sector, and info providers such as ThinkHazard and Istat/ISPRA, which allow for the identification of physical risk indicators on the basis of geographic location.

[IRO-1 DP 53h]

In addition, during 2025, the assessments carried out as part of the double materiality assessment conducted by the illimity Group were integrated into the IROs evaluation process, aligning the criteria and evaluation methods, in order to enable comparability of results between the two perimeters.

4. Reporting on material IROs

[IRO-1 DP 53d]

Finally, as previously described (see 1.1 ESRS 2 - General Disclosures, Section 1.1.3 Governance, DP 26), the results of the double materiality assessment process were submitted to the attention of the governing bodies, such as the Sustainability Committee and the Board of Directors, which formally approved the results. In addition, the Consolidated Sustainability Statement is certified by the Manager charged with preparing the company's financial reports. To this end, a special internal control system was set up to verify the data and information reported in the disclosure. This system has been integrated into specific operational procedures.

[G1.IRO-1 DP 6]

In the double materiality assessment process used to identify material impacts, risks and opportunities with regard to business conduct, the stakeholders involved in the assessment took into account the Group's business activity, the geolocation of activities located in Italy and the downstream and upstream value chain.

Methodological insight into the assessment of climate and environmental IROs

[E1.IRO-1 DP 20a, AR 9]

The Group has prepared specific analyses to investigate climate change impacts, risks and opportunities.

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In particular, in order to identify material climate impacts, the Group analysed the company's activities and the total greenhouse gas (GHG) emissions generated by the organisation, through discussions with the relevant corporate functions.

The analysis revealed two main impacts:

- generation of finance-related indirect emissions (Scope 3);
- generation of direct and indirect GHG emissions resulting in negative environmental sustainability performance (Scope 1 and 2).

In addition, two further climate change-related impacts were identified: the first related to the improvement of the working environment through the green renovation of company buildings, and the second related to the development of entrepreneurship and the improvement of the sustainability profile of counterparties through credit access channels for SMEs and ESG performance assessments.

[E1.IRO-1 DP 20c,ci,cii]

The Group integrates into its strategic and financial planning the prospective opportunities for the future from a climate perspective, in accordance with its business model. The Group mapped climate-related opportunities by grouping them into two areas:

- the ecological transition, which includes projects aimed at generating energy from renewable sources and innovative solutions for the energy transition, as well as support for SMEs in obtaining capital (through the NRRP, European Investment Bank, EIB) to meet environmental and/or Industry 4.0 objectives (e.g. through Nuova Sabatini on environmental investments);
- the sustainable mobility, which includes the development of sustainable mobility products and services, the strengthening of the leasing market for low environmental impact vehicles and the entry into the leasing sector for alternative mobility (e.g. e-bikes).

As mentioned, over the years, the Group has implemented several innovative projects to spread awareness of the business culture with the aim of supporting Italian SMEs not only through financial products and services, but also by narrating and highlighting the most virtuous realities, which can act as a guide for those who want to do sustainable business.

In a parallel fashion, the Banca Ifis Group collaborates with several leading financial and non-financial partners in the energy transition to take an active part in the international effort to combat climate change. Finally, the Group has already started a process of gradual decarbonisation of the portion of its banking portfolio with high emissions, setting itself intermediate emission reduction targets for 2030 with the aim of achieving net zero in 2050.

[E1.IRO-1 DP 20b,bi,c,ci]

In order to ensure an adequate integration of climate and environmental risks within the Risk Management Framework, the Risk Management function conducts a materiality assessment for traditional risk categories involving a quantitative assessment, using various analytical tools. The Climate & Environmental (C&E) Materiality Assessment is conducted annually with the aim of updating the risk management framework in light of portfolio developments and identifying any new risks arising from climate and environmental events.

Materiality Assessment involves identifying causal mechanisms that transfer risk from climate or environmental events to traditional risks and thus to credit risk, operational risk, liquidity risk, business risk, market risk and reputational risk. In 2024, the analysis was also extended to environmental risks, including biodiversity, pollution, water use and waste management. These risks were analysed both physically, through georeferencing, and transitionally through a sectoral approach. In 2025, the ENCORE provider further modified the methodology for assigning transition scores, adopting a new system and increasing the number of risk classes by introducing new biodiversity indicators.

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The analysis is updated regularly and annually by the Risk Management function, with the aim of refining the methodologies and the scope of risks included in the analysis, as well as the Group's exposure to risks. Furthermore, it is specified that this analysis is brought to the attention of the Sustainability Committee at least annually.

[E1.IRO-1 DP 20b,bii,c,cii]

The process adopted by Banca Ifis consists of three main activities aimed at identifying and assessing climate and environmental (C&E) risk factors material to the Bank.

1. Development of the C&E risk factors taxonomy: the first phase consists of the creation of a C&E taxonomy, with the identification of the main risk drivers linked to two main categories:
    - climate risks divided into:
        - transition risks: related to technological, regulatory and market developments (e.g. changes in regulations, technological innovations and market perception);
        - physical hazards: distinguished between acute (e.g. floods, landslides, fires) and chronic (e.g. sea level rise, drought);
    - environmental risks: divided up into:
        - transition risks: similar to climate risks, influenced by technology, regulation and market sentiment;
        - physical hazards: both acute and chronic;
2. Identification of transmission channels and time horizons: this phase involves the qualitative analysis of the propagation of risks and the definition of their time horizons, with particular attention to the main impacts on the Bank;
3. Definition of Materiality Assessment: in the final stage, the quantitative assessment of the materiality of C&E risk factors is carried out, taking into account all identified risk types.

In order to ensure a better fit with the Group's specific business models, risks were grouped into macro-areas, also taking into account the guidelines provided by the European Central Bank (ECB) on the internal capital adequacy assessment process (ICAAP) and liquidity assessment process (ILAAP).

In particular, the analysis of physical risks considered adverse weather events, both chronic and acute, identifying those most material to Banca Ifis's operating environment. The assessment of their significance was conducted in relation to potential impacts on traditional risks, which in turn were examined through various factors, including portfolio geo-referencing, business operations and strategic assets for business continuity.

With regard to transition risks, the analysis was carried out at sector level, identifying the sectors most exposed to specific environmental issues, such as biodiversity, pollution, water use and waste management. Again, potential impacts were assessed in relation to traditional risks, providing an integrated picture of their significance.

This structured approach enables Banca Ifis to effectively understand and manage climate and environmental risk factors, integrating them into its decision-making processes and risk management strategies. The adoption of analytical tools such as sector heatmapping and geo-referenced analysis ensures precise identification of the most exposed areas and segments, facilitating the implementation of targeted mitigation measures (e.g. insurance policies).

The above analyses were conducted in line with the Net-Zero Banking Alliance (NZBA), which the Group joined in 2021; although the initiative was restructured in 2025, the guidelines of the framework remain available and applied by the Group.

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Materiality of climate and environmental risks

After the preliminary mapping of climate and environmental risks, the materiality assessment also includes a detailed examination of the channels of transmission of C&E risk factors to traditional risks, the time horizons with which C&E risk factors manifest themselves given Banca Ifis's operations, and an assessment of the risks identified as material. Below is a summary of the main risks analysed by Banca Ifis.

Credit risk

[E1.IRO-1 AR 11,12]

Risk type	Transmission channel	Description	Time horizon
Climate physical risk	Business continuity of the company and Npl/salary-backed loans realignment plans	An acute physical risk can lead to disruptions in the value chain and lead to a decrease in sales. Similarly, physical damage to plants could affect normal operating capacity and thus the company's future financial solvency, with effects in terms of probability of default (PD)	Medium-term
		Commercial and residential properties could be damaged by acute or chronic climatic events, impacting the valuation of buildings and adjacent properties. In addition, the ability of borrowers to repay their loans may be impaired due to the operational inability to continue their income-generating activities (e.g. property used as a pharmacy, main residence)	Medium-term
Climate transition risks	Repayment capacity on corporate loans and Npl/salary-backed loans realignment plans	Technology: Reduced competitiveness due to lack of investment in new technologies with lower emissions impact, resulting in higher PD Politics and regulations: Reduced profits for high-carbon companies due to greenhouse gas emission taxes, which in turn can affect access to and the cost of financing and the ability to repay debts by increasing the PD Market Sentiment: consumer preferences may further push demand towards greener opportunities and affect the profitability of companies, worsening the PD of those companies that are not aligned with new green market trends	Medium-term
	Value of real estate on secured exposures	Technology: energy-intensive real estate (e.g. High APE ratings) can lead to a depreciation of the property in the event of enforcement of the guarantee with an impact on the loss given default (LGD) rate Policy and regulations: the value of the collateral could be reduced in the case of policies that impose legal limits related to the degree of energy efficiency, worsening the borrower's creditworthiness towards the bank and impacting LGD Market Sentiment: increased demand for energy-efficient housing may negatively affect the value of low-energy-efficient collaterals and impact LGD	Medium-term
Environmental physical risk	Business continuity of the company	Companies operating in areas vulnerable to environmental risks may suffer significant economic losses due to the degradation of ecosystems. This degradation can be caused both by acute events, such as natural disasters, and by chronic, gradual changes. Such phenomena can compromise the natural resources required for business operations, adversely affect	Medium-term

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Risk type	Transmission channel	Description	Time horizon
		production and increase operating costs, jeopardising long-term profitability and the associated repayment capacity	
Environmental transition risks	Repayment capacity on corporate loans	Companies exposed to environmental risks can suffer significant economic consequences due to the failure to adopt environmentally friendly technologies, the delay in aligning with regulations to reduce pollution, and the increasing scarcity of natural resources such as water and biodiversity. These risks may materialise in economic losses resulting from regulatory sanctions or increased operating costs due to reduced availability of essential resources. Moreover, inefficiency in managing these aspects can make companies less competitive in a market increasingly oriented towards environmental sustainability	Medium-term

The study of the effects of climate and environmental risk factors on the credit risk of the Group's portfolio followed two complementary approaches that guarantee, on one hand, the highlighting of aspects linked to the peculiarities of the segments to which the Group is exposed, and on the other the analysis of the geographical distribution of its loans, highlighting particular concentrations in areas at risk of adverse events. The procedure carried out fostered the development of new knowledge and the dissemination of an awareness of such risk factors that the Group pursues with regard to both its employees and its various stakeholders (e.g. customers, suppliers, shareholders).

With regard to risk factors linked to the transition process, there are several transmission channels affecting credit risk. In order to capture these aspects, a risk mapping exercise was carried out, which led to the assignment of a risk level according to the sector to which each counterparty in the portfolio belongs (via ATECO code).

Also with reference to risk factors linked to the energy transition, another line of analysis was that of real estate securing loans granted by the Banca Ifis Group subsidiary Banca Credifarma. In this case, the effect of transition risk on credit risk is closely linked to the energy class of the real estate pledged as collateral. In these terms, a detailed analysis of the transition risk was carried out on Banca Credifarma's securitised portfolio by assessing the EPCs of the properties, with the aim of taking into account the possible devaluation on property values in the event of resale, due to the market discount applied for low energy class properties.

With regard to physical, acute and chronic risk factors, the impact was quantified by geo-referencing the customers in the portfolio. The analysis carried out by the Group made it possible to associate physical risk at the level of individual counterparties on the basis of their geographical location, at a municipal level, identifying risks that are relevant to the context in which it operates. In addition, georeferencing methods were refined with reference to counterparties belonging to the automotive sector (given its importance in the Group's portfolio and in the decarbonisation strategies defined by Banca Ifis), considering the global location of production sites and associating the relative production data.

The materiality assessment of climate and environmental (C&E) risk factors on credit risk took the form of a graphical representation of the risk (a "heatmap") showing the significance of the associated transition and physical risk for each segment. More specifically, the risk assessments also conducted for the purposes of the double materiality assessment were enhanced by the internal analyses performed by the Risk Management function and the results of the assessment performed by the same function. The materiality assessment revealed a ~22% share of exposures to 'High' or 'Very High' climate and environmental risk sectors (e.g. Chemical Industry, Steel Industry, Farming); overall, the degree of materiality of C&E risk factors on credit risk was assessed by Banca Ifis as moderate.

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In addition to the data downloaded from the various infoproviders, the following analysis indicators were used to define sectoral transition risks for environmental topics:

- information on the topics of 'Pollution (Air, Soil, Water)', 'Biodiversity (Disturbance, Ecosystem Use)' and 'Water Use' from the ENCORE infoprovider (https://encorenature.org/en);
- climate information already retrieved from Moody's on 'Carbon Transition (GHG Emissions)' and 'Waste and Pollution (Circular Economy)' for the construction of the climate and environmental transition score.

As previously mentioned, during 2025 the ENCORE provider made substantial changes to the methodology for assigning transition scores, in particular, it changed the sectoral classification for assigning risk scores (from GICS - Global Industry Classification Standard to ISIC - International Standard Industrial Classification), changed the number of the risk classes (from 4 to 5) and introduced new indicators related to Biodiversity, such as 'Introduction of Invasive Species' and 'Extraction of Biotic/Abiotic Resources'.

As far as physical risk drivers are concerned, hazard indicators are collected at provincial level by the infoprovider THINK HAZARD and supplemented with more detailed information at municipal level on certain aspects relevant to the Italian territory, such as floods, landslides, volcanoes and sea level rise, based on sources such as ISTAT, ISPRA and INGV. An analysis provided by NATURA2000, which maps Italian areas of high biodiversity in relation to habitats, species and natural parks, has also been incorporated. The analysis assesses the potential impact of companies located in the vicinity of these areas, differentiating it by economic macro-sector.

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In addition, the following risk was material exclusively for the illimity Group:

Risk type	Transmission channel	Description	Time horizon
Transition risk	Loan repayment capacity of corporate clients and profitability	Credit risk due to deterioration in the creditworthiness of counterparties due to higher transition costs: 1) for the development of a transition plan i.e. specific interventions needed for the sector, e.g: - for energy efficiency; - to reduce the level of GHG emissions; - to comply with new climate-related regulatory constraints (e.g. on the use of fossil fuel energy sources applied in the counterparty's sector, energy class/energy consumption, level of GHG emissions); 2) for the introduction of specific taxes (e.g. carbon tax).	Long-term

Business risk

[E1.IRO-1 AR 11,12]

Risk type	Transmission channel	Description	Time horizon
Transition and physical risks	Profitability linked to segments exposed to C&E risks	The Bank operates in sectors that may be affected by transitional climate risks related to the transition to a sustainable economy, as well as the impact of acute and chronic physical risks that may affect portfolio counterparties and affect the Bank's ability to generate margins in these sectors	Medium-/ long-term

The analysis uses the segment-level credit risk materiality exercise and the segmentation of the portfolio into high-risk Climate & Environmental (C&E) segments as a starting point. On the basis of the counterparties in each segment, the relevant net banking income is associated and the percentage of revenue of the total generated in high C&E risk segments is calculated. The 2025 analysis shows that about 25% of the Group's net banking income is generated on high C&E risk segments.

Market risk

To date, the Group's market risk is not material, amounting to approximately 1% of risk weighted assets (RWAs) and being mainly composed of transactions for economic hedging and/or developing the Group's investment portfolio.

In this context, carefully implemented risk monitoring and consequent risk management activities aim at containing portfolio volatility and hedging material risks deriving from exogenous sources. The Bank conducts recurring analyses of the materiality of climate and environmental risk factors in relation to the sovereign portfolio.

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[E1.IRO-1 AR 11,12]

Risk type	Transmission channel	Description	Time horizon
Physical risks	Sovereign securities portfolio	The bank's credit risk with respect to sovereign exposures may increase in the event of acute or chronic weather events, as they impact the income of sovereign states: - Lower tax revenues from affected businesses (e.g., decreasing the physical capital of companies) and higher expenditures to deal with the economic effects of physical weather events (e.g., repair or prevention of damage to infrastructure or public assets and increased social costs)	Long-term
Transition risks	Sovereign securities portfolio	Technology: climate change mitigation and adaptation policies also derive from necessary public investment, implying an increase in public spending Politics and regulation: sovereign states may face higher litigation costs as efforts towards a sustainable transition progress Market sentiment: changes in consumer preferences, a weaker overall economy and lower fiscal income could have an impact on sovereign riskiness	Medium-term

In particular, numerous IMF (International Monetary Fund) research articles have shown that climate and environmental risk is able to influence the risk of sovereign default, reflecting on government bond spreads. Banca Ifis assesses this risk according to the INFORM index, developed by the Disaster Risk Management Knowledge Centre and also mentioned by the European Commission.

Based on the results of the materiality assessment, no changes to the current practices in force are currently necessary. However, the Bank will continue to evaluate the adoption of additional safeguards, aimed at integrating the analysis of C&E risk factors into the relevant investment/disinvestment choices.

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Operational risk

[E1.IRO-1 AR 11,12]

Risk type	Transmission channel	Description	Time horizon
Physical risks	Compromise of operating sites, prop. data centres and major IT outsourcers	The Bank could be significantly impacted by the impairment of its operating sites, including those of its Foreign Subsidiaries, branches and data centres exposed to high climatic risks, in addition to the business continuity analyses already in place.	Medium-term
	Ex-lege suspension of payment flows for extreme events	Due to extreme weather events, the Bank could be exposed to possible interventions by the legislator to support the population that could lead to the suspension of instalments and/or repayment of Npl/salary-backed loans repayment plans.	Medium-term
Transition risks	Lawsuits by NGOs / Activists	A possible climate lawsuit by activists/NGOs could lead to fines/compensation in litigation.	Short-term

The study of the effects of climatic and environmental risk factors on operational and reputational risks was conducted, with reference to both physical and transitional risks, by assessing:

- the potential impacts of acute weather events in financial and business continuity terms;
- the negative effects that could be generated on the Banca Ifis Group's reputation as a result of conduct or business practices that conflict with its ambitions and regulatory environment.

The occurrence of extreme climatic and environmental events could, in fact, jeopardise the Group's business continuity with serious repercussions on the Group's main operating sites (including branches), on those of outsourcers critical for stability (e.g. Mestre, Milan, Parma, and Padua) and on the main data centre sites (proprietary or third-party).

In this context, in order to estimate the relevance of infrastructure in terms of profitability and business volumes generated, several proxies were calculated, such as the contribution of the individual branch to net banking income, weighted for probability of occurrence of climate events or the number of staff operating at the Group's main offices.

From the point of view of operational risks, various scenarios resulting from the occurrence of acute climate and environmental events were analysed. In order to quantify the impact on Banca Ifis's portfolios, a provincial geo-referencing of exposure was considered, identifying the provinces with the highest concentration and therefore most exposed to the effects of C&E risk factors.

The final result of the climate and environmental risk factors materiality assessment is a heatmap, constructed based on an approach that considers impact analysis by probability and is linked, on the basis of potential materiality, to the different departments of the Bank and the Subsidiaries.

Analyses show that the most economically significant branches, most exposed to climate and environmental risks, are located in the provinces of Milan, Pisa, Naples, Pescara and Rome, accounting for approximately 35% of net banking income; in all, foreign subsidiaries are exposed to low climate risks.

The update of the Materiality Assessment exercise envisaged the following activities in relation to operational risk. In this regard the Banca Ifis Group:

- has incorporated the “Business Continuity Plan” according to the specificities of the extreme climatic and environmental events analysed. In addition, the Bank extended the analysis to include the potential impacts to the Group resulting from the impairment of the operations of the foreign subsidiaries;
- has assessed, through geo-referencing of customers in the Npl portfolio, the potential impact of possible interventions by the legislator to support populations affected by extreme weather events that may lead

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to the suspension of the repayment of Npl and salary-backed loan realignment plans. The most economically significant operations exposed to high climate and environmental risks are located in the provinces of Rome, Latina, Naples, Salerno, and Turin, for a total of ~23% of the perimeter considered (Npl and Cap.Ital.Fin.), with an overall medium-high risk. On the remaining approximately 77% of the perimeter distributed throughout the country, the Bank is exposed to medium to low climate and environmental risks;

- it applied a risk assessment methodology that involves identifying relevant stakeholders sensitive to potential lawsuits by NGOs/activists, quantifying the degree of sensitivity and assessing the impact and likelihood of occurrence, in order to obtain an overall score.

Reputational risk

[E1.IRO-1 AR 12]

Risk type	Transmission channel	Description	Time horizon
Transition risks	Exposure to high C&E risk segments	The Bank may be exposed to investors and stakeholders on the development of the share of exposure to high-risk C&E sectors	Short-term
	Non-alignment with Net Zero targets	Having ambitious targets on NZBA's emission-intensive priority sectors could expose the bank to a misalignment that could have a significant impact on multiple stakeholders	Short-term
	Non-compliance with C&E regulations and expectations	The Bank must be aligned with C&E risk expectations and evolving regulations in the European Union, which may lead to further inspections by supervisory authorities and fines for non-compliance	Short-term
	Risk of greenwashing the product offering	The Bank is exposed to the risk of disclosing 'green' products without sufficient evidence of their 'green' impact	Short-term

With regard to reputational risk, scenarios have been identified, such as non-compliance with C&E regulations or non-alignment with decarbonisation targets, which may generate risk through stakeholders sensitive to the topics impacted.

More specifically, to analyse the climate and environmental effects on reputational risk, a framework made up of four distinct steps was constructed:

- identification of reputational risk scenarios based on the C&E risk taxonomy;
- identification of relevant stakeholders (suppliers, investors, supervisor, employees) and quantification of their degree of sensitivity to the different scenarios;
- risk assessment, for each scenario, including analysis of the impact and probability of occurrence in order to obtain an overall risk score;
- aggregation of results, applying weighting factors based on the relevance associated with the stakeholders.

Based on the analyses of the most material reputational risk scenarios, the Bank is exposed to a moderate overall risk.

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Liquidity risk

[E1.IRO-1 AR 11]

Risk type	Transmission channel	Description	Time horizon
Physical risk	Bank Run	Physical risks can damage real estate or company property, potentially causing an increase in demand for liquidity and the withdrawal of some deposits	Long-term

Following the materiality assessments, the Bank assessed the possibility of applying corrective measures to the way liquidity reserves are managed, as well as to the provisioning of funds; specifically, the Bank conducted a sensitivity analysis of the LCR (Liquidity Coverage Ratio) regulatory indicator by applying stress assumptions to both available reserves and net outflows based on the dynamics observed on certain reference scenarios. The analysis showed that the liquidity risk from a climate and environmental perspective is non-material: therefore, there is currently no need to apply corrective measures to the way liquidity reserves are managed with a view to integrating climate and environmental risks. Banca Ifis will continue the monitoring analysis of potential risks and the related impacts related to this risk exposure, as well as in evaluating the adoption of any safeguards that may become necessary in time.

However, the aforementioned risk is significant for the illimity Group.

[E1.IRO-1 AR 11c,12b,c]

Reference segments	% exposure
Very high and high C&E sectors	25%
Moderate C&E risk sectors	50%
Low Risk C&E Sectors	19%
Individuals and PA	6%
Total	100%

The main segments considered to be at 'Very High' and 'High' C&E risk include: Chemical Industry - Goods and Specialities, Manufacture of Coke and Products from Petroleum Refining, Extraction of Crude Oil and Natural Gas, Steel Industry (Production and Components), Crop and Forestry and Animal and Fish Farming.

[E1.IRO-1 DP 21]

The materiality assessment on credit risk has also enabled the creation of a sectoral heatmap to identify the C&E risk areas in the credit portfolio, including:

- heatmap of climate transition and environmental risk at sector level;
- bottom-up analysis of physical risk at the customer level using geo-referencing.

Heatmap of climate transition and environmental risk at sector level

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In order to identify the sectors of economic activity in the loan portfolio that present the greatest climate and environmental risks, the Bank has conducted an assessment activity, grouping these sectors into homogeneous groups based on the sector of economic activity of the counterparties analysed (ATECO code).

In order to construct a segmental heatmap showing the portions of the portfolio exposed to different types of risk, the Bank has therefore:

- identified transition risks using a "top down" approach: for each macro segment of economic activity, a risk score on a scale of 1 (Low) to 4 (Very High) was associated with third-party info providers;
- identified physical risks through a "bottom up" approach: each counterparty, associated with a particular segment of economic activity, was analysed punctually by geo-referencing their respective production/legal locations, a process that made it possible to identify precisely the physical risks to which the counterparties are exposed (details follow).

In addition, it should be noted that loan assets backed by real estate to Banca Credifarma's retail customers were also included in the perimeter and categorised as exposures with moderate transition risk. Indeed, a project was initiated to enable the timely collection of the information necessary for risk assessment also on the entire portfolio of loans secured by real estate (e.g. Mutuo Dipendenti prima casa (first home employee loan); the activities were started from this very product dedicated to employees and extended to Banca Credifarma due to its materiality, with the aim, in the long run, of extending the collection of information to all Group companies.

Following the initial findings of the materiality exercise, the Bank proceeded with the identification of various strategies to monitor and control climate and environmental risk factors. Specifically, the Bank has identified the following mitigants and measures:

- inclusion within the RAF of an indicator to monitor the percentage of exposure to assets classified as high transition risk with respect to the banking group's total exposure;
- inclusion within the RAF of two indicators to monitor the percentage of exposure to territories (Italian municipalities) classified as high flood and/or mudslide risk with respect to the banking group's total exposure;
- update and monitoring of the results of the materiality exercise once a year;
- annual update of the Bank's risk taxonomy document and transmission channels for climate and environmental risks.

In addition to the mitigation and monitoring measures already implemented, the Bank has worked on (i) the implementation of a strengthened credit framework from an ESG perspective, (ii) the strengthening of ESG analyses for credit operations, and (iii) the development of a sensitivity analysis of the loan portfolio with respect to climate and environmental risk factor issues, analysed further below.

[E1.IRO-1 AR 15]

Climate Stress Test and the scenarios considered

In line with the Bank of Italy's expectations on climate and environmental risk factors, the Parent company Banca Ifis updated its sensitivity analysis of the loan portfolio with respect to these issues in 2025. In this context, the Parent company independently conducted a Climate Stress Test exercise based on the short-term climate scenarios published by the UNEP Finance Initiative in July 2024 using the same framework and satellite models as the ICAAP stress test.

A scenario combining the effects of both Transition Risk and Physical Risk was considered.

Transition risk

With regard to transition risks, the macroeconomic shocks of the "Stringent carbon price" scenario, which anticipates all effects of the Delayed Transition scenario of the NGFS from 2031 to 2023, were considered. The carbon price increases between 57 US Dollar and 368 US Dollar per tonne of CO_2 by 2027, gradually over five years

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depending on the country. Advanced economies reach a more ambitious average price of around 325 dollars per tonne of CO_2 in 2027, while other regions keep prices below 231 dollars. The basic assumption is that rising carbon prices underpin coordinated global policies aimed at mitigating climate change. The impact of these policies has two phases:

- In the first stage, environmental policies lead to an increase in inflation due to the introduction of new energy taxes and a negative impact on productivity due to a change in the energy mix by companies. Following a reduction in demand, fossil fuel prices fall;
- in the second phase, the carbon tax generates public revenue that can be used for sustainable initiatives that can lead to increased public and private investment.

Physical risk

With regard to physical risk, the macroeconomic shocks of the "Chronic impacts" scenario, which models the extreme chronic risks, such as high temperatures, sea-level rise and changes in precipitation of the NGFS scenarios, were considered. These risks will gradually increase in significance over time, having a severe impact on GDP within 20-30 years. However, in this scenario, these chronic risks have been brought forward to the present. Unlike the 30-year long-term scenarios, the short-term climate scenario considered does not fully reflect the benefits of the transition and the related economic recovery. In terms of severity, it is, albeit not much, less negative than a typical EU-wide stress test scenario. Compared to the baseline, Italy's economic growth is projected to decrease by around 5,5% at a cumulative 2-year level (compared to 7,4% in the adverse scenario of the EU-Wide stress test).

To make the scenario consistent with the current economic environment, the macroeconomic projections were defined by applying the Climate scenario shocks to the latest baseline projections underlying the Budget (source: Prometeia). This approach ensures consistency and comparability of results between the Budget (baseline) scenario and the Stress Test Core (ICAAP) scenario.

Results of the Climate Stress Test on Credit Risk

The exposures subject to the climatic stress test exercise are the same as those subject to the core ICAAP exercise and cover about 94% of the receivables due from customers portfolio (the perimeter underlying the calculation of the consolidated Npe ratio), ensuring high coverage. The impact of the climate scenario on the profit and loss account was estimated in terms of value adjustments and Npe ratio ("Non-Performing Exposure ratio"), using the same methodological infrastructure as in the ICAAP for suitable comparability of results. Compared to the ICAAP with the same severity as the EU-Wide stress test 2025, the climate scenario is less severe as also mentioned in the previous paragraph.

[E1.IRO-1 AR 12d]

Also in light of the above analyses, the Group aims to cultivate its competitive advantage by continuing to periodically monitor the evolution of the emissions financed in its portfolio and taking concrete action to meet its commitments, including by developing dedicated products and services to support our companies in their path of innovation and growth towards a transition to a low-emission economy.

In addition to this, the Bank has identified segments that are not compatible with the level of ESG risk and compliance with the Code of Ethics (i.e. Sensitive Segments Policy), and therefore excluded from any type of transactions and financing. Some of the most relevant segments in terms of combating climate change include:

- nuclear energy;
- tobacco cultivation and production;

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- production of controversial weapons (i.e. antipersonnel mines, cluster bombs and munitions, chemical, bacteriological or nuclear weapons, weapons of mass destruction banned by international treaties);
- coal mining;
- unconventional oil & gas[19].

[E4.IRO-1 DP 17a,c]

At the same time, with reference to biodiversity and ecosystems, the Bank has identified material impacts, risks and opportunities for its own operations only, in view of the assessments carried out with reference to biodiversity conservation activities implemented on the Bank's premises, especially given the presence of the International Sculpture Park.

[E4.IRO-1 DP 17b]

Furthermore, the analysis of the organisation's possible dependencies with respect to the topic at hand was carried out by adopting a qualitative approach, based on an assessment of the interactions between the company's activities and the natural environment. The survey conducted revealed no significant evidence of direct or indirect dependencies on biodiversity, ecosystems and related services, either within their operating sites or along the entire value chain.

[E4.IRO-1 DP 17c]

With regard to opportunities, the assessment process was carried out by the functions taking into consideration the potential development of initiatives and investments that favour the protection of ecosystems, biodiversity and land conservation within the Bank's infrastructure[20].

[E4.IRO-1 DP 19a]

It should be noted that the Group's offices are not located in or near biodiversity-sensitive areas.

[E2.IRO-1 DP 11a]

[E3.IRO-1 DP 8a]

[E5.IRO-1 DP 11a]

Following the double materiality assessment process described above, no material impacts, risks and opportunities were identified in the areas of pollution, water and marine resources and the circular economy.

[E2.IRO-1 DP 11b]

[E3.IRO-1 DP 8b]

[E5.IRO-1 DP 11b]

These assessments are based on an informed analysis conducted by the internal stakeholders involved, which took into account the Group's business model, core activities, and the impact and risks of these issues on portfolio counterparties.

Materiality of social and governance risks

In line with the process adopted for climate and environmental risks, in order to integrate an informed management of social and governance risks, Banca Ifis has adopted a process structured in three main steps,

[19] Tar sands, shale/tight oil and gas, onshore/offshore oil and gas in the Arctic region, oil in the Sacred Cape area of the Amazon, unconventionally extracted liquefied natural gas.
[20] It is specified that the Group's sites are not within or near sensitive areas in terms of biodiversity.

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aimed at identifying and assessing the material risk factors for the Bank in its own operations and in the value chain (i.e. suppliers, customers).

The identification of the main drivers and factors relating to Social and Governance risks was carried out through an in-depth analysis of market literature (i.e. EBA Report on Environmental and Social Risks) and regulatory acts at European level (i.e. Corporate Sustainability Reporting Directive - CSRD, European Pillar of Social Rights and Social Taxonomy).

1. Development of the S&G risk factors taxonomy: the first phase consists of the creation of a S&G taxonomy, with the identification of the main risk drivers linked to three main categories:
    - Politics and regulations;
    - Market Sentiment;
    - Environmental Risk.
2. Identification of transmission channels and time horizons: this phase involves the qualitative analysis of the propagation of risks and the definition of their time horizons, with particular attention to the main impacts on the Bank. The effects that these risk factors have on the Bank's traditional risks, including credit risk, operational risk, and reputational risk, are analysed.
3. Definition of Materiality Assessment: in the final stage, the quantitative assessment of the materiality of C&E risk factors is carried out, taking into account all identified risk types.

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Development of Taxonomy of Social and Governance Risk Factors

Risk type	Risk drivers	Description
Social Risks	Politics and Regulations	Legislation (local, European and international) on employee privacy, both internally and along the value chain (e.g. financed counterparties and suppliers) entails the need to integrate mitigation safeguards into their processes and operations, and require additional investments (e.g. in replacing suppliers or relocating production facilities). Moreover, the presence of business relations with companies that do not comply with regulations (local, European and international) on human rights, health and safety, and equal treatment, could expose the Group to reputational and operational risks (e.g. substitution of suppliers)
	Market Sentiment	The absence of effective oversight on social issues (e.g. privacy of employees and other stakeholders) may generate the risk that customers and other relevant stakeholders (e.g. suppliers) will turn to competitors perceived as more responsible, resulting in reputational risks and loss of market share. In addition, misleading, non-transparent and customer-unfriendly conduct in the promotion or development of financial products and the presence of business relations with companies that do not oversee social issues (e.g. health and safety, equal treatment, privacy and the protection of human rights) can undermine the trust of customers and stakeholders, exposing the organisation to litigation, sanctions and reputational damage in addition to loss of competitiveness and the progressive erosion of market share
	Environmental Risk	Physical climate/environmental risk: the increase in the frequency of extreme weather events and the degradation of ecosystem services could lead to: • significant financial impacts on already disadvantaged communities/populations, thus leading to a risk for businesses in terms of labour shortages and/or a drop in demand due to a worsening socio-economic environment • systems/data integrity failures resulting in the unavailability of data that could compromise the protection of personal information and generate operational, legal or reputational impacts Climate transition risk: Technological and regulatory changes to address climate change could have an impact on the labour market in certain sectors (e.g. high-emission), entailing the risk of amplifying social critical issues as well as a risk for companies in terms of labour shortages and/or a drop in demand due to a worsening socio-economic environment

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Risk type	Risk drivers	Description
Governance Risks	Politics and Regulations	Regulations (local, European and international) on sustainability reporting, transparency, integrity and good conduct, active or passive corrupt practices, money laundering within companies and protection of whistleblowers among their own workers and along the value chain imply the need to integrate mitigation measures into their own processes and operations (e.g. the activation of secure and confidential whistleblower channels), also involving significant investments. Furthermore, the absence of adequate safeguards may expose the company to the risk of receiving sanctions and generate potential legal and reputational impacts, potentially generating additional costs. In addition, a lack of attention to internal governance issues can lead to an increase in turnover, resulting in replacement costs and operational risks related to staff shortages
	Market Sentiment	The absence of effective oversight on governance issues (e.g. corrupt practices) may generate the risk of compromising the trust of customers and other relevant stakeholders, including suppliers, entailing the risk that they will turn to competitors perceived as more responsible, with consequent reputational, operational, and supply relationship disruption risks and loss of market share. A shift in customer preferences towards more climate-friendly consumption could entail a risk with respect to supply relationships not aligned with sustainability criteria, generating a drop in demand and a shift towards competitors perceived as more sustainable, with consequent reputational, operational and market risks
	Environmental Risk	Climate transition risk: technological and regulatory changes to address climate change could impact on: • complexity and number of documents and reports that an entity must report, for example on sustainability, for regulatory compliance purposes • relationships along the value chain leading to additional costs or the need to change supply relationships, e.g. by requiring more disclosure and commitments in terms of sustainability

Credit risk

Risk type	Transmission channel	Description	Time horizon
Social Risks	Business continuity and repayment capacity	The companies may be involved in human and labour rights litigation (e.g. exploitation of workers, child labour) that could jeopardise the continuity of the company's operations and its business model by jeopardising the Group's ability to repay its exposure	Medium-term

The "EBA Report on Environmental and Social Risks in the Context of the Prudential Framework" defines risk drivers as elements that can turn environmental and social factors into risks by having a negative financial impact on the economic and financial activities of counterparties and/or assets of institutions.

The credit risk arising from the deterioration of the credit quality of financed counterparties involved in litigation related to forced or child labour practices is therefore analysed.

The results of the analyses conducted have determined the non-materiality of the risk; nevertheless, the Group will continue to monitor these areas and will progressively integrate the information supervision on the 'social'

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positioning of counterparties, through the collection of punctual ESG data, in line with the available methodologies and market practices.

Operational risk

Risk type	Transmission channel	Description	Time horizon
Social Risks	Violations/non-compliance with internal policies	The Bank, in the presence of behaviour that does not comply with the principles of equal opportunities and inclusion, could be exposed to internal disputes, disciplinary sanctions and inefficiencies in the management of human resources, with consequent impacts on business operations and the organisational climate	Short-term
	Non-compliance with regulations	The Bank could incur inspections, sanctions or litigation by the competent authorities in the event of proven violations of labour regulations and related labour law aspects, with potential economic, legal and reputational impacts	Short-term
	Computer security breaches and systems unavailability	Breaches of IT security or systems unavailability, could lead to compromises in the availability and integrity of the Bank's data, with negative effects on business continuity, process efficiency and customer service delivery	Short-term
	Business interruption / loss of data availability and integrity	Unauthorised access that can compromise confidentiality and data integrity, causing disruptions, operational slowdowns and unavailability of critical systems with direct impact on the Group's operations	Short-term
	Inadequacy of commercial control and monitoring processes	Should the Bank's operational procedures and internal controls prove inadequate, it could incur non-compliant behaviour or unfair practices towards customers, leading to litigation, sanctions and economic losses with repercussions on the effectiveness of business processes	Short-term
Governance Risks	Non-compliance with regulations	Failure to comply with internal regulations or procedures when dealing with authorities may result in inspection findings, fines and litigation costs, with direct impacts on operational efficiency and compliance obligations	Short-term

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Reputational risk

Risk type	Transmission channel	Description	Time horizon
Social Risks	Violations/non-compliance with internal policies	Internal/external complaints or reports of discriminatory behaviour, harassment or non-compliance with equal opportunities principles could lead to reputational damage for the Bank and possible intervention by the competent authorities	Short-term
	Negative stakeholder perception	The Bank, in the event of violations of regulations on labour issues, could suffer public disclosure of such failures, generating mistrust among customers, investors and public opinion, with a consequent undermining of its reputation and credibility on the market	Short-term
	Computer security breaches and systems unavailability	Breaches of data confidentiality or the unavailability of systems, even due to cyber-attacks or inadequate internal processes, can compromise the image and perception of reliability by stakeholders, with negative effects on the Bank's reputation and thus its competitive positioning	Short-term
	Loss of trust by customers and regulators	In the presence of incidents of unauthorised access to customers' personal data, the Bank could suffer a loss of trust by customers and regulators, accompanied by widespread media coverage, with potential reputational impacts and the launch of investigations by the competent authorities	Short-term
	Breaches of the rules of conduct and fair market practices	The Bank may be subject to investigations or sanctions by supervisory authorities for conduct that does not comply with customer protection regulations or for unfair commercial practices (including debt collection activities), with consequent legal and reputational impacts	Short-term
Governance Risks	Non-compliance with regulations	The Bank may receive inspections by supervisory authorities and fines/sanctions in the event of proven violations of anti-corruption, anti-money laundering and anti-money laundering regulations issued by the European Union and its Member State, with reputational repercussions	Short-term

The main operational, reputational and IT risks analysed refer to:

- operational risk due to non-compliance with labour law aspects of the own workforce;
- risk of loss due to breach of confidentiality, failure of integrity/inadequacy of systems and data;
- risk of operational losses due to unauthorised access to customer data (Data Breach) by Banca Ifis in-house staff for personal gain
- reputational risk due to the detection of potential discrimination against employees;
- reputational risk due to failure to respect customers' interests, unfair market practices and lack of codes of conduct (including debt collection activities);
- reputational and compliance risk arising from conduct that does not comply with the principles of fairness, honesty and transparency in relations with the regulatory authorities with which the Group has institutional relations.

These risks find analogy in the sustainability issues of ESRS, in particular with regard to their own workforce (diversity, working conditions, confidentiality), consumers and/or end-users, and business conduct.

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The process carried out for the construction of the risk materiality framework in the social and governance spheres consisted of two main steps:

1. an analysis of operational and reputational risks was carried out, starting from the risk scenarios mapped in the Risk Self Assessment (RSA) as well as the scenarios and threats assessed in the ICT and Security risk analyses. Subsequently, these risks were brought under the list of risks defined within the scope of the double materiality assessment, consistent with the topics, sub-topics and sub-sub-topics of the ESRS Standards;
2. risk levels were converted, in order to harmonise the assessment scale, and material risks were defined according to the double materiality assessment.

Operational and reputational risks identified as material will be integrated into the new Materiality Assessment process and will be valued and assessed in the context of the DMA 2026. The Banca Ifis Group's Operational & IT Risk Team adopts a proactive approach to the control and monitoring of reputational risks, supporting responsible and socially aware management. Quarterly monitoring of key risk indicators allows for early detection of critical signals and strengthens the overall resilience of the Group. Indicators relating to:

- staff turnover: the monitoring of staff turnover, in line with ESG practices related to the social dimension, allows the quarterly trend of the Banca Ifis Group's workforce to be analysed, with details by individual legal entity. The analysis considers changes between consecutive quarters, distinguishing between new hirings and terminations;
- disputes: the monitoring of disputes represents a tool for identifying possible operational errors, non-compliant business practices or signs of reduced customer satisfaction, elements that may reflect on the reputational profile of the Banca Ifis Group. The monitoring returns the quarterly trend of the number of accepted versus settled objections, highlighting the contribution of each legal entity to the overall dynamics of the Group;
- Social Media, Press and Web: the monitoring of digital and media mentions of the Banca Ifis Group makes it possible to assess the evolution of external sentiment and the emergence of potential sources of reputational risk. The analysis considers the trend of mentions on social media over time, distinguishing in particular those with a negative connotation, and notes the number of unfavourable articles or content published in the press and on the web;
- Retail funding: the monitoring of retail funding data allows the early detection of possible reputational risks related to customer turnover or reductions in funding volumes. The monitoring includes key risk indicators, including the turnover rate of customers (operational and non-operational), the rate of change in funding volumes and the overall impact of turnover on total retail funding volume.

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2. Environment

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

The European Taxonomy, as defined by the Regulation (EU) 2020/852 (EU Taxonomy Regulation), establishes a system for classifying economic activities as climate and environmentally sustainable by defining specific scientific and performance criteria for identifying such activities. According to the European Taxonomy, economic activities can be considered eligible or ineligible for the Taxonomy, based on the presence or absence of the description of such activities within the Delegated Regulation governing the criteria for defining an activity as environmentally sustainable. An eligible activity is defined as environmentally sustainable, i.e. aligned with the Taxonomy, if it complies with the technical screening criteria defined in the Delegated Regulation (EU) 2021/2139, as subsequently amended and supplemented, for at least one of the 6 environmental objectives provided for by the legislation, namely:

- climate change mitigation;
- climate change adaptation;
- sustainable use and protection of water and marine resources;
- transition to a circular economy;
- pollution prevention and control;
- protection and restoration of biodiversity and ecosystems.

In 2022, Article 8 of Regulation (EU) 2020/852 introduced at the European level a Taxonomy disclosure requirement aimed at companies and financial market participants required to publish a Sustainability Statement, as set forth in Directive (EU) 2022/2464 (CSRD). Consistent with regulatory requirements, as of FY 2023 the Banca Ifis Group has reported the portion of its on-balance sheet and off-balance sheet assets eligible and aligned to the EU Taxonomy.

Delegated Regulation (EU) 2021/2178[21] defines the methodology and indicators for reporting required under the Taxonomy Regulation. Article 4 of the aforementioned Regulation provides that credit institutions shall, from FY 2023 onwards, make the required disclosures on the basis of the specifications in Annex V and that these shall be presented in tabular form using the templates in Annex VI.

In January 2026, following a simplification process that started in 2025, the European Commission published the new Delegated Regulation (EU) 2026/73, which supplements and amends, amongst others, Delegated Regulation (EU) 2021/2178, in particular, making numerous simplifications to the disclosures that entities must publish under the EU Taxonomy and a number of revisions to the KPI calculation logic, with the aim of reducing the administrative burden for European companies, while ensuring maximum transparency and clarity in sustainability reporting. The new Regulation, which is applicable as of 1 January 2026, allows financial companies to determine the reporting methods to be adopted for FY 2025. In particular, the Regulation provides the option of using three different reporting options:

- the first option is to report on the basis of the templates and rules already applied for FY 2024 reporting;
- the second option is to adopt the new reporting modalities regulated under Delegated Regulation (EU) 2021/2178 as revised by Delegated Regulation (EU) 2026/73;
- while the third option allows the KPIs of Taxonomy not to be reported, instead reporting a specific statement within the Management Report.

The Banca Ifis Group has adopted the new reporting methods as revised by Delegated Regulation (EU) 2026/73 with reference to the 2025 reporting period, also in view of what the European Securities and Markets Authority

[21] *Delegated Regulation (EU) 2021/2178 as supplemented by Delegated Regulation (EU) 2022/1214, Delegated Regulation (EU) 2023/2486 and Delegated Regulation (EU) 2026/73.*

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(ESMA) highlighted in its "Common Enforcement Priorities"[22] on 2025 reporting: Indeed, ESMA indicates that companies 'are encouraged to apply the revised rules to their disclosures in 2026 (financial year 2025)'.

The values reported within the Reporting Templates referring to FY 2025 and the key performance indicators are, therefore, not precisely comparable with those reported with reference to FY 2024.

The regulation specifically envisages that the key performance indicators (hereinafter also KPIs) required for credit institutions shall be:

- the Green Asset Ratio (GAR), which indicates the ratio of the credit institution's assets that finance economic activities aligned with the taxonomy or are invested in such activities to total covered assets;
- KPIs for off-balance sheet exposures, which indicate the share of economic activities aligned with the taxonomy of assets underlying the off-balance sheet exposures. With reference to FY 2025[23], this disclosure is required in relation to:
  - financial guarantees supporting loans and advances and other corporate debt instruments (FinGuar KPI);
  - assets under management (AuM KPI).

Credit institutions shall represent key performance indicators in tabular format, using the templates in Annex VI to Delegated Regulation (EU) 2021/2178, i.e:

- Template 0: Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation;
- Template 1 - Assets for the calculation of GAR: the template contains evidence of stock and flow values of on-balance-sheet and off-balance-sheet exposures as at 31/12/2025, showing eligible exposures aligned with environmental objectives;
- Template 2 - GAR: Sector information: the model contains evidence of exposures to the top 10 Taxonomy-eligible Sectors, calculated as an aggregate of all exposures to a given sector, identified by NACE code. The template also requires companies to report exposures to nuclear24 and fossil gas25assets, including eligibility and alignment percentages to these sectors;
- Template 3 - KPI GAR Stock: the template contains evidence of GAR values on the stock of loans and advances, debt securities and equity instruments calculated from the information in Template 1;
- Template 4 - KPI GAR (Flow): the template contains evidence of GAR values on the flow of loans and advances, debt securities and equity instruments generated during the year, calculated from the information in Template 1;
- Template 5 - KPIs off-balance sheet exposures: the table contains evidence of the Stock and Flow values for the FinGuar KPI and the AuM KPI, respectively, for the KPIs on financial guarantees and assets under management calculated from the information in Template 1.

Each template is published in two versions: using as weighting factors for corporate exposures the respective eligibility and alignment KPIs on Capex (capital expenditure) and Turnover (turnover) reported by counterparties subject to CSRD and by those who have chosen voluntarily to publish a sustainability statement.

The new Delegated Regulation (EU) 2026/73, whose new reporting modalities have been adopted by the Group as of FY 2025, has removed the requirement for companies to prepare a dedicated disclosure relating to exposures to the nuclear and fossil gas sectors, providing that information on the eligibility/alignment of exposures to these

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[22] ESMA, European common enforcement priorities for 2025 corporate reporting.
[23] The trading book KPI and the fees and commissions KPI will have to be published by credit institutions as of 1 January 2028.
[24] Referred to in Annexes I and II, Sections 4.26, 4.27 and 4.28 of Delegated Regulation (EU) 2021/2139.
[25] Referred to in Annexes I and II, Sections 4.29, 4.30 and 4.31 of Delegated Regulation (EU) 2021/2139.

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sectors should be reported within Model 2. This point represents a novelty compared to the financial years 2023 and 2024, during which companies were required to include these sectors within additional dedicated models.

Approach adopted for the identification of eligible and aligned activities

The disclosure for the year 2025 is based on the gross carrying amount of on-balance sheet and off-balance sheet assets as at 31/12/2025, and refers to the prudential consolidation perimeter, as indicated by the regulations[26]. Starting from the year 2025, the Banca Ifis Group also includes the illimity Group and Fürstenberg SIM (formerly Euclidea SIM) in its prudential consolidation perimeter. With reference to the illimity Group, it should be noted that the latter will also publish the information according to the Taxonomy in its Sustainability Statement.

The Banca Ifis Group, for FY 2025, in accordance with the availability of counterparty data, reports information using reported data, as required by regulations.

In assessing the eligibility and alignment of exposures, the Group included the following assets in its analysis:

- Loans and advances to businesses

  For the assessment of the taxonomy-aligned, eligible and non-taxonomy-eligible exposures to[27] financial and non-financial enterprises subject to CSRD obligations and to those reporting voluntarily, the Group used taxonomy data published by the counterparties in relation to the 2024 reporting year, provided by external infoproviders.
  In particular, the following were used:
  - for non-financial corporations and credit institutions: the KPIs of eligibility and alignment, in terms of capital expenditure (Capex) and in terms of turnover (Turnover), towards the six environmental objectives defined by the Taxonomy [climate change mitigation (CCM), climate change adaptation (CCA), sustainable use and protection of water and marine resources (WTR), transition to a circular economy (CE), pollution prevention and control (PPC), protection and restoration of biodiversity and ecosystems (BIO)];
  - for insurance companies: the eligibility and alignment KPIs published with reference to underwriting and investment activity, detailing the contribution to the 6 environmental objectives[28];
  - for companies operating in the nuclear and fossil gas sectors, eligibility and alignment data published in the dedicated disclosures required by the regulations were retrieved.

- Debt securities (including green bonds) and equity instruments

  For the purpose of calculating the GAR and KPI of AuM, debt securities for which the use of proceeds is known are included among other exposures. In particular, the regulations stipulate that bond issues designated as green bonds by issuers are to be assessed according to the level of alignment with the

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[26] Annex V of Delegated Regulation (EU) 2021/2178 requires credit institutions to report relevant KPIs based on the scope of their prudential consolidation determined in accordance with Title II, Chapter 2, Section 2 of Regulation (EU) No. 575/2013.
[27] The reference perimeter is made up of Italian-based companies included in the Consob list of entities that have published a Sustainability Statement (or Non-Financial Statement) as at 31 December 2024 (latest update available) and the Group's customers based in Europe, for which the Bank has an exposure of more than 100.000 Euro, who have published a Sustainability Statement (or Non-Financial Statement).
[28] In order to consider both businesses in which the insurance companies are active, the Banca Ifis Group decided, just like last year, to use an arithmetic average of the KPIs provided by the counterparties. This approach was adopted in line with the indications given in Commission Communication C/2024/6691 of 8 November 2024.

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taxonomy of economic activities or projects financed, based on specific information provided by the issuer.
Given the lack of precise information provided by the issuers with reference to the alignment quotas to the Taxonomy, the Bank, consistent with previous reporting exercises, assesses the eligibility and alignment of all bonds in the portfolio, including those that could be associated with the financing of green projects, considering the punctual KPIs related to the Taxonomy published by the counterparties in relation to the 2024 reporting year and provided by external infoprovider (see what is indicated for exposures related to "Loans and advances to businesses"). The same logic is applied in assessing the eligibility and matching of equity instruments in the portfolio.

With regard to the calculation of the KPI for AuM, it should be noted that current regulations require institutions to analyse the underlying investments through the so-called look-through of the fund itself. To ensure full consistency with regulatory requirements, the Bank uses a leading market data provider to obtain the necessary information for the look-through of the funds included in its management products.

- Loans and advances to households collateralised by residential immovable property

With regard to exposures associated with loans to private customers (referred to as “households”) for the purchase and ownership of buildings, the Banca Ifis Group analysed its loans portfolio by assessing exposure, date of disbursement, residual life and classification of the outstanding relationship. On the basis of this analysis, the Bank decided to retrieve the information of the energy certifications of the loans disbursed to employees, through an internal campaign, and to exclude residential mortgages in run-off and non-performing loans classified as bad loans, as they were maturing mortgages, with an issue date that was not recent and for which the retrieval of the information was not material for the purposes of the taxonomy alignment analysis.
In order to assess the alignment of exposures (i.e. employee loans) with the technical screening criteria for the Climate Change Mitigation Objective, set forth in Delegated Regulation (EU) 2021/2139[29], a three-step distinctive process was adopted:

  - firstly, a check was made on the year of construction of the buildings used as collateral for the loans granted by the Bank, distinguishing between buildings constructed before and after 31 December 2020;
  - the Bank then carried out an audit to verify compliance with the substantial contribution criteria[30]:
    - in the case of loans collateralised by residential immovable property constructed before 31 December 2020, the presence of an energy efficiency class of at least "A" or of a Building Energy Performance (Primary Energy Demand, PED) falling within the TOP 15% of the climatic zone to which it belongs.
    - in the case of loans collateralised by residential immovable property constructed after 31 December 2020, it was verified that the PED was below the threshold set for Nearly Zero-Energy Building (NZEB) requirements of the climate zone to which they belong, reduced by 10%;
  - subsequently, for those properties meeting the above substantial contribution criteria, the Bank verified that the financed properties do not cause significant harm (compliance with Do No Significant Harm, DNSH criteria) to the Climate Change Adaptation objective. To do so, a further

[29] See Delegated Regulation (EU) 2021/2139, Annex I, point "7.7. Acquisition and ownership of buildings”.
[30] Substantial contribution assessments were performed by associating each province with the corresponding Climate Zone and verifying the PED and NZEB thresholds (threshold source: Report CTI & CRIF “Percentage-distribution-of-primary-energy-Ep-values-in-the-Italian-national-building-stock”).

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examination of the physical risk associated with the province where the financed properties are located was carried out. This assessment was conducted through the use of the physical climate risk assessment template already in use by the Bank's Risk Management structure, which weights risks on the basis of the business sector considered, with particular reference to the "Real Estate Activities" sector. For taxonomic purposes, properties with a physical risk other than "High" and "Very High" were considered aligned according to the template developed internally.

- Retail – Credits consumptions for the purchase of motor vehicles (Ifis leasing)

  With reference to loans granted to households for the purchase of motor vehicles, the Bank carried out a series of checks during 2024 to identify the share of EU Taxonomy eligible and aligned exposures, based on the requirements of the reference regulations[31], by analysing the information present within the Bank's systems.
  In particular, an audit was carried out to verify compliance with the substantial contribution criteria. This verification revealed the lack of availability of the necessary information for the verification of the Do Not Significant Harm (DNSH) criterion. For this reason, the Banca Ifis Group only publishes the share of exposures that is Taxonomy eligible.

[31] See Delegated Regulation 2021/2139, Annex I, point "6.5 Transport by motorbikes, passenger cars and light commercial vehicles".

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Results of applicable KPIs (Template 0)

Below are reported the main results for the Banca Ifis Group's share of exposures deriving from taxonomy aligned economic activities in terms of stock and flow as at 31/12/2025:

Template 0 - Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation - FY 2025 (figures in monetary value are expressed in million Euro)

Disclosure reference date31.12.2025

		Total exposures to taxonomy aligned activities (EUR)		KPI[1](%)	KPI[2](%)	% coverage (over total assets)[3] (%)	Non-assessed exposures (% of covered assets)[4](%)	Non-assessed exposures (% of covered assets)[5] (%)
		Turnover	Capex	Turnover	Capex		Turnover	Capex
Main KPI	Green Asset Ratio (GAR) stock	188,7	278,5	4,8%	7,1%	17,6%	-	-

		Total exposures to taxonomy aligned activities (EUR)		KPI [6](%)	KPI [7](%)	% coverage (of total assets) [8](%)	Non-assessed exposures (% of covered assets) [9](%)	Non-assessed exposures (% of covered assets) [10] (%)
		Turnover	Capex	Turnover	Capex		Turnover	Capex
	GAR (flow)	534,5	781,1	1,7%	2,4%	62,8%	-	-
	Trading book							
Additional KPIs	Financial guarantees	-	-	-	-	-	-	-
	Assets under management	5,1	8,0	6,2%	9,6%	7,8%	-	-
	Fees and commisions income[11]							

(1) Based on the Turnover KPI of the counterparty.
(2) Based on the CapEx KPI of the counterparty.
(3) % of assets covered by the KPI over banks' total assets.
(4) In accordance with Article 7(8) of Delegated Regulation 2021/2178.
(5) In accordance with Article 7(8) of Delegated Regulation 2021/2178.
(6) Based on the Turnover KPI of the counterparty.
(7) Based on the CapEx KPI of the counterparty.
(8) % of assets covered by the KPI over banks' total assets.
(9) In accordance with Article 7(8) of Delegated Regulation 2021/2178.
(10) In accordance with Article 7(8) of Delegated Regulation 2021/2178.
(11) Fee and commission income from services other than lending and AuM.

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Template 0 - Summary of the KPIs that credit institutions must report pursuant to Article 8 of the Taxonomy Regulation - FY 2024

Main KPIs	Total environmentally sustainable assets	KPIs based on Turnover	KPIs based on Capex	% coverage (of total assets)	% of assets excluded from the numerator of the GAR (Article 7 (2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the GAR denominator (Article 7 (1)) and Section 1.2.4 of Annex V)
Green Asset Ratio (GAR) stock	Environmentally sustainable activities based on: Turnover: 100,7 million EUR Capex: 147,8 million EUR	0,9%	1,3%	81,2%	56,3%	18,8%

Additional KPIs	Total environmentally sustainable assets	KPIs based on Turnover	KPIs based on Capex	% coverage (of total assets) [1]	% of assets excluded from the numerator of the GAR (Article 7 (2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the GAR denominator (Article 7 (1)) and Section 1.2.4 of Annex V)
GAR (flow)	Environmentally sustainable activities based on: Turnover: 295,5 million EUR Capex: 560,5 million EUR	0,6%	1,2%	96,4%	67,5%	3,6%
Trading book						
Financial guarantees						
Assets under management						
Fees and commisions income [2]						

(1) The values were calculated using the Total Covered Asset (TCA) as the flow numerator and the Total Asset of the Banca Ifis Group (TA) as the denominator in terms of flow, relative to exposures for the reporting year.
(2) Fee and commission income from services other than loans and financial assets under management, this KPI, together with the Trading Book KPI, will be reported by Banca Ifis starting from FY 2027 and therefore subject to publication from FY 2028.

The results, deriving from the application of the regulations described above, are strongly impacted by the nature of the Banca Ifis Group's business, which is specialised and diversified in financial services for Small and Medium Enterprises (SMEs) and with a low value of specialised exposures to households (i.e. loans and advances to individuals for the purchase and ownership of real estate).

The Banca Ifis Group, for the purposes of calculating the Green Asset Ratio (GAR), has considered GAR assets of 3.945,5 million Euro (17,6% of total assets), thus excluding from total assets the exposures in central governments, central banks, supranational issuers, the trading book, undertakings and entities not subject to the CSRD, derivatives, on demand interbank loans, cash and cash equivalents and other categories of assets (e.g. goodwill, commodities). The main results for the share of exposures arising from economic activities aligned with the Taxonomy in terms of stock as at 31.12.2025 is:

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- 188,7 million Euro, which corresponds to 4,8% of the GAR assets, using turnover as a weighting factor for exposures;
- 278,5 million Euro, which corresponds to 7,1% of the GAR assets, using capex as a weighting factor for exposures.

Total GAR assets (the denominator of the KPIs above) includes only exposures to corporates in the CSRD perimeter (or that publish voluntary reporting), exposures to households for residential immovable property purchase/renovation and motor vehicle purchases, loans to local governments and collateral relating to residential and commercial property, and therefore excludes exposures to undertakings and entities not subject to the CSRD, derivatives, on demand interbank loans, cash and cash equivalents and other asset classes (e.g. goodwill, commodities) included in previous years.

Furthermore, the FY 2025 results were also affected by the acquisitions of the illimity Group and Fürstenberg SIM.

In order to allow a comparison between the GAR values for FY 2025 and those for the 2024 financial year, the GAR 2024 value is shown below, referring to the previous year's perimeter, calculated according to the new calculation logics adopted as of 2025, which envisage the inclusion, for the Banca Ifis Group, only of exposures to companies that prepare a sustainability report and loans for the purchase/renovation of residential immovable property and for the purchase of motor vehicles to households:

- 100,7 million Euro, which corresponds to 2,9% of GAR assets, using Turnover as the exposure weight (the value reported in FY 2024, using total covered assets as the denominator, was 0,9%);
- 147,8 million Euro, which corresponds to 4,2% of GAR assets, using Capex as the exposure weight (the value reported in FY 2024, using total covered assets as the denominator, was 1,3%).

Specifically, the bulk of the Banca Ifis Group's aligned assets, which constitute the numerator of the GAR and, with the new calculation methodology, also the denominator of the KPI, refer to general purpose loans to corporates, which constitute the core business of the Banca Ifis Group.

With regard to off-balance sheet assets, there are no exposures aligned with the Taxonomy associated with Financial Guarantees as there are no guarantees granted to companies subject to CSRD. Unlike in previous years, the indicator of exposures related to Assets under Management is instead applicable for the Banca Ifis Group, given the entry of the illimity Group and Fürstenberg SIM, which provide asset management services, into the Group in 2025, which contribute to the calculation of the AuM KPI.

The Assets Under Management (AuM KPI) in terms of stock for FY 2025 is:

- 5,1 million Euro, which corresponds to 6,2% of assets under management, using Turnover as a weighting factor;
- 8,0 million Euro, corresponding to 9,6% of assets under management, using Capex as a weighting factor.

The key performance indicators required by Article 8 of the EU Taxonomy Regulation in tabular format, using the templates in Annex VI of Delegated Regulation (EU) 2021/2178 are reported in the section “Other sustainability information”.

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2.2 E1 - Climate change

2.2.1 Transition Plan

[E1-1 DP 14]

Aware of its role and contribution in sustainable development processes and its commitments to decarbonising its portfolio, the Group aims to achieve sustainability targets through a dedicated Transition Plan, defined in 2024. In line with good market practice and the goal of limiting global warming to 1,5°, the Bank has developed a Climate Change Transition Plan in order to achieve its targets for the most relevant sectors, also integrating initiatives with specific business opportunities and related monitoring.

[E1-1 DP 16a]

Banca Ifis has defined a structured monitoring process of the financed issues and the definition of specific targets related to the highest impact sectors, with particular reference to automotive (Auto Leasing, Truck Leasing, Automotive Manufacturers and Distributors[32]), which accounts for more than 80% of the financed exposures and emissions (in reference to the most significant segments). These targets are based on scientifically validated decarbonisation scenarios that comply with international standards.

In this context, the European automotive industry, including the Italian one, is involved in a complex phase of transformation, characterised by intensifying regulatory obligations related to decarbonisation, a demand for electric vehicles (EVs) in non-linear evolution, and an increasing exposure to competitive risks and industrial reconversion along the value chain. According to the latest data from ACEA[33], battery electric car (BEV) registrations in the European Union reached 1,66 million Euro units in the period January-November 2025, representing a market share of 16,9%, up from 13,4% in the same period in 2024. This dynamic is part of a progressively evolving regulatory framework characterised by the implementation of European regulations on decarbonisation, circularity and raw material supply, including the Euro 7 Regulation, the extension of ETS 2 to transport and manufacturing, the Carbon Border Adjustment Mechanism (CBAM) for carbon-intensive materials, the Battery Regulation and the Critical Raw Materials Act (CRMA). Although these measures may in the short term lead to a curbing of demand and an increase in conversion costs for producers, in the medium term they are intended to foster competitiveness, technological innovation and the development of circular models.

In 2025, there was also an increase in registrations of plug-in hybrid vehicles (PHEVs) in the European Union, which reached around 0,9 million Euro units in the January-November period, with a market share of around 9%. Despite growth in absolute terms, PHEVs continue to account for a smaller share than other electrified fuels, in a context characterised by a progressive reallocation of demand towards fully electric vehicles (BEVs). In Italy, despite an increase in registrations by 2025, PHEVs maintain an overall low penetration compared to the European average.

This development in demand is accompanied by an increasing presence of Chinese-made electric vehicles in the European market, which is a structural factor of competitive pressure for local manufacturers. According to Transport & Environment (T&E)[34], Chinese-origin BEVs account for around a quarter of total EV sales in Europe, a share that in 2024 has been growing strongly compared to previous years and will continue to be high in 2025, partly due to the expansion of the offer of cost- and technology-competitive models. This trend underlines the need for Europe to develop an in-house production chain, in particular in the battery sector, to reduce import dependency and strengthen the competitiveness of the European automotive industry, also in the light of the

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[32] Portfolio composition as at 31 March 2022, latest available emission data.
[33] https://www.acea.auto/pc-registrations/new-car-registrations-1-4-in-november-2025-year-to-date-battery-electric-16-9-market-share/
[34] https://www.transportenvironment.org/te-italia/articles/un-veicolo-elettrico-su-quattro-venduto-nel-2024-in-europa-sara-prodotto-in-cina

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evolving regulatory framework introducing increasing requirements on sustainable sourcing, traceability, recycled content and security of supply.

In response to the challenges related to the transition of the automotive sector, European manufacturers are called upon to strengthen their technological innovation capacities in electric vehicles, to contribute to the development and deployment of recharging infrastructures and to define industrial strategies and competitive positioning in a context of increasing international competition. In a parallel fashion, the strengthening of the European battery supply chain is of strategic importance: according to T&E[35], the European Union has the potential to produce 56% of its cathode demand by 2030, although current production still remains limited and highly dependent on the scalability of investments and the continuity of support policies.

To achieve these goals, it is crucial that Europe and Italy invest in the development of a local battery production chain and the expansion of charging infrastructure. Furthermore, the implementation of supportive policies, such as incentives for the purchase of electric vehicles and investment in infrastructure, will be crucial to stimulate demand and support the local automotive industry.

[E1-1 DP 16b]

With reference to the GHG emission reduction targets (see 2.2 E1 - Climate Change, section 2.2.3 Targets) and climate change mitigation actions (see 2 E1 - Climate Change, section 2.2.2 Energy, Adaptation and Climate Change Mitigation), an explanation of the identified decarbonisation levers and main planned actions, divided between financed GHG emissions and own GHG emissions, is provided below.

Financed GHG emissions - Product and service portfolio

Car leasing: Banca Ifis has set ambitious targets for the car leasing sector with a target to reduce financed emissions from 130 gCO_2e/km in 2019 to 85gCO_2e/km by 2030. Leasing contracts for electric- or hybrid-powered vehicles signed in 2025 account for about 30% of the car sector.

The Bank also carries out prospective analyses on the portfolio's counterparties, assessing the possible evolution of the vehicle mix and the roll-overs of the main strategic manufacturers for the Group, both in terms of volumes and for meeting sustainable targets. These analyses make it possible to monitor the alignment to the defined targets, also considering possible portfolio recompositions or regulatory adjustments.

The Group has also forged strong partnerships with major and strategically important companies in the sector, including manufacturers specialising in full electric vehicles, promoted initiatives dedicated to these products and launched awareness and promotional campaigns via social channels and the company website. Finally, there are volume-related incentives for these products (e.g., photovoltaics, recharging systems, full electric cars and e-bikes) and awareness-raising activities on ESG topics promoted by the sales network, in support of the Group's sustainable mobility strategy.

Truck leasing: Banca Ifis aims to reduce financed emissions by 30% from 52 gCO_2e/tkm in 2020[36] to 37 gCO_2e/tkm by 2030. In particular, commercial vehicles and semi-trailers play a central role in achieving the Group's targets, as they contribute significantly to the economic result, accounting for about 30% of the volumes of the Auto Leasing segment. The truck leasing portfolio also shows a shift towards CNG engines, which offer lower emissions than traditional diesel engines, confirming the Bank's commitment to more sustainable mobility solutions.

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[35] *https://www.transportenvironment.org/te-italia/articles/batterie-per-auto-elettriche-quelle-made-in-eu-potrebbero-essere-fino-al-60-meno-inquinanti-di-quelle-cinesi*

[36] *Emission data to 2020 for the application of EU Regulation 2019/1242 on emission targets for heavy duty vehicles.*

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Automotive Manufacturers and Distributors sector: Banca Ifis aims to reduce its financed automotive emissions from 153 gCO_2e/km in 2019 to 85 gCO_2e/km by 2030. This target is in line with the targets set at European level and confirms the Bank's commitment to environmental sustainability in the automotive sector.

To this end, the Group has integrated ESG criteria into its credit assessment process to analyse and classify sectors according to the environmental, social and governance risks associated with their activities, enabling a targeted assessment of the sustainability of credit-steering counterparties. Based on the analysis carried out in this context, an approval process based on specific rules is also envisaged, including possible progressive approval mechanisms.

Own GHG emissions - Sustainable mobility

Renewal of company fleets

The Banca Ifis Group continued its collaboration with Stellantis for the renewal of company fleets, with the aim of making more than 50% of vehicles hybrid or electric by 2025.

During the year, the Group has already surpassed this target, reaching 73,5% of hybrid, plug-in hybrid, mild hybrid or fully electric vehicles by 31 December 2025. Of these, 7,0% are fully electric vehicles, while 100% of new orders are hybrid or electric vehicles.

In support of this commitment, the new 'E-mobility' initiative was launched in 2025, with the aim of promoting sustainable mobility and raising awareness of the Bank's commitment to the environment. The initiative provides branded full-electric vehicles for Ifis People to use during working hours for company commuting.

Devices for electric charging of cars

The Group continued to develop the project for the installation of electric charging devices for passenger cars. This project aims to increase the number of existing charging points at major company locations by 2025.

Own GHG emissions - Use of energy from renewable sources and energy efficiency

Purchase of electricity from renewable sources: since 2021, the Group has been mainly using green energy from renewable sources (e.g. wind, photovoltaic, geothermal, hydroelectric, biogas, biomass) for the supply of all the main offices and branches in Italy.

Ordinary and extraordinary renovations and upgrades of premises: the Group has been committed for several years to plant design according to the best available energy efficiency technologies and to the procurement of renewable electricity from the grid or self-produced.

Development of solutions to self-produce energy from renewable sources: in November 2024, a photovoltaic system was activated, with a capacity of approximately 180 kWp, on the roof of the Mondovì office building with the aim of reducing the direct impact of the building itself by around one third of consumption.

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Other initiatives to support decarbonisation

New products for sustainable mobility: in 2023, Banca Ifis launched the 'e-bike rental' product to promote sustainable mobility and support active tourism. This initiative is mainly aimed at small and medium-sized enterprises in the tourism and hospitality sector that want to equip themselves with fleets of electric bicycles to improve their offer. This product is also available to private customers from August 2025. The Bank also extended its range of products related to sustainable mobility by introducing leasing and rental options for electric quadricycles, in line with the Group's sustainability strategy.

Supporting decarbonisation and SMEs: the Bank signed two agreements with the European Investment Bank (EIB) in 2021 and 2024 to make available, respectively, a ceiling of 100 million Euro in loans to support SME projects with an environmental focus and 300 million Euro to support innovative investments. More specifically, the 2024 agreement is the first signed by the EIB with an Italian bank entirely dedicated to promoting innovation initiatives under the “National 4.0 Transition Plan”.

In 2025, this collaboration was further strengthened with the introduction of a new credit line to support Italian pharmacies, with a focus on female entrepreneurs. Under the agreement, the EIB is to make 100 million Euro available to Banca Ifis, divided into two contracts of 50 million Euro each, to create a credit line at favourable interest rates. Banca Ifis, in turn, will guarantee the disbursement of an additional ceiling limit of the same amount, bringing the total limit to 200 million Euro. Of these, at least 30% (over 60 million Euro) will be allocated to support female entrepreneurship in Italian pharmacies.

In a parallel fashion, the Group has developed a wide range of services and products including MCC Mortgages and Leasing with Sabatini Green facilitation, to finance brand new machinery, plant and equipment with low environmental impact, and Mortgages with SACE Green guarantee.

Special attention has also been paid to leasing photovoltaic systems and charging stations for electric vehicles, supporting companies in their energy transition and improving their environmental efficiency through removable capital goods.

Finally, the Group has developed an agreement with an external partner to offer ESG training for SMEs within the 'myIfis' platform in order to support them in their sustainable transition path.

[E1-1 DP 16h]

Sustainability is integrated into the Bank's business model and is a crucial element for development, ensuring compatibility between business activities and environmental needs. In particular, the Group has formalised its ESG commitments within the 2022-2024 D.O.E.S. (Digital, Open, Efficient, Sustainable) Business Plan concluded with the achievement of all set ESG targets. In 2025, with particular reference to climate and environmental issues, the monitoring of these issues continued through the implementation of projects to comply with the Bank of Italy's 'Supervisory Expectations on Climate and Environmental Risks'. The targets deriving from the strategic choices defined by the Group are declined in decarbonisation initiatives and strategies described with reference to E1-1 DP 16b and will also be considered in the elaboration of the next Business Plan, making climate change issues central.

[E1-1 DP 16i]

The Transition Plan was approved by the Board of Directors in September 2024, after being shared with the Sustainability Committee that same month.

[E1-1 DP 16j]

Banca Ifis has established a structured monitoring process, with a particular focus on the car leasing sector, to ensure timely and continuous monitoring of progress against set sustainability targets and implemented initiatives. This system makes it possible to analyse the performance of financed issues and assess the impact of the policies adopted, with the aim of keeping the Group's operations aligned with its stated strategic targets.

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At least annually, the data and analyses are also presented to the Sustainability Committee with a view to strategic portfolio steering. In the event of significant deviations from targets or failure to achieve expected performance, the Committee assumes a key role in developing corrective actions.

[E1-1 DP 16g]

Banca Ifis does not fall into any of the categories foreseen by European legislation for exclusion from the EU-Paris Aligned Benchmark (EU PAB).

The illimity Group has also adopted its own specific medium- to long-term transition plan (referred to as the "Climate Strategy"), aimed at curbing its direct emissions, zeroing net indirect emissions from purchased and consumed energy production (Scope 2), promoting the development of sustainable finance and decarbonisation of high-emission sectors in its current and prospective portfolio.

2.2.2 Energy, adaptation and mitigation of climate change

Material impacts, risks and opportunities

Environmental protection and compatibility between economic initiative and ecological needs are fundamental dimensions of the Banca Ifis Group's attention to sustainability.

Particularly focused on reducing its environmental impact, the Group adopts solutions to improve energy efficiency both inside and outside the organisation. It also strives to consolidate a culture of respect for the environment, encouraging individual and collective responsibility and encouraging the adoption of practices in line with the principles of sustainability.

[E1.SBM-3 DP 48a]

Material climate change risks are reported in the General Disclosures section (see 1.1 ESRS 2 - General Disclosures, Section 1.1.4 Managing Impacts, Risks and Opportunities: Double materiality assessment, Assessment and determination of material IROs, Materiality of climate and environmental risks).

[E1.SBM-3 DP 18]

Credit institutions are exposed to climate-related risks and opportunities mainly through lending activities, as well as through other financial intermediation activities and proprietary investment operations. As financial intermediaries, banks may assume significant climate-related risks through their transactions with their customers and counterparties.

It is essential that banks disclose potential climate-related issues that could have a financial impact on the organisation by providing, as set out below, a description of the methods used to determine the main climate-related risks and opportunities for the Banca Ifis Group.

Risk type

As mentioned in the chapter on General Disclosures (see 1.1 ESRS 2 - General Disclosures, section 1.1.4 Managing Impacts, Risks and Opportunities: double materiality assessment), in determining its sustainability strategy, the Group adopted a structured approach to identify the impacts of climate and environmental risk factors. In defining the taxonomy of these risks, the main risk drivers associated with the climate and environment and their transmission channels were analysed within the traditional risk framework of credit institutions, depending on the Group's activities and the time horizon of propagation of the effects. Finally, the last step involved the materiality assessment of climate and environmental risk factors through the definition of the Materiality Assessment, in order to understand the Bank's degree of exposure and possible monitoring and mitigation strategies for these risks.

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As recurrently represented in the literature, the activity is preparatory to the identification of climate and environmental risk drivers, which are grouped into two macro-categories:

- transition risks: risks associated with the transition to a low-carbon economy that is more environmentally sustainable;
- physical risks: risks associated with extreme climatic phenomena (acute) or progressive environmental degradation (chronic).

The table below describes the main categories and respective risk drivers associated with physical and transitional climate and environmental risks and their impact time horizon.

Risk type	Risk drivers		Time horizon (1)
Climate transition risks	Regulatory	Global policy (e.g. Paris Agreement) can limit activities and segments with a high level of emissions and environmental risk. As an example, the regulation on Energy Performance Certificates may impact the value of portfolio properties	MT
	Technological	The transition to low-impact technologies requires a higher cost for companies to retrofit plants and production facilities, potentially impacting the business model and the ability to generate revenues and profits	MT
	Market	A shift in consumer preferences towards more climate-friendly consumption potentially impacts all mayor sectors associated with high energy consumption and/or high levels of pollution or operators whose practices do not respect the diffused ESG sensitivity (e.g. reduced packaging)	MT
Climate physical risk	Acute	Heat waves, fires, floods, droughts, landslides, earthquakes	ST
	Chronic	Extreme temperatures, soil erosion, water stress, sea level rise	MT/LT
Environmental transition risks	Technological	Policies to reduce environmental impact and the transition to environmentally friendly technologies and products can affect companies with high levels of pollutant emissions, inefficient waste and resource (including water) management	MT
	Regulatory	Green policies and technologies, together with a growing market awareness of environmental damage, can influence activities that negatively impact ecosystems and biodiversity	MT
	Market	The adoption of advanced technologies, the growing demand for environmentally sustainable products and policies for efficient water management can affect water-intensive companies, reducing productivity in specific sectors	MT
Environmental physical risks	Acute and chronic	Risks related to extreme phenomena (acute risks) or gradual long-term changes (chronic risks) in environmental resources are caused by pollution, water scarcity and loss of biodiversity	ST/MT/LT

(1) Short-term (ST): 1-3 years, Medium-term (MT): 3-5 years, Long-term (LT): >5 years.

Based on the described drivers, the Bank has therefore assessed the degree of interconnectedness of climate and environmental risks by analysing the main transmission channels and identified the impacts generated on the traditional risks of the Group's business.

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With regard to the identification of risks, the Bank has mapped climate and environmental risks with the aim of integrating them into its risk management system and assessing their materiality in terms of impact compared to traditional risks. This activity is part of the path taken by Banca Ifis, in line with the supervisory expectations published in April 2022 by the Bank of Italy, with the January 2025 EBA guidelines and with industry best practices.

The analysis of the materiality of climate and environmental risks is conducted annually, with the aim of updating the risk management system according to the evolution of the portfolio and identifying new potential risks related to climate and environmental events.

In 2023, the Bank extended this assessment to all the Group's subsidiaries, further refining the way physical and transitional climate and environmental risks are mapped. In 2024, refinements were made to the methodology for calculating physical and transition risks, as described below. In particular, with reference to the latter risk factors, some details are given below on the drivers identified:

- physical risks: adverse weather events, both chronic and acute, were analysed, identifying the most relevant to Banca Ifis's operating environment. The assessment of the materiality of these risks was based on the potential effects on traditional risks, which were also analysed in relation to factors such as portfolio geo-referencing, business operations and key business continuity assets. Information on the likelihood of occurrence of the different risks was acquired through public infoproviders and analysed from the bottom-up;
- transition risks, the drivers identified can be grouped into three categories:
  - technological innovation, depending on the costs required to upgrade facilities and production sites, potentially impacting the business model and the ability of enterprises to generate revenues;
  - regulatory evolution, depending on the restrictions and sanctions to which counterparty enterprises that are active in segments that hinder the environmental and climate targets defined by the regulator (e.g. Paris Agreement);
  - consumer preferences, dictated by an revolution towards climate-friendly consumption and a focus on ESG topics, which could also impact companies from a reputational point of view.

The information on the materiality of transition risks for the Credit analysis was analysed by economic sector, using the ATECO code (top-down approach); for the Reputational and Operational analysis, they were assessed according to the estimated impact on the stakeholders deemed most significant for the Banca Ifis Group; for the Liquidity analysis, the impact on the Liquidity Coverage Ratio was assessed.

On the basis of the analyses conducted and the specific characteristics of Banca Ifis, the results of the materiality assessment on the main traditional risks will be provided in this section. In addition to the preliminary mapping of climate and environmental risks, this process also includes a detailed examination of the channels of transmission of C&E risks to traditional risks, the time horizons with which C&E risks manifest themselves given Banca Ifis's operations, and an assessment of materiality.

The following is a summary of the transmission channels analysed for the purpose of the Materiality Assessment, which have been further elaborated in the chapter on General Disclosures (see 1.1 ESRS 2 - General Disclosures, section 1.1.4 Managing Impacts, Risks and Opportunities: Double materiality assessment, DP 20).

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Type of risk		Transmission channel	Time horizon
Credit risk	Climate physical risk	Business continuity and Npl/salary-backed loans recovery plans	MT
	Climate transition risks	Repayment capacity on corporate loans	MT
		Value of real estate on secured exposures	MT
	Environmental physical risks	Business continuity of the company	MT
	Environmental transition risks	Repayment capacity on corporate loans	MT
Business risk	Physical risks / Transition risks	Profitability linked to segments exposed to C&E risks	MT / LT
Market risk	Physical risks	Sovereign securities portfolio	LT
	Transition risks	Sovereign securities portfolio	MT
Operational risk	Physical risks	Compromise of operating sites, prop. data centres and major IT outsourcers	MT
		Ex-lege suspension of payment flows for extreme events	MT
	Transition risks	Lawsuits by NGOs / Activists	ST
Reputational risk	Transition risks	Exposure to high C&E risk segments	ST
		Non-alignment with Net Zero targets	ST
		Non-compliance with C&E regulations and expectations	ST
		Risk of greenwashing the product offering	ST
Liquidity risk	Physical risks	Bank Run	MT / LT

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Resilience analysis

[E1.SBM-3 DP 19a]

The objective of the operating context analysis is to identify and understand the impact of climate and environmental risks on the overall ecosystem in which Banca Ifis operates, supporting strategic decisions through an integrated view of risk factors and opportunities related to climate transition. In 2025, the resilience analysis exercise was updated, using the same methodological approach as in the previous exercise, incorporating new policies, focusing on the evolution of relevant and strategic sectors and redefining the potential impacts of policies on them.

[E1.SBM-3 DP 19b]

In the initial phase, the analysis focuses on drawing a clear picture of the general context related to C&E issues by identifying three main dimensions: the global environment, market trends and the competitive landscape. Each dimension has been deepened through the identification of specific drivers to interpret the main trends in the short and medium term (up to 2030).

A central element of the analysis is the study of climate scenarios elaborated by various public institutions, which allows for an assessment of the different perspectives and trajectories envisaged for the containment of climate change. This study also considers the actions taken by national and supranational governments to achieve climate neutrality by 2050, in line with the goals of the Paris Agreement.

To this end, various scenarios developed by leading global and European institutions were analysed, analysing their key features in detail (e.g., basic assumptions, type of expected trajectory, temperature targets, geographical and sectoral coverage). A special focus was on the NGFS (Network for Greening the Financial System) and IPR (International Policy Response) scenarios, which are considered the most comprehensive due to their geographical granularity and wide availability of sectoral variables.

For the purpose of updating the resilience analysis exercise, the two IPR scenarios, namely the Forecast Policy Scenario and the Required Policy Scenario, were examined. The former was selected as the main reference ('guiding scenario') as it was found to be most suitable for conducting an in-depth analysis of climate policies, assessing the impact of such policies on key sectors of Banca Ifis's portfolio in terms of potential risks and opportunities. On the other hand, the Required Policy Scenario was considered to be poorly suited to the Banca Ifis context, as the parameters are not usable for forward-looking models, the reference data is not current and the link to the economic sectors would potentially only be qualitative. Therefore, the analysis focused on sectors identified as having a high emission impact according to the IPR Forecast scenario and in which Banca Ifis is significant in terms of portfolio exposures (i.e. automotive, real estate, agriculture).

Banca Ifis's resilience analysis focuses mainly on transition risks related to climate change, without considering physical risks, and aims to provide a clear qualitative view of how climate policies will affect sectors in the short and medium term. The focus was on assessing the impacts of transition risks, examining the possible implications for the portfolio in terms of risks and opportunities on the basis of the final data analysed in September 2025.

[E1.SBM-3 AR 7b]

The analysis maintained alignment with the business scenarios considered to define GHG emission reduction targets by 2030, ensuring that Banca Ifis's climate and strategic assessments reflect a temporal and sectoral consistency, in line with Disclosure Requirement E1-4.

[E1.SBM-3 DP 19c]

This resilience analysis exercise consolidates the Bank’s wish to understand the challenges and opportunities arising from the climate transition, providing input that could guide future policy guidance. The results of the analysis could influence the assessment of investment opportunities and mitigation actions, both in the short and medium term, but their integration into strategic decisions is still evolving.

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The results of this resilience analysis exercise show a clear classification of value chain segments in relation to the risks impacts of climate transition policies. For the Automotive sector segments, high impacts were identified mainly concentrated on the production segments, while for the Agriculture sector the most impacted segment was that of farms. For the real estate sector, the impacts are more distributed along the value chain, although a higher concentration on the construction segment of commercial and residential real estate can be observed.

The main uncertainty in the analysis lies in the variability of climate policies globally and the evolution of national and supranational regulations, which could significantly affect the resilience of sectors in the medium-term.

In order to analyse climate policies and qualitatively assess their impact on target sectors, Banca Ifis has structured a specific framework consisting of two main macro-phases:

- identification, analysis and update of all climate policies, to identify the most relevant policies for the sectors analysed;
- qualitative impact assessment, with the aim of defining replicable criteria for measuring the materiality of the impact of climate policies on both individual sectors and Banca Ifis's entire portfolio.

The first macro-phase is divided into three steps aiming to:

a) identify relevant policies, based on the analysis of climate initiatives highlighted in the IPR Forecast scenario (the 2025 update considered the analysis of 27 policies);

b) deepen and verify policies by integrating the narrative of selected climate policies via the International Energy Agency (IEA) database;

c) integrate specific details in a targeted manner, including additional information such as set targets and approval paths, using additional sources (e.g. European Commission, European Parliament, Italian Government).

The second macro-phase adopts a two-step approach, dividing the sectors into key segments of their value chain. As part of the 2025 resilience analysis, the sectors and segments already identified in the previous year were evaluated and confirmed. This phase allows for a more granular analysis, enabling the precise identification of the segments most impacted by climate policies. The Banca Ifis portfolio under analysis, limited to gross exposures (excluding Npls and Treasury/Central Services), was classified according to the ATECO codes and the most relevant ESG sectors, cross-referencing the areas identified by the IPR Forecast as most impacted in terms of issues.

The analysis focused on three main macro-sectors: real estate, automotive and agriculture. For each sector, an assessment of the impact of climate policies was carried out, using studies by specialised providers (e.g. IPR and IEA), complemented by expert-based analysis. This approach made it possible to identify the risks and opportunities associated with each sector over short- (1-3 years) and medium-term (up to 2030) time horizons.

In order to obtain a comprehensive assessment of the impact of climate policies on Banca Ifis's portfolio sectors, a methodology was adopted that also considers the Materiality Assessment criterion, conducted by the Risk Management function, to identify sector-specific C&E risks, based on transition risk drivers derived from international provider studies and returned in the form of weighted scores.

Each segment of the value chain was assessed in terms of risk and opportunity, assigning a score in four levels: low, medium, medium-high and high. The results were summarised in a matrix that graphically represents the positioning of segments with respect to risks and opportunities. Based on this matrix, the segments were classified into four strategic categories:

- high-risk segments with limited opportunities, with low resilience to climate transition (no such segments emerged in the exercise update);
- segments with moderate opportunities, but counterbalanced by prevailing risks (e.g. motor vehicle production);

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- segments with a balance of risks and opportunities, where the potential for growth or resilience (e.g. market trends and fiscal/European incentives) is held back by risks related to the climate transition, such as increased costs and regulatory pressures (e.g. maintenance and real estate restructuring);
- segments with opportunities prevailing over identified risks, with a greater capacity to adapt to the impacts of sectoral policies and climate transition (e.g. farms).

[E1.SBM-3 AR 8b]

The process of analysis and identification of segments of the value chain, described above, is updated periodically, with continuous monitoring of the most relevant market dynamics. Moreover, this approach makes it possible to identify, within the priority areas, the areas most exposed to risks and those offering new opportunities to be explored. This in-depth analysis contributes to enriching the information set to support the business planning process, driven by an in-depth knowledge of risk and opportunity dynamics.

Group approach and policies

[E1-2 DP 24]

With the aim of effectively managing the impacts, risks and opportunities associated with environmental issues and, in particular, climate change, Banca Ifis has defined a set of specific policies, described in detail in the chapter Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview), which form an integral part of the Group's sustainability framework.

Among these, the ESG Policy establishes the strategic guidelines on sustainability, promoting the integration of environmental, social and governance factors in the company's activities; the Environmental Policy defines the Group's commitments in managing its direct and indirect environmental impacts; while the Credit Policy identifies the criteria and guidelines for granting credit, integrating the assessment of the counterparty also with the analysis of its ESG profile, based on available information, with reference to the portfolio in perimeter. Lastly, the Sensitive Sectors Policy identifies the areas of activity with respect to which the Group has decided not to operate, as they are deemed inconsistent with the ethical principles and guidelines enshrined in the Code of Ethics and characterised by a high exposure to ESG risks, including specific coal, anthracite and lignite mining methods and specific gas and oil extraction, production and refining methods, characterised by a high environmental impact/risk (see 1.1 ESRS 2 - General Disclosures, section 1.1.4 Managing Impacts, Risks and Opportunities: Double materiality assessment- AR 12d).

At the same time, the illimity Group has the Facility Management Procedure, aimed at regulating the proper management and maintenance of the buildings and facilities used, with a view to operational efficiency and environmental sustainability. In addition, illimity Bank has the ESG Investment Policy (proprietary finance) through which it intends to orientate treasury and investment banking investment choices with respect to ESG issues with the aim of generating sustainable value over time and enabling responsible development consistent with the Bank's requirements.

[E1-2 DP 25]

Regarding the integration of sustainability issues into the Bank's downstream value chain (customers), aspects of climate change mitigation and adaptation, energy efficiency and the promotion of renewable energy are regulated within the ESG Policy and the Credit Policy.

In addition, Banca Ifis has integrated the credit risk taking process and the credit assessment of customers with an in-depth analysis of variables. This approach makes it possible to identify and manage the ESG risk associated with counterparties, fostering greater sustainability in credit decisions. The main interventions carried out in the following stages of the process are outlined below:

1. Origination phase, i.e. identification of customers whose economic sector:

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- is distant from ethical principles, leading to the rejection of the business opportunity;
- belongs to a risky sectoral ESG class, triggering an enhanced underwriting process.

2. Preliminary ESG verification phase: collection of the information needed to assess the file and steer it towards the appropriate underwriting process.

3. Evaluation and deliberation phase:

- introduction, where necessary, of an enhanced underwriting workflow with escalation mechanisms;
- ESG analysis by a specialised team based on publicly available information such as climate and environmental change management and human and labour rights practices;
- enrichment of the credit appraisal with ESG assessments integrated into the overall credit analysis;
- possibility of introducing mitigation instruments, in relation to ESG risk.

The model described above was structured with the aim of systematically and thoroughly supporting the analysis conducted within the credit process. This approach makes it possible to examine, on the basis of publicly available information, the characteristics of clients in terms of ESG variables, integrating traditional financial and risk assessments with sustainability considerations. This process aims to ensure a comprehensive view of the risk associated with each counterparty, taking into account not only economic soundness, but also the impact and practices adopted by clients with respect to sustainability and social responsibility issues. The integration of ESG analysis fosters a more informed allocation of credit resources, and also contributes to strengthening the Bank's attention to responsible and sustainable credit management, in line with the Bank's strategic corporate objectives and growing regulatory and market expectations.

As governed by the ESG policy, the Group, during the assessment phase, and in compliance with the relevant operational regulations, analyses the sustainability profile of counterparties also through the use of a synthetic ESG indicator (ESG score). This indicator, provided by external providers or calculated using proprietary methodologies, is based on available information and is taken into account by a specialised team within the ESG assessment carried out on counterparties. The indicator includes, where available, data on the environmental sustainability of counterparts, with a focus on climate change mitigation and adaptation, energy efficiency and the use of renewable energy.

To support this activity, the Bank defined the key elements related to the perimeter (e.g. sector, counterparty and transaction) and the process (e.g. credit and lending process), which constitute the new framework.

Actions

[ESRS 2 MDR-A DP 68a,b,c]

The Group is attentive towards the responsible management of environmental impacts, not only by developing internal processes and policies outlining its commitment, but also by implementing concrete actions to promote sustainability. The Group adopts an integrated approach that includes, on the one hand, specific measures to reduce the environmental impact of company buildings and, on the other hand, impact management-oriented actions along the entire value chain, including customer financing.

Financed GHG emissions

[E1-3 DP 28,29a]

With regard to financed GHG emissions, the Group recognises the key role of the financial system in the sustainable transition and therefore encourages the development of products and services for customers aimed

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at promoting ethical lifestyles, sustainable business development and projects with high environmental value. In particular, the Group is committed to reducing its portfolio-financed greenhouse gas emissions also by adhering to international initiatives and frameworks and adopting an evidence-based measurement and monitoring approach.

In 2025, the Bank followed up on the following initiatives, which were incorporated and further detailed in the Transition Plan (see 2.2 ESRS E1 - Climate Change, Section 2.2.1 Transition Plan, DP 16b):

- car leasing: support for sustainable mobility through a portfolio that includes a growing share of hybrid and electric vehicles, awareness-raising campaigns for the renewal of leasing contracts on electric cars, strategic partnerships with manufacturers of full electric vehicles and incentives for the sales network linked to the promotion of products aimed at energy transition;
- truck leasing: promotion of environmentally friendly solutions through the leasing of industrial vehicles and semi-trailers, with a focus on the introduction of natural gas engines as an alternative to diesel engines;
- automotive sector: integration of ESG criteria into the credit assessment process through an enhanced framework, which assesses the environmental and sustainability risk of counterparties to ensure responsible management of financed issues.

Other initiatives to support decarbonisation include:

- power generation: support for SMEs with incentives such as the Nuova Sabatini Green, for investments in photovoltaic systems and energy efficiency solutions, promoting the adoption of low environmental impact technologies;
- sustainable mobility: introduction of products such as 'e-bike rental' for active tourism, leasing of electric quadricycles and development of rental solutions for refurbished IT assets, promoting sustainable mobility and the circular economy;
- support for SMEs: collaborations with financial institutions to offer financing on favourable terms, favouring projects focused on environmental issues and innovative energy transition and the Industry 4.0 Plan;
- financial products focused on environmental issues: offer of MCC mortgages and leasing with Sabatini Green facilities and SACE Green mortgages to support the purchase of sustainable capital goods and the realisation of projects compliant with the European Taxonomy.

Own GHG emissions

[E1-3 DP 28,29a]

With particular reference to energy and change mitigation and adaptation issues, the Group fosters the adoption of measures intended to promote research and implementation of solutions to improve the energy efficiency of its sites and to reduce the environmental impact of its business activities. Specifically, the Group has decided to use electricity supplies mainly from renewable sources, design solutions to self-produce energy from renewable sources and, where possible, implement enhancement and renovation of its real estate assets following the highest standards of environmental compatibility. Furthermore, the Bank promotes sustainable mobility solutions aimed at the gradual replacement of the corporate car fleet with hybrid or electric vehicles supported by an adequate corporate network of dedicated electric charging points. Where relevant, it undertakes to offset its residual greenhouse gas emissions through specific offsetting projects.

As part of its own GHG emissions, the Group implements a number of projects to help reduce these impacts.

On the subject of sustainable mobility, the actions initiated and/or continued in 2025 are reported:

- company fleet renewal: the Group has continued its collaboration with Stellantis to renew company fleets, aiming to make more than 50% of vehicles hybrid or electric by 2025;

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- car electric charging devices: the project continued to install additional electric car charging devices, in addition to those already present, at the Group's main sites. More specifically, an increase has been recorded the number of electric car charging points at the Group's locations, which, at the date of publication of this document, amount to 91.

In this context, the illimity Group has chosen to operate entirely in the cloud and without a branch network in order to minimise emissions related to work locations, and also provides environmental training initiatives for staff.

In the area of sustainable mobility, the illimity Group's corporate car policy provides for the allocation of a car, as a benefit, based on sustainability principles and in line with intended use for service reasons. The Group has equipped itself with efficient cars that do not exceed specific climate-changing emission thresholds, as well as hybrid, plug-in hybrid and electric vehicles that meet European pollutant emission standards.

The initiative, which started in 2024, involved a limited number of full-electric cars and led to the gradual evolution of the illimity Group's car fleet consisting of electric, hybrid, mild hybrid and plug-in vehicles. The adoption of these technologies has improved the company's environmental performance, with positive feedback from staff as well. In order to encourage the choice of full-electric cars by company car recipients, illimity contributes specific incentives to support this choice.

Use of renewable energy and energy efficiency

Since 2021, the Group has been mainly using green energy from renewable sources (e.g. wind, photovoltaic, geothermal, hydroelectric, biogas, biomass) for the supply of all the main offices and branches in Italy. During 2025, ordinary and extraordinary renovation and redevelopment of its main premises continued, according to the highest standards of eco-compatibility, focusing on plant design according to the best available energy-efficient technologies and the supply of 100% renewable energy from the grid or self-produced.

In addition, solutions have been developed to self-produce energy from renewable sources: in November 2024, a new photovoltaic system was activated, with a capacity of approximately 180 kWp, on the roof of the Mondovì office building with the aim of reducing the direct impact of the building itself by around one third of consumption.

In 2025, consumption stood at 2,9 million Euro kWh, remaining at levels consistent with the Group's energy efficiency path and responsible management of energy needs.

The illimity Group is also committed to promoting and using renewable sources, with the aim of ensuring that the entire electricity requirements of its main sites come from energy certified through Guarantees of Origin.

The illimity Group's Scope 2 emissions, calculated using market-based methodology, have seen a reduction in recent years, despite the expansion of the reporting scope according to European standards, which has consequently increased energy consumption and thus Scope 1 and Scope 2 emissions.

By purchasing certified electricity with Guarantees of Origin, Scope 2 emissions calculated using the market-based method will be further reduced to net zero by 2030, in line with the illimity Group's current Transition Plan.

[ESRS 2 MDR-A DP 69a,b]

[E1-3 DP 29ci,cii, DP 16c]

For some of the above-mentioned actions, the significant monetary amounts in terms of Capex (capital expenditure) and Opex (operating expenditure), related to the implementation of the measures undertaken, are reported[37], reflecting the economic impact of the actions implemented.

[37] *It should be noted that, for this reporting exercise, Banca Ifis has not identified any future financial resources allocated to the action plan.*

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In addition, a detailed breakdown of the reconciliation of these expenses to the budget is provided, showing the correspondence with the relevant accounting categories. This approach ensures transparency and traceability of the investments made, facilitating the analysis of the financial and operational effects of the initiatives taken.

Site renovations and upgrades (including charging columns)	UoM	2025	2024	Item
Capex	€	3.326.701	861.226	Balance Sheet: tangible assets
Opex	€	42.161	15.320	Income statement: other administrative expenses

The total Capex amount of €3.326.701 was allocated as follows: €3.118.307 earmarked for the renovation of premises and €208.393 for the installation of charging stations. As far as Opex expenses are concerned, €16.766 is attributable to renovations and €25.396 associated with columns.

[E1-3 DP 29b]

GHG emissions reductions	UoM	Target
Expected	tCO_2e	1.776 (2030)
Achieved	tCO_2e	0

Managing risks associated with portfolio exposures

[E1-3 DP 28,29a]

The management of risks associated with credit exposures is a central element of the Banca Ifis Group's approach, which has progressively strengthened the integration of environmental, social and governance factors into its decision-making and risk control processes.

In this context, Banca Ifis has an integrated credit framework from an ESG perspective, supported by a structured process for assessing the sustainability profile of counterparties based on pre-established ESG criteria. the framework is based on specific key elements of scope, including sector, counterparty and transaction, and process, such as lending policies and lending arrangements.

At the segment level, the segments most exposed to ESG risks were identified by means of a specific materiality assessment carried out by Risk Management, in line also with the evidence from the C&E risk assessment process already mentioned.

At the counterparty level, the Bank has identified a data provider to acquire a synthetic score to represent the individual counterparty's level of compliance with environmental, social and governance issues.

Having defined the above scope of application, the enhanced credit framework was launched in 2024 through:

- a definition of the role of the credit policies in steering and monitoring of ESG risks during the underwriting phase;
- the identification of the scopes and thresholds for the activation of the reinforced credit underwriting process (e.g. turnover and type of product, ESG risk at segment level and counterparty level).

The application of the enhanced credit framework provides for:

- the deliberative escalation of the decision-making body;

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- the drafting of a supplementary appraisal for ESG-steered and appraised counterparties that will enter the enhanced credit framework.

The disclosure supplement contains a qualitative analysis of the counterparty's sustainability profile and level of adequacy in the environmental, social and governance areas (e.g. climate change and biodiversity management approach, emissions reductions, human and labour rights practices, and anti-corruption and anti-money laundering controls in place).

The analysis of the counterparty's ESG profile integrates the evidence provided by the data provider with information obtained by consulting publicly available sources and is aimed at identifying the potential impacts of ESG on both credit risk and reputational risk.

The document is made available to the credit decision maker to highlight the main ESG characteristics of the counterparty and integrate the related considerations into the credit decision, assessing the possibility of introducing mitigation measures on the basis of the reference ESG risk and in light of the type of product requested (short or medium/long-term).

At the same time, the Banca Ifis Group addresses the specific risks associated with technological and climatic changes through a coordinated set of tools and safeguards integrated into its lending and product development processes. In particular, with regard to companies that operate using CO_2-intensive technologies, the Bank applies principles and guidelines aimed at ensuring prudent management of the overall exposure to each counterparty. In addition, the ESG Scoring Tool (EST) is used in the credit assessment process, which calculates the ESG rating of companies and defines a score that can influence the credit risk, also affecting the analysts' decision-making autonomy. Similarly, in order to mitigate the financial impacts of acute and chronic climatic events, which can compromise plants, buildings and production assets, the Bank also makes available to customers the 'Natural Catastrophes' policy, aimed at protecting corporate assets and promoting business continuity.

Finally, with particular reference to the possible depreciation in the value of real estate collateral, attributable both to the introduction of policies imposing specific energy efficiency standards for the rental or sale of real estate, and to the increase in demand for energy-efficient housing, the related credit exposures were analysed as part of the Materiality Assessment.

For Banca Credifarma, in the context of mortgage-backed loans, the Risk Management function conducted a proxy mapping of energy classes, using the public SIAPE database, which returns the distribution of EPC classes at provincial level. The analysis shows a moderate concentration of guarantee properties in the lowest energy classes (F and G), which can be attributed to the location of properties in areas characterised by buildings with lower energy classes than the national average or by redevelopment constraints related to building and cultural heritage. For the Banca Ifis Employee Mortgage product, which has a marginal incidence in terms of the number of properties and mortgage value, it was instead possible to survey the energy class data, which showed that more than 37% of exposures fell into class A.

Similarly, illimity Bank integrates the assessment of physical and transitional risks into its internal capital adequacy and liquidity processes (ICAAP/ILAAP) and prospective self-assessment of operational risks (RSA), taking measures to mitigate the potential impacts of climate change.

In particular, the illimity Group measures physical risk by analysing how potentially damaging natural events can affect deposits and the strength of the portfolio. On the basis of historical data on Italian municipalities exposed to hydrogeological, hydraulic and other risks (ISPRA sources), the behaviour of depositors is observed in terms of early withdrawal or non-renewal, also in order to cope with potential damage (deduced from historical risk maps) or actual damage (deriving from recent instability scenarios recorded in some areas of the country). The results of these analyses are integrated into the liquidity adequacy assessment processes.

The assessment is also completed by considering the ESG performance of the loan and investment portfolio and analysing the environmental scores of the financed counterparties. Finally, the sectoral concentration of portfolios

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and the outcomes of the risk scenarios identified in the materiality assessment are examined in order to obtain a coherent and integrated view of the illimity Group's overall exposure to physical risks and the possible impacts on deposits.

To mitigate the risk of deterioration in counterparties' creditworthiness - linked to higher compliance costs for the climate transition - illimity integrates ESG criteria into its credit assessment and risk management processes, applying propensity and tolerance thresholds for indicators such as counterparties' ESG score and portfolio emission intensity in carbon-intensive sectors, for which targets and limits have been defined. In addition, the illimity Group has adopted dedicated tools to collect and analyse the emission data of the financed entities.

Alongside these instruments, the Banca Ifis Group pays particular attention to monitoring the reputational risk associated with non-compliance with climate and environmental regulations and expectations. To this end, it promotes a widespread environmental culture among all employees, through information and training initiatives, a clear definition of responsibilities and transparent communication of the results of environmental management, supported by dedicated reporting and adherence to recognised standards and frameworks, including the Bank of Italy's 'Supervisory Expectations on Climate and Environmental Risks'.

Finally, as part of the development of new products as well as the integration of existing ones, there is a specific assessment of the characteristics that qualify as a 'Sustainable Product'. This assessment, carried out with the support of the Sustainability team, represents a further safeguard for the Bank, ensuring that ESG qualifications are only awarded following a structured analysis by the competent functions, with a view to transparent and fair communication to its clients.

In a parallel fashion, illimity Bank is also active in this area: a pillar of its Climate Strategy is in fact the promotion of sustainable finance, with the aim of supporting companies, including those in carbon-intensive sectors, through innovative instruments such as Sustainability-Linked Loans and Green Loans.

These solutions link financing conditions to the achievement of measurable environmental goals, providing incentives for companies to improve their sustainability performance and integrate environmental responsibility into business models.

These initiatives make it possible to expand and qualify the offer to customers with solutions that favour mitigation and adaptation to climate change. At the same time, they contribute to strengthening the Bank's ability to attract and retain customers, thanks also to its reputational positioning on these issues and the robustness of its ICT systems, which are able to guarantee business continuity even in the presence of events related to physical risk.

2.2.3 Targets

[ESRS 2 MDR-T DP 80a,b,c,d,e,f,g,j]

The emission reduction targets reported in this section refer to the emissions of the Parent company, in line with the reporting boundary applied in the previous year, and the illimity Group, respectively. Following the consolidation of recent acquisitions, the process of defining Group-wide decarbonisation targets will be initiated during the next financial year, with the aim of ensuring the alignment of perimeters, methodologies and reference time horizons.

[E1-4 DP 32, 33]

As outlined above, the Banca Ifis Group identifies itself as a digital, open, efficient and sustainable bank. In this context, the Bank has committed to bring its loans and investment portfolios into line with the achievement of the zero net emissions goal by 2050, as per the targets set by the Paris Climate Agreement. Therefore, setting decarbonisation targets emphasises the Group's determination towards a sustainable transition and low levels of greenhouse gas emissions.

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Financed GHG emissions

Below are the emission reduction targets financed on the sectors deemed material for Banca Ifis: Auto Leasing, Truck Leasing and Automotive Manufacturers and Distributors and which the Group aims to achieve by 2030.

[E1-4 DP 34a,b, AR 25a,b]

Scope 3 GHG emission reduction targets by category(1)	UoM	Type	Baseline (2) (year)	2030 Target
Auto Leasing	gCO_2e/km	Reduction target	130 (2019)	85
Truck Leasing	gCO_2e/tkm	Reduction target	52 (3) (2020)	37
Automotive Manufacturers and Distributors	gCO_2e/km	Reduction target	153 (2019)	85

(1) Sectors outlined by the Net-Zero Banking Alliance with IEA Net-Zero 2050 reference scenario.
(2) Portfolio composition as at 31 March 2022, latest available emission data.
(3) Emission data to 2020 for the application of EU Regulation 2019/1242 on emission targets for heavy duty vehicles.

This scenario is consistent with the forecasts of electrification of the Italian market by 2030 and with a cost level in line with the other scenarios considered, and is based on scientifically validated decarbonisation scenarios (IEA Net Zero scenario).

In this context, the base year value was defined on the basis of the composition of the portfolio as at 31 March 2022, referring to the latest available data on issues and in line with the Banca Ifis Group's NZBA disclosure. With specific regard to the Leasing Truck segment, emission data referring to 2020 were used, in accordance with the EU Regulation 2019/1242 on HGV emission targets.

In addition, the analysis took into account potential operational and financial risks, in particular those related to the range provided by electric vehicles (EVs) and the evolution of related leasing costs, evaluating solutions that balance environmental sustainability and economic efficiency. In this context, the scenario defined envisages greater electrification of the corporate fleet, while maintaining a clear predominance of hybrid vehicles to meet the specific needs of the bank's operating model and its commercial network.

The three targets related to Automotive Leasing, Truck Leasing, and Automotive Manufacturers and Distributors focus on sectors that represent 33%, 15%, and 13% of the financed emissions, respectively, and together account for 61% of Scope 3 emissions, Category 15 (94% of emissions when considering the most carbon-intensive sectors)[38]. Additionally, these three targets—Automotive Leasing, Truck Leasing, and Automotive Manufacturers and Distributors—represent 6%, 2%, and 2% of the portfolio considered in the calculation of financed emissions.

As of December 31, 2025, the progress towards the three targets is as follows:

- Automotive Leasing: 138 gCO_2e/km (an increase of 6% compared to the baseline);
- Truck Leasing: 52 gCO_2e/tkm (stable compared to the baseline);
- Automotive Manufacturers and Distributors: 138 gCO_2e/km (a decrease of 10% compared to the baseline).

[38] The scope includes the Lending Ifis portfolio as of December 31, 2025, with Scope 3 emissions from Category 15 (management data).

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Own GHG emissions

[E1-4 DP 33]

With reference to its own GHG emissions, the Banca Ifis Group has set specific targets[39] to reduce GHG emissions from its corporate fleet by 2030 in order to make a concrete and significant contribution to the fight against climate change. The company's strategy is based on a measurable commitment: to accelerate the transition to a more sustainable mix of electric vehicles, with the aim of increasing their current share[40].

Indeed, the Banca Ifis Group's business model is based on an extensive commercial network, which covers the territory extensively, while the physical branch network is geographically less widespread. In the past years, the sales network has grown extensively and will continue to expand in order to ensure the achievement of the ambitious business goals.

The Banca Ifis Group is positioned as a low-emission institution in terms of its own GHG, thanks to the sustainability initiatives already undertaken in the past few years, which have enabled, as mentioned above, the maximum energy optimisation of the offices and the procurement of mainly renewable electricity, making the company car fleet the main source of emissions with a significant reduction margin.

In 2022, a partnership was signed with Stellantis, with the aim of supporting the ecological transition through the adoption of vehicles with a lower environmental impact. This commitment led to the definition of the 2024 emission baseline, which reflects the progress of a journey that began three years ago and marked an important step towards sustainable corporate mobility management.

Bearing in mind that the Group's growth will entail a necessary growth of the commercial network and, therefore, of the corporate fleet, Banca Ifis will in any case commit to further reducing Scope 1 emissions by 10% by 2030, through the progressive adoption of full electric or high-efficiency hybrid vehicles, to the detriment of thermal engine cars.

To ensure that the target is met, changes in the share of the car fleet for each type of low-emission vehicle (i.e. high-efficiency hybrid, FEV) will be monitored over time. In this sense, the Banca Ifis Group's approach makes it possible to track improvements, assess the effectiveness of implemented actions and ensure that the transition takes place gradually.

These targets were predefined internally by the Human Resources Department with the support of the competent General Services function and subsequently approved by the Sustainability Committee, in order to ensure the inclusion of the main stakeholders concerned.

[E1-4 DP 34a,b, AR 25a,b]

Sub-topic	Action	Type	Baseline Scope 1(1)	Target
Climate change mitigation	Reduction of the CO_2 emissions of the car fleet	Reduction target	1.974 tCO_2e (2024)	1.776 tCO_2e (2030) -10%

(1) As 2024 was the first year of application of the CSRD, the year 2024 was taken as the first year in which a full Scope 1 calculation was carried out, in line with the requirements of the regulations, for the purpose of defining the target value.

[39] It should be noted that these targets were set consistent with limiting global warming to 1,5 °C.
[40] Banca Ifis adopts the car fleet as its main decarbonisation lever, implementing targeted strategies to reduce emissions, e.g. through a gradual transition to low-emission vehicles.

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In setting emission reduction targets for the corporate fleet, Banca Ifis conducted an in-depth analysis of operational, market and financial variables to ensure ambitious but realistic targets.

The considerations were based on a scenario that allows for an average performance in line with the market in terms of emissions per employee, estimated at between 1 and 1,5 tonnes of CO_2.

The value of emissions for 2025, related to the same scope for which the target was defined in 2024, amounts to 2,098 tCO_2e. The increase compared to 2024, although not significant, is due to the rise in the usage of the company fleet, which is currently undergoing a gradual transition to a full electric fleet.

[E1-4 DP 34e]

Details follow of the methodological choices made by the Bank to define the decarbonisation targets:

With regard to the target setting exercise for financed issues, exposures considered material include the following types of performing lending to non-financial corporations, both Large and SMEs (excluding Private Entities and Public Administration):

- used for cash;
- bonds with a Held to Collect (HTC) business model - only in sectors defined as priorities by the Net Zero Banking Alliance;
- leasing - Transportation;
- factoring (both with and without recourse).

[E1-4 DP 34b, AR 24]

The definition of emission reduction targets and objectives was formulated taking into account sector specificities and following benchmark analyses that highlighted best market practices, in line with the main competitors.

With regard to the target for Scope 1,the CO_2 emission baseline for the reduction lever through electrification of the car fleet was calculated on the basis of the current year's emissions (GHG emissions) and the vehicle mix adopted in 2024[41].

Specifically, 2024 emissions were determined using consumption recorded in the same year and applying conversion factors in tCO_2e, in accordance with the industry guidelines and UK Government GHG Conversion Factors for Company Reporting - DEFRA 2024 database guidelines.

It should be noted that the Base Year emissions figure (2024), used for the purpose of setting the targets described in AR 25 a) and b), refers exclusively to the reporting boundary applied in the previous year and does not include emissions attributable to acquisitions completed during 2025. On a like-for-like basis with the other CSRD 2025 indicators, the share of Scope 1 emissions currently covered by the target would be 87%. The scope of emissions varies from sector to sector in order to maximise coverage: for car manufacturers and distributors, Scope 3 was considered, which includes emissions along the value chain, while for car leasing, Scope 1 and 2 were included, representing emissions generated from the use of vehicles by consumers, equivalent to Scope 3 for manufacturers.

The coverage of the value chain was delineated by considering only selected segments of each sector, in accordance with the main portfolio alignment methodologies. For car manufacturers and distributors, the analysis focused on car manufacturers, excluding manufacturers of components such as tyres and brakes, while for leasing of light vehicles and trucks the focus was on vehicles purchased by customers.

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[41] The Group is committed to a path of gradual reduction of its own emissions in line with an internally defined decarbonization trajectory, which has not yet been developed in consideration of the ambition of the Paris Agreement.

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Finally, the portfolio coverage was defined according to best practice, with a coverage of over 99% for car leasing (excluding decommissioned vehicles, obsolete brands and light commercial vehicles without declared emissions) and over 95% for car manufacturers and distributors.

[E1-4 DP 34f, AR 30c]

As indicated in the previous section, Banca Ifis has identified its own decarbonisation levers based on the targets set (see 2.2 ESRS E1 - Climate Change, Transition Plan section, DP 16b), promoting sustainable mobility, the adoption of hybrid and electric solutions in car and truck leasing, the integration of ESG criteria in credit processes, support to SMEs for low environmental impact investments, the development of sustainable financial products and the renewal of the corporate fleet with low environmental impact vehicles.

The targets were defined taking into account available climate scenarios and in particular taking as a reference the scenario published by the International Energy Agency (IEA) 'Net Zero Emissions by 2050', compatible with limiting global warming to 1,5°C.

[E1-4 DP 32, 34e, E1-3 DP 28,29a]

Banca Ifis has defined its emission reduction targets based on reliable and recognised data sources, mainly drawn from public databases, such as the International Council on Clean Transportation (ICCT) and Transition Pathway Initiative (TPI) reports, and from official counterpart reports.

This approach ensures transparency and reliability in the measurement of emissions and the definition of strategies. TPI, in particular, considers Scope 3, category 11 emissions, which represent the emissions generated by the use of the product sold and correspond to the entire life cycle of the cars sold.

Emission intensity in the automotive sector is calculated on the basis of average Tank-to-Wheel CO_2 emissions per kilometre, using standardised methodologies such as the WLTP cycle. For the calculation of the issuance curves of the overall portfolio, a weighting approach in line with best market practice was adopted, taking into account the availability of data for each sector.

Furthermore, the Net-Zero alignment targets were defined following the IEA NZE scenario, which is based on scientific evidence and compatible with limiting global warming to 1,5 degrees Celsius, thus consolidating the Bank's commitment to support a sustainable transition in line with global climate goals.

Risk Management monitors the financed issues and inertial values to 2030, based on portfolio composition, on a half-yearly basis on the three target sectors. In particular, prospective analyses are carried out for car leasing, on the potential evolution of the portfolio and the roll-over of manufacturers relevant to the Group (both in terms of volumes and particularly virtuous declared targets), in order to verify alignment with decarbonisation targets even in the event of a potential portfolio recomposition and regulatory changes or adjustments to the vehicle manufacturers' targets. Should significant deviations occur, an internal procedure is in place to share them with the Sustainability Committee and the Bank Departments involved in the lending process, strategic planning and business.

In addition, the Communications, Marketing, Public Affairs & Sustainability Department periodically monitors the national and international context and market in order to proactively incorporate any significant changes resulting from the analysis.

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The targets set by illimity

[E1-4 DP 32,33,34b AR 24, AR 25a,b]

As part of the Climate Strategy approved in November 2024, illimity has set measurable GHG emission reduction targets, including zeroing out Scope 2 emissions according to the 'market-based' method by 2030 and setting science-based targets at 2030 and 2050 for the most carbon-intensive sectors. These targets are consistent with the perimeter of the illimity emissions inventory and include both the Bank's indirect emissions related to energy consumption (Scope 2) and the financed emissions attributable to Category 15 "Investments" of Scope 3, with the aim of progressively aligning the loan portfolio to sectoral decarbonisation trajectories.

			2023	Target			
Sector	Sector-specific scenario	UoM (1)	Illimity Baseline(2)	2030 % reduction vs baseline	2030	2050 % reduction vs baseline	2050
Shipping: Maritime freight and passenger transport operators Ship operations	Poseidon Principles (based on 2023 IMO GHG Strategy)	gCO_2/tnm	25,5	-64%	9,1	-100%	0
Power: Energy production Generation	IEA NZE 2050	$KgCO_2/kWh$	0,3	-42%	0,19	-100%	0
Steel: Steel production Manufacturing	IEA NZE 2050	tCO_2/t steel product	The strategy aims to restrict future financings to companies that commit to aligning with sector-specific decarbonisation targets for 2030 and 2050	n.a.	1,07	n.a.	0,12
Oil & Gas: Oil and gas extraction, oil refining Upstream, Midstream	IEA NZE 2050	gCO_2e/MJ		n.a.	58	n.a.	17
Real Estate: Property redevelopment and development Operations	SBTi 1.5°C pathway for Italy	tCO_2e/m^2		n.a.	0,007	n.a.	0,0004

(1) Targets are expressed in terms of physical emission intensity (CO_2/unit of physical output) and not in absolute values, as this metric allows for more effective monitoring of companies' efforts to reduce emissions per unit of output through the adoption of sustainable technologies and solutions.

(2) The base value chosen to measure progress towards GHG emission reduction targets was set at 2023. The base value and base year did not change as they were defined with the publication of the Climate Strategy in November 2024.

[E1-4 DP 34e, AR 30c]

The targets, based on solid scientific evidence, are aligned to the 1,5°C limit of the Paris Agreement and defined on the basis of the IEA Net Zero Emissions 2050 scenario. The methodology adopted uses sectoral decarbonisation pathways and takes into account environmental, social, technological, regulatory and market developments, offering flexibility over time. The Climate Strategy is also based on internationally recognised scenarios (IEA, SBTi, Poseidon Principles) for the most carbon-intensive sectors.

[E1-4 DP 34f]

To help achieve its goals, illimity has identified several decarbonisation levers, in particular with regard to Scope 3 (Category 15) emissions with the aim of achieving zero emissions by 2030: exclusion of high-impact sectors,

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identification of targets for carbon-intensive sectors, promotion of transition finance and the provision of funding in green projects (e.g. Green Loan). In addition, illimity supports counterparts in defining credible and science-based target-aligned transition plans.

[E1-4 DP 34a,b AR 24]

With reference to Scope 2 according to the 'market-based' method, the main decarbonisation leverage used relates to the purchase of energy with Guarantees of Origin (GO); the illimity Group has therefore committed to modifying its electricity supply contracts to include an increasing use of GO until, by 2030, all of its supply is covered.

Reducing in Scope 2 emissions market-based method	UoM	Base year (2023)	2030 target	2035 target	2040 target	2045 target	2030 target
Absolute value of GHG emissions	tCO_2e	96,8	0	0	0	0	0
Percentage reduction in GHG emissions	%	-	100	100	100	100	100

2.2.4 Metrics

[ESRS 2 MDR-M DP 75, 77a]

In the metrics reporting process, Banca Ifis actively involved the relevant corporate functions, ensuring a qualified contribution in their respective fields. The methodologies and significant assumptions adopted are fully aligned with the European Sustainability Reporting Standards (ESRS) and current regulatory requirements, thus ensuring compliance with transparency requirements, consistency with European sustainability standards and accurate and reliable reporting.

In particular, the calculation of Scope 1, 2 and 3 emissions, expressed in tCO_2e, was carried out following industry guidelines, such as the ABI Lab Support document for preparing the sustainability statement according to the European Sustainability Reporting Standards (ESRS) on the environment 2025 in banks, as well as the GHG Protocol. It should be noted that the quantification of these emissions has not been validated by an external body outside the assurance provider.

The figures reported in the disclosure refer to both the Italian and foreign perimeter and include the effects of the recent acquisitions of the illimity Group and Fürstenberg SIM (formerly Euclidea SIM). The contribution of the latter is only considered for the period after their integration into the Group, and therefore the figures do not include values for periods prior to the acquisitions.

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Energy consumption and mix

[E1-5 DP 37,a,b,c,ci,cii,ciii, AR 34]

Total energy consumption of own operations by source	UoM	2025	2024
Fossil sources (1)	MWh	9.062	7.766
Share of fossil sources in total energy consumption	%	73	70
Nuclear sources	MWh	0	0
Share of nuclear sources in total energy consumption	%	0	0
Renewable sources (2)	MWh	3.342	3.270
Share of renewable sources in total energy consumption	%	27	30
Fuel consumption for renewable sources, including biomass	MWh	0	0
Consumption of electricity, heat, steam and cooling purchased or acquired from renewable sources	MWh	3.118	3.148
Consumption of self-generated non-fuel renewable energy	MWh	224	122
Total (3)	MWh	12.404	11.036

(1) For the consumption of fossil fuels, data on the car fleet, natural gas and purchased electricity not covered by Guarantees of Origin are used.
(2) The Group is committed to using green electricity from renewable sources (e.g. wind, photovoltaic, geothermal, hydroelectric, biogas, biomass). Currently, the share of renewable energy in total consumption is 27%. It should also be noted that the Group currently sources 89% of its electricity from certified renewable sources through Guarantees of Origin (GO), confirming its commitment to the use of electricity from certified renewable sources.
(3) The organisation constantly monitors its energy consumption and energy mix, ensuring that they are in line with its targets.

The methodologies adopted for the calculation of metrics related to energy consumption and energy mix are based on the application of the ABI LAB guidelines and the GHG Protocol.

It should be noted that, for the quantification of consumption of owned and rented properties, both in Italy and abroad, for which it was not possible to obtain precise data from utility bills, estimates were made from Energy Performance Certificates (APE).

In particular, for all properties for which the Energy Performance Certificate (APE) is available, the energy consumption value was calculated as the product of the respective surface areas (m^2) and the respective energy performance indices.

In particular, in order to reflect the real use of the real estate, for the 2025 calculation it was decided to apply a corrective reduction of 30% of the calculated consumption value, to take into account the fact that the real estate, although occupied during the week, is not used to full capacity.[42] Finally, in order to differentiate between electricity

[42] *It should be noted that the 30% reduction applied to the consumption resulting from the APE reflects the desire to realistically represent the actual use of the real estate: considering that the real estate is used exclusively from Monday to Friday (5 days out of 7) and not continuously during the whole day, the actual use on an annual basis corresponds to approximately 70% of the total number of days, i.e. approximately 260 days out of 365.*

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and methane gas consumption, consumption was allocated according to the activation periods of the heating and cooling systems. Considering that cooling is only activated in the summer months, roughly from May to the end of August, 30% is allocable to Scope 2, it follows that 70% of consumption is allocable to Scope 1.

The increase, though not significant, in overall energy consumption compared to previous years is attributable both to the contribution from recent acquisitions (equal to 896 MWh for the illimity Group), and to the increase in fossil fuels, the prevalent contribution of which is attributable to the use of the company fleet, which is currently undergoing a gradual transition to a full electric fleet.

Energy carriers are reported in the following units:

- Natural gas: Standard cubic metres;
- Electricity: Kilowatt-hour;
- Petrol and Diesel for car fleet: Tonnes;
- Methane for car fleet: Tonnes;
- LPG for car fleet: Tonnes.

This input data was then converted into the unit of measurement required by the regulations.

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Gross Scope 1 and 2 GHG emissions

[E1-6 DP 48a,49a,b,50,52a,b]

Gross GHG emissions	Level	UoM	2025	2024
Scope 1 (1)	Consolidated accounting group	tCO_2e	2.280	1.974
	Investees with operational control	tCO_2e	0	0
Scope 2 (location-based) (2)	Consolidated accounting group	tCO_2e	907	1.049
	Investees with operational control	tCO_2e	0	0
Scope 2 (market-based) (3)	Consolidated accounting group	tCO_2e	168	114
	Investees with operational control	tCO_2e	0	0

(1) The following factors were used for the calculation of Scope 1 emissions: ABI Lab Guidelines on the Bank's Implementation of the European Sustainability Reporting Standard (ESRS) on the Environment 2025; Department for Energy Security and Net Zero (DESNZ[43]). The quantities of energy vectors used by the Group, such as natural gas and fuels for the company car fleet, expressed in the relevant units and multiplied by the respective emission factors as per the Banking Industry Guidelines, were taken into account. It should be noted that, for the quantification of GHG emissions from buildings without point consumption data, estimates were made from Energy Performance Certificates (APE), as previously indicated.
(2) For the calculation of Scope 2 emissions according to the 'location-based' method, the entire volume of electricity purchased by the Group was considered by estimating consumption, as previously reported, where no precise data are available, then multiplied by the relevant specific emission factors (Abi Lab Guidelines for Italian locations and AIB 2025 - Supplier mix for foreign locations). Emissions of CH4 and N2O were also included in the calculation, where available emission factors allowed. No tools were used to calculate them, nor were any assumptions made to quantify the emissions.
(3) For the calculation of Scope 2 emissions according to the "market-based" method, the share of electricity purchased by the Group (estimating consumptions, as reported previously, where no timely data is available) without Guarantees of Origin (GO), multiplied by the specific emission factors of the "Residual mix" stated in the AIB 2025, was considered. No assumptions were made or specific tools used to calculate emissions, and GHG emissions other than CO_2, such as CH4 and N2O, were not considered as they were not available in the emission factors used. Included in the calculation are emissions from car consumption at public petrol stations and the estimated electricity consumption for owned and rented properties with no timely data, whose energy source is not certified within the Guarantee of Origin certificates.

[E1-6 AR 45d]

As described above, renewable energy certified through Guarantees of Origin (GO) is used for buildings owned by Country Italy, without using contractual instruments for the purchase or sale of energy with attributes associated with energy generation (bundled energy) in relation to Scope 2 GHG emissions. The organisation focuses on the purchase of certified renewable energy, avoiding buying and selling energy. It should also be noted that, for the year 2025, the share of energy certified through Guarantees of Origin stands at 89%, confirming the organisation's commitment to the use of renewable sources and the reduction of Scope 2 emissions.

[43] *Formerly known by the acronym DEFRA.*

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With regard to Scope 1 and 2, the deviations from previous years are also small overall. In particular, the increase in Scope 1 emissions is mainly attributable to consumption from fossil fuels, with the illimity Group contributing about 9% of the total.

With regard to Scope 2, the variability observed is attributable, on the one hand, to the variation in the emission factors[44] adopted in the location-based approach and, on the other hand, to recent acquisitions, in particular the illimity Group for the market-based approach, which contributes approximately 86 tonnes of CO_2e.

Gross Scope 3 GHG emissions

[E1-6 AR 46i]

As part of the reporting of other indirect emissions (Scope 3), it should be noted that during 2025, the new emissions categories material for the Group under the GHG Protocol were identified, supplementing the information already provided in previous years. In particular, the following categories were quantified by the organisation, also in line with industry best practice:

- Category 1 - Purchased goods and services;
- Category 2 - Capital goods;
- Category 3 - Fuel and energy related activities;
- Category 5 - Waste generated in operations;
- Category 6 - Business travel;
- Category 7 - Employee commuting;
- Category 15 - Investments.

With regard to the other Scope 3 indirect emission categories under the GHG Protocol, it should be noted that the Bank conducted internal assessments to verify their applicability and relevance to its business model. As a result of these analyses, these categories were excluded from the Consolidated Sustainability Statement because they were deemed not applicable, irrelevant or difficult to quantify due to the complexity of finding input data. With a view to continuous improvement, reporting will be refined annually, incorporating, where possible, any emission sources excluded for the reasons described above.

[E1-6 AR 39b]

Below are the methodologies adopted by Banca Ifis for the above categories:

- Category 1 'Purchased goods and services': for the quantification of emissions, the Spend-Based Method was used, in line with the GHG Protocol, using as input the costs in Euro of goods and services purchased by the Bank deducted from the Balance Sheet and relating to the year 2025.
  Some expenditure items were excluded because they could represent double counting with issues already reported in Scope 1, 2 and 3 (e.g: "Business travel" or "Expenses related to real estate") or because they were deemed to be items that could not be classified as purchases of goods and services (e.g. "Charges" or "Fees").
  The emission factors, expressed in tCO_2e/monetary unit, were associated with the various expenditure categories in a timely manner. It should be noted that the emission factors adopted include all climate-altering gases and come from a public database, with average values representative of the entire EU geography, including the 27 Member States (Source: Eurostat, Environmentally Extended Input Output –

[44] Location-based emission factors change annually as they reflect the updated characteristics of the reference electricity mix.

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EEIO database). This database was considered representative and in line with what is suggested by the GHG Protocol and ABI Lab guidelines, as well as industry best practices.

- Category 2 'Capital goods': this category includes issues associated with the acquisition of capital assets during the reporting period, which are not already included in Category 1, from the tangible and intangible fixed assets register. In line with the GHG Protocol, the calculation was implemented using the 'Spend-based' methodology, whereby expenditure items are associated with the consistent ATECO code and multiplied by the relevant emission factors from Eurostat's Environmentally Extended Input Output database (EEIO).
- Category 3 'Fuel and energy-related activities': this category includes emissions from the production of fuel and energy purchased and consumed by the company during the reporting year, which are not already included in Scope 1 or Scope 2. For the calculation of category emissions, the 'Average-data method' was adopted, whereby secondary emission factors are used to estimate upstream emissions per unit of consumption (e.g. kg CO_2e/kWh).
  The emission factors used for the calculation are those published in the Department for Energy Security and Net Zero (DESNZ).
- Category 5 'Waste generated in operations': this category includes indirect emissions from the treatment of waste generated by the organisation. The estimation was carried out using the 'Average-data method', in accordance with the GHG Protocol guidelines.
  For ordinary waste, where no point data from weighing were available, estimates were made. In particular, the quantity generated in the Italian perimeter was estimated using the production indices at m² reported in the MEF TARES Guidelines. For foreign locations, on the other hand, the per capita indices of the European Environment Agency (EEA) were used, while waste destination percentages were taken from Eurostat. For the purpose of applying the Department for Energy Security and Net Zero (DESNZ) emission factors, this waste was classified as 'Household residual waste', as this definition is more consistent with the nature of municipal waste.
  For special waste, where present, the punctual information in the MUD was used. Emission factors from the Department for Energy Security and Net Zero (DESNZ) database were applied to the quantities measured, depending on the CER code and the specific management mode.
- Category 6 'Business Travel': for the quantification of emissions, the 'Distance-Based Method' was used, in line with the GHG Protocol, using the kilometres travelled and the type of vehicle used in 2025 as input data for the Italian locations. Emission factors, expressed in kgCO_2e/km travelled and converted to tCO_2e/km travelled, come from the Department for Energy Security and Net Zero (DESNZ) database. For the foreign locations, the Spend-Based Method was applied using the Euro expenditure on travel as input. As in Category 1, emission factors provided by Eurostat based on the specific economic activity in the Environmentally-Extended Input-Output (EEIO) database were used.
- Category 7 'Employee commuting': this category includes indirect emissions generated by employees' commuting between their home and place of work. In order to collect information on commuting habits, an internal survey is periodically carried out by means of a questionnaire addressed to employees, which records the type of vehicle used, the days of smart working, the distance travelled and the type of fuel used.
  Emissions for employees who responded to the questionnaire are estimated using the distance-based method. For non-respondents and foreign locations, the 'Average Data Method' is applied instead, using the average values generated by the commuting model. Emissions were then calculated using emission factors from the Department for Energy Security and Net Zero (DESNZ) database.
- Category 15 'Investments': the quantification of the issues financed involved the combined use of counterparty data, where available, and sector data for the coverage of the remainder of the portfolio. In particular, Scope 1 and Scope 2 emission data (verified and unverified) obtained through external suppliers, master data bases, internal accounting and management systems were used. In line with the Partnership for Carbon Accounting Financials (PCAF) framework, counterparty point data were assigned

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quality scores of 1 or 2, while the use of sector proxies was associated with scores of 4 or 5, depending on the level of granularity and reliability of the available information.
With regard to the processing of sectoral data, a structured information gathering and consolidation exercise was carried out in the first phase, aimed at ensuring the robustness of the estimates. The sectoral approach allowed the use of official and certified sources, including sectoral business volumes from Bank of Italy data, sectoral GHG emissions available from the European Environment Agency, as well as some sectoral financial information, such as the Debt to Asset ratio, from Bloomberg. Based on this information, the calculation of sectoral Emission Intensity was then implemented, a key element for estimating the environmental impact of different investment sectors. Once the perimeter of analysis was defined, the emission intensity values were attributed to the individual counterparties in the portfolio on the basis of their prevailing economic activity, by means of punctual mapping by ATECO code. As an alternative to this structured process, for some specific cases the sectoral emission intensity was derived from Eurostat's Environmentally Extended Input-Output (EEIO) tables, which provide average emission factors per NACE sector, expressed in terms of emission intensity per unit of turnover at the average European level. Compared to the previous year, the calculation methodology was refined, allowing the inclusion of low emitting sectors as well. This development, together with the extension of the reporting to issues from government bonds, made it possible to increase the percentage of asset coverage.
In FY 2025, in fact, issues associated with Government Securities were also included in the scope of calculation for all countries, considering both securities classified as HTCs and HTCs, quantified according to the 'consumption based' approach provided for by the PCAF. Scope 1 emissions were obtained via the EEA database. For Scope 2, Scope 3 and export-related emissions of individual countries, the OECD Data Explorer dataset was used, with the most up-to-date data referring to 2020. To compensate for the time mismatch between sources, the methodology adopted involves applying a percentage increase to Scope 2, Scope 3 and Export emissions, based on an estimate provided by an external provider. All the emissions described above were then allocated by applying an allocation factor that takes into account the exposure to government bonds as a ratio of GDP adjusted for purchasing power parity and converted into Euro.

[E1-6 AR 46g,h]

The reporting boundary for Scope 3 includes Categories 1, 2, 3, 5, 6, 7 and 15, which cover the entire perimeter of the Group, as specified above.

Primary data was used for categories 3, 5, 6, 7 and 15. Specifically:

- Category 3, 'Fuel and energy-related activities': primary data account for approximately 97% of the total and are mainly derived from consumption records, such as utility bills or fuel cards;.
- Category 5, 'Waste generated in operations': the share of primary data is 2% and is based on point information from MUD declarations or waste management forms;
- Category 6, 'Business travel': for the Italian locations, the analysis was conducted without the use of estimates, using only primary data provided 98% by partners along the value chain. For foreign locations, in the absence of available primary data, the Spend-Based methodology was applied, in line with the GHG Protocol.
- Category 7, 'Employee commuting': primary data was derived from surveys that collected data from employees on their home-to-work commuting habits. In particular, two separate surveys were used for Ifis and the illimity Group, which ensured a primary data coverage of 79% and 72% respectively;
- Category 15, 'Investments': primary data cover 8% of the perimeter and are obtained through external suppliers. For the remaining portion of the portfolio, the quantification was performed using a sectoral approach, without using primary counterparty data.

For the remaining categories, methodologies were adopted that did not allow the use of primary data. In particular:

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Category 1, 'Purchased goods and services' and Category 2, 'Capital goods', were calculated using the 'Spend-Based' methodology, applied to the product categories of other administrative expenses and details from the asset books purchased in the current year.

[E1-6 DP 51, AR 46g]

Gross Scope 3 GHG emissions by category (1)	UoM	2025	2024
Purchased goods and services (2)	tCO_2e	39.108	32.862
	% of scope 3 GHG calculated using primary data	0	0
Capital goods(2)	tCO_2e	48.575	-
	% of scope 3 GHG calculated using primary data	0	-
Fuel and energy-related activities(3)	tCO_2e	659	-
	% of scope 3 GHG calculated using primary data	97	-
Waste generated in operations (3)	tCO_2e	101	-
	% of scope 3 GHG calculated using primary data	2	-
Business travel (4)	tCO_2e	477	446
	% of scope 3 GHG calculated using primary data	98	98
Employee commuting(3)	tCO_2e	1.856	-
	% of scope 3 GHG calculated using primary data (Parent company)	79	-
	% of scope 3 GHG calculated using primary data (illimity)	72	-
Investments (5)	tCO_2e	5.127.671	3.227.564
	% of scope 3 GHG calculated using primary data	8	0

(1) The reporting boundary for Scope 3, in Categories 1, 2, 3, 5, 6 and 7, includes the entire Group. For Category 15, on the other hand, the analysis concerns the Group, net of the exclusions reported in connection with AR 46g,h.
(2) For the calculation of categories 1 and 2, the emission factors provided by Eurostat based on the NACE economic activities contained in the Environmentally-extended input-output (EEIO) database were used
(3) For the calculation of categories 3, 5 and 7, emission factors from the Department for Energy Security and Net Zero (DESNZ) were used.

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(4) For the calculation of category 6, the Department for Energy Security and Net Zero (DESNZ) emission factors and the emission factors provided by Eurostat based on the NACE economic activities contained in the Environmentally Extended Input-output (EEIO) database were used.
(5) For the calculation of category 15, the emission factors described in AR 39b were used. Exposure figures are reported as at 31 December 2025. It is specified that this category was deemed not applicable for Fürstenberg SIM.

[E1-6 AR 46i]

With regard to the other Scope 3 indirect emission categories under the GHG Protocol other than those reported, it should be noted that the Bank conducted internal assessments to verify their applicability and relevance to its business model. As a result of these analyses, these categories were excluded from the report because they were deemed not applicable, irrelevant or difficult to quantify due to the complexity of finding input data. With a view to continuous improvement, reporting will be refined annually, incorporating, where possible, any category emission sources excluded for the reasons described above[45].

Gross scope 1, 2, 3 and Total GHG emissions

[E1-6 DP 44,52a,b]

Total GHG emissions	UoM	2025	2024
Total GHG emissions location-based	tCO_2e	5.221.635	3.263.895
Total GHG emissions market-based	tCO_2e	5.220.895	3.262.960

[E1-6 DP 47]

During 2025, the Group finalised the acquisitions of the illimity Group and Fürstenberg SIM. These operations led to a change in the reporting boundary, so the results of the current reporting year are not fully comparable with those of previous periods.

[E1-6 DP 55]

For the purpose of calculating DP 53, 'net revenues' are reported in accordance with Article 43, paragraph 2, letter c) of Council Directive 86/635/EEC by including the following consolidated items as at 31 December 2025 (in thousands of Euro): interest and similar income, securities income, commission income, net components from financial transactions, and other operating income.

Specifically, the following items of the consolidated income statement 262 were considered: 10, 40, 70, 80, 90, 100, 110, 230 (positive components only), 250 and 280.

[45] *Excluded categories include: upstream transport and distribution (Category 4), upstream leasing activities (Category 8), downstream transportation and distribution (Category 9), processing of products sold (Category 10), use of products sold (Category 11), end-of-life treatment of products sold (Category 12), downstream leasing activities (Category 13) and franchising activities (Category 14).*

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[E1-6 DP 53, AR 55]

GHG emissions intensity	UoM	2025	2024
Net revenues	€/000	1.530.793	1.061.292
GHG emissions intensity, location-based (total GHG emissions per net revenue)	tCO_2e/€	3,4	3,1
GHG emissions intensity, market-based (total GHG emissions per net revenue)	tCO_2e/€	3,4	3,1

Net revenue of 1,5 billion Euro as at 31 December 2025 was 44% higher than at 31 December 2024 (1,1 billion Euro). In addition to the contribution from the inclusion of the illimity Group's six-month net revenue, the change was mainly attributable to the IFRS 3 'gain on a bargain purchase' of 309,9 million Euro (included within 'Other operating income'), resulting from the acquisition of illimity Bank on 4 July 2025.

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[E1-6 AR 48]

		Retrospective			Target	
	Base year	2024	2025	%2025/2024	2030	Annual target % / Base year (1)
Scope 1 GHG emissions						
Gross Scope 1 GHG emissions (tCO_2e)	1.974	1.974	2.280	16%	1.776	2%
Percentage of Scope 1 GHG emissions from regulated emissions trading schemes (%)						
Scope 2 GHG emissions						
Gross location-based Scope 2 GHG emissions (tCO_2e)		1.049	907	-14%		
Gross market-based Scope 2 GHG emissions (tCO_2e)		114	168	47%		
Significant Scope 3 GHG emission						
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)		3.260.872	5.218.447	60%		
1. Purchased goods and services	-	32.862	39.108	19%		
2. Capital goods	-	-	48.575	-		
3. Fuel and energy-related activities	-	-	659	-		
5. Waste generated in operational activities	-	-	101	-		
6. Business travel	-	446	477	7%		
7. Employee commuting	-	-	1.856	-		
15. Investments		3.227.564	5.127.671	59%		
Total GHG emissions						
Total GHG emissions (location-based) (tCO_2e)		3.263.895	5.221.635	60%		
Total GHG emissions (market-based) (tCO_2e)		3.262.960	5.220.895	60%		

(1) The target was set every five years, so it is not possible to report the annual variation.

The targets shown in the table refer to the reporting boundary applied in the previous year.

Following the consolidation of recent acquisitions, the process of defining Group-wide decarbonisation targets will be initiated during the next financial year, with the aim of ensuring the alignment of perimeters, methodologies and reference time horizons.

It should therefore be noted that, considering the Base Year 2024, on a like-for-like basis with respect to the other CSRD 2025 indicators, the share of Scope 1 currently covered by the target would reach 87%.

With reference to the emission targets on the most relevant sectors in terms of materiality (with particular reference to the automotive world, i.e. Auto Leasing, Truck Leasing, Automotive Manufacturers and Distributors, representing more than 80% of the financed exposures and emissions considered by the NZBA), reference can be made to the table on ESRS E1-4 DP 34a,b, AR 25a,b in which the 2030 targets, expressed in gCO_2e/km, are shown.

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[E1-6 AR 43c, AR 45e]

Biogenic CO_2 emissions for Scope 1 and 2 are not applicable as the Group does not use biomass, biofuels, biogas or other bioenergy sources; similarly, for indirect Scope 3 emissions, the reported categories do not include emission sources related to the biodegradation of biomass or the use of biogenic fuels.

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2.3 E4 - Biodiversity and ecosystems

Material impacts, risks and opportunities

Banca Ifis considers it essential to integrate environmental, climate change and biodiversity issues within its risk assessment processes and banking decisions, adopting a responsible and sustainable approach. This vision is concretely reflected in the Group's commitment to specific projects, which aim to reduce environmental impact, preserve biodiversity and promote the transition to a low-carbon economy.

For the current reporting year, the Group has not identified measurable metrics and targets in the area of biodiversity; however, it has regulated these in specific Policies with a view to continuous engagement.

[E4.SBM-3 DP 16a,aii]

In view of the fact that the Bank's Head Office in Venezia Mestre is home to an International Sculpture Park located in the over 22 hectares of gardens of Villa Fürstenberg, a positive impact related to contributing to the conservation of biodiversity and the protection of ecosystems and an opportunity related to the promotion of initiatives and investments that favour the protection of ecosystems, biodiversity and the conservation of the land within the Bank's infrastructure were identified as material. Although no specific material IROs were detected, the Bank considers it of paramount importance to also consider biodiversity topics within business considerations with reference to its value chain.

[E4.SBM-3 DP 48a]

IRO description	IRO category	Connection with value chain	Time horizon
Biodiversity and ecosystems			
Contribution to the conservation of biodiversity and the protection of ecosystems through the activities carried out within the framework of park and nectar forest protection	Potential positive impact	Own operations	Medium-term
Promoting initiatives and investments that foster ecosystem protection, biodiversity and land conservation within the Bank's infrastructure	Opportunity	Own operations	Medium-term

Group approach and reference policies

[E4-2 DP 22]

The Group defines principles and guidelines for environmental protection decisions, including biodiversity, through its ESG Policy (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview), pledging to protect nature and support the transition to a sustainable, green economy.

[E4-2 DP 23a,b,c, 24a]

The Bank's commitment to biodiversity is integrated into the business model as a strategic element of its credit policies, finding expression in the Credit Policy (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview). The latter integrates the biodiversity dimension into the risk assessment and management of credit exposures, considering the environmental impacts generated by counterparties' activities and their attention to the protection of natural ecosystems. The Credit Support, ESG & Monitoring business unit integrates environmental and climate considerations into the analysis of the counterparty's ESG risk profile, in the related appraisal supplement and through dedicated ESG questionnaires. Within this scope, information on the biodiversity of counterparties is collected, where this information is publicly

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available and concrete, as defined in the Credit Policy. In addition to this, the Group analyses within the Materiality Assessment process the issue of biodiversity, which is included among the criteria for assessing the materiality of the climate (both physical and transitional) and environmental (e.g. biodiversity-related) risks to which the Banca Ifis Group is exposed, with the ultimate aim of mapping and identifying traditional risks that could be affected by such events.

Actions

[ESRS 2 MDR-A DP 68a,b,c]

[E4-3 DP 27]

The Bank's commitment to contribute directly to the preservation of biodiversity and the protection of ecosystems is realised, mainly within the International Sculpture Park, the exhibition space housed within the more than 22 hectares of gardens surrounding the 16th-century Villa Fürstenberg, the Group's historic headquarters. In this space, the often monumental works of great Italian and international masters of contemporary sculpture merge with their surroundings, creating a place where nature and sculpture dialogue in a timeless embrace. Within the park, lawns are mowed regularly, hedges are pruned and kept tidy, and the clearing of pathways of weeds is kept under constant control, in order to enhance the environment and the works included. The constant attention and care of the flora in the park is a fundamental element in the protection of the ecosystems: for example, thousands of bulbs including narcissus, hyacinths, snowdrops, fritillaria, semi-annual plants and ornamental perennials have been planted, as well as new trees to compensate for the maintenance work. The visual experience has recently been enhanced by a privet maze that fits harmoniously into the artistic context of the park. Checks are carried out on the degree of stability of the area's remarkable botanical heritage, monitoring the species present, first of all with the identification and cataloguing of each plant individual starting with the trees. Careful visual observation plays a very important role in the approach, which is then supplemented according to the protocol of the Italian Arboricultural Society. To date, 3.400 trees have been counted, in addition to the more recently planted ones, in the total area comprising the fifteen hectares under protection. It is a huge job that involves a forestry technician and gardeners who routinely take care of the park. These preventive investigations are of fundamental importance, not only to be able to remedy critical situations and secure the area, but also and above all in view of the increasingly frequent effects of climate change. With the aim of verifying the effectiveness of the actions taken, the Communications, Marketing, Public Affairs & Sustainability Department receives regular updates on its nectariferous forest and monitors the material KPIs.

In order to enrich the biodiversity of the Park, the volume “La Natura della Scultura contemporanea – Il Parco Internazionale di Scultura di Banca Ifis: storie, idee, visioni” [The Nature of Contemporary Sculpture - The Banca Ifis International Sculpture Park: Stories, Ideas, Visions], was produced. This work, also distributed to employees, tells the story of the Park, the artists, the works included and the tree species it houses, focusing on the flora and fauna present. In addition to activities that protect and enhance biodiversity within the Park, the Bank is committed to promoting biodiversity, including through the 'Oases of Biodiversity' project, developed in collaboration with 3Bee.

Through this initiative, the Group has planted 100 nectariferous trees in two different areas of Italy (Lombardy and Lazio) building two real nectariferous forests where the trees are protected and cared for by specific local growers. In this way, in addition to increasing and protecting the biodiversity of the land, trees contribute to the absorption of CO_2 in the air, promoting a healthier and more resilient environment. Within the Banca Ifis Oasis, there are seven different types of trees (hawthorns, wild blackthorns, Judas trees, wild cherry trees, laurels, charcoal-burner broom and hogweed) specially chosen as the types that most attract and nourish pollinating insects within the forest (on average, more than 7700 pollinators are nourished annually). Nectariferous plants within the forest produce a total of approximately 78 kg of nectar over a 20-year average, with an absorption of 305,9 K CO_2 per year potential.

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3. Social

3.1 S1 - Own workforce

Material impacts, risks and opportunities

[S1.SBM-3 DP 13a,15]

The centrality of people in Banca Ifis's strategy is reflected in the close connection between the impact on its own workforce and the focus on Ifis People. The Group in fact recognises that employees are an essential resource, not only for their contribution to economic results, but also for the crucial role they play in consolidating the corporate culture and promoting the values of social and ethical responsibility. Consistent with this vision, Banca Ifis gives strategic priority to investing in the growth and development of human capital, through an effective training system and the strengthening of dialogue and cross-functional relations between the various corporate functions, supporting equal opportunities, inclusiveness and respect for human rights. Further areas of focus include protecting the health and safety of workers, improving retention and attracting new talent, enhancing work-life balance, and promoting an inclusive, discrimination-free working environment. The targets set by the Group and the numerous actions implemented confirm the centrality of these issues in the corporate strategy, which will form the basis of the next Business Plan. Investing in human capital is a key element of the Group's sustainability strategy, which aims to generate long-term value not only through financial performance, but also by encouraging the active engagement of employees and their development of skills in view of future challenges.

[S1.SBM-3 DP 14,a,16]

As part of the double materiality assessment, the Banca Ifis Group investigated the impacts, risks and opportunities across all Ifis People[46], including both employees and non-employees. For more information, see the Metrics section "Characteristics of the enterprise's employees" (see 3.1 S1 - Own workforce, section 3.1.10 Metrics, S1-6).

[S1.SBM-3 DP 14b]

With regard to significant negative impacts, these were identified as potential and related to individual incidents. In particular, they concern: (i) health and safety, with particular reference to potential harm to workers arising from occupational injuries and illnesses; (ii) unequal treatment arising from incidents of harassment and/or discrimination due to non-inclusive practices in the workplace and the gender pay gap for equal employment and skills or difficulty in accessing senior positions or professional growth paths for the less-represented gender; (iii) working conditions related to employment instability, resulting from the high use of fixed-term and/or temporary contracts; and (iv) right to privacy, especially with regard to potential violations arising from inadequate management systems or ineffective application of procedures and preventive actions. These impacts are adequately prevented and handled, as better explained in the following paragraphs, and can affect all types of workers in their own workforce.

[S1.SBM-3 DP 14c]

At the same time, the analysis revealed positive impacts affecting the entire employee population of the Banca Ifis Group[47]. The actions taken by the Bank to generate these impacts are described and detailed in the sections on Work-life balance (see 3.1 ESRS S1 - Own workforce, section 3.1.2 Work-life balance, DP 38c), Training and skills development (see 3.1 ESRS S1 - Own workforce, section 3.1.3 Training and skills development, DP 38c), to Equal treatment and opportunities for all (see 3.1 ESRS S1 - Own workforce, section 3.1.4 Equal treatment and

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[46] It should be noted that, with particular reference to the identified risks related to employees, these refer to the entire workforce without distinguishing categories of workers who are more exposed to risk with particular characteristics, who work in particular contexts or who perform certain activities.

[47] Refer to the description of the types of employees in the metrics section.

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opportunities for all, DP 38c) and to Working conditions (see 3.1 ESRS S1 - Own workforce, section 3.1.5 Working conditions, DP 38c).

[S1.SBM-3 DP 13b,14d,15]

Aware of the strategic importance of its workforce, Banca Ifis has identified significant risks and opportunities arising not only from the impacts and dependencies related to human capital management, but also from the Group's strategy and business model. The main risks identified include potential discrimination and violations of employees' rights, labour law defaults and disputes related to working conditions, as well as the risk of breaches of privacy, system and data integrity failures and unavailability of IT infrastructures, including as a result of cyber-attacks or inadequate internal processes.

To mitigate the risks associated with discrimination, the Group has launched initiatives aimed at fostering the inclusion and enhancement of diversity through projects included in Kaleidos, helping to strengthen a fair and sustainable corporate culture. These actions are aimed at fostering a safe, inclusive and growth-oriented working environment, contributing to the reduction of operational risks and strengthening the company's ability to attract, develop and retain talent in the long term. At the same time, to mitigate the risks of data loss and breach of privacy, initiatives were implemented to protect confidentiality and data security, including training activities for cybersecurity certifications and awareness-raising programmes on the correct behaviour to prevent cyber-attacks.

Among the main opportunities, again identified within the same double materiality process, are initiatives aimed at improving working environments, including through the promotion of actions dedicated to the protection of confidentiality and privacy. In addition, the Banca Ifis Group has adopted measures dedicated to work-life balance and employee welfare, the development of initiatives for professional growth and continuous training, as well as projects aimed at promoting values such as gender equality, inclusion and valuing diversity. These actions, in addition to enhancing organisational well-being, contribute to making the Bank more resilient and competitive in the long term, improving the ability to attract and retain talent and ensuring a constant alignment between internal competencies and the institution's strategic needs.

[S1.SBM-3 DP 14e]

Lastly, it is specified that the transition plan defined by the Group, aimed at reducing negative impacts on the environment, does not produce significant impacts on Banca Ifis's workforce, as it focuses on initiatives aimed at the most relevant sectors of the counterparties in its portfolio, linking initiatives to specific business opportunities and performance metrics.

3.1.1 Health and safety

Banca Ifis Group considers occupational safety and health protection of its employees as priority and non-negotiable objectives. Every activity and phase of the company's life must comply with adequate safety standards, since compliance with these requirements is the minimum condition for guaranteeing the legitimacy of business processes and fostering organisational efficiency. Taking into account the various existing and emerging risks, Banca Ifis is committed to continuously improving its performance in the area of safety and health protection for all.

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[S1.SBM-3 DP 48a]

IRO description	IRO category	Connection with value chain	Time horizon
Health and safety			
Damage to workers resulting from occupational accidents and diseases	Potential negative impact	Own operations	Medium-term
Improvement of the corporate environment, taking into account the new dynamics related to different ways of working and employee safety	Opportunity	Own operations	Medium-term

Group approach and policies

[S1-1 DP 19]

Banca Ifis oversees occupational health and safety issues in a structured manner through the adoption of the Corporate Health and Safety Policy, which expresses the Group's commitment to promoting healthy working environments that comply with regulatory and management standards (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview). The policy, supported in its implementation by the Integrated Safety and Environment Manual, defines principles and responsibilities relating to the prevention of occupational risks, the protection of workers' welfare and the continuous improvement of Health & Safety performance. In addition, the Group, as stated in the ESG Policy (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview) is committed to meeting adequate safety requirements and ensuring a safe, healthy and inclusive working environment, including through the prevention and mitigation of psychosocial risks and the promotion of physical, psychological and social well-being.

[S1-1 DP 23]

The Integrated Safety and Environment Manual establishes, among other things, a specific procedure for the management of accidents and injuries at work, defining the responsibilities, the operating methods to be adopted in the event of an accident, incident, dangerous behaviour or sickness, and the analysis of events for accident management, providing for the implementation of any improvement actions. The Group has also defined, within its organisational structure, appropriate operating procedures, sensitive processes, and the human and economic resources necessary to pursue high standards of health and safety in the workplace.

Actions

[ESRS 2 MDR-A DP 68a,b,c]

[S1-4 DP 37,40b]

The Banca Ifis Group is actively committed to guaranteeing the health and safety of its employees, recognising in the constant improvement of the corporate environment and in the promotion of initiatives aimed at well-being strategic opportunities to grow as a company that cares about people. On the one hand, it works to optimise company space, with a focus on new dynamics related to different working methods and safety protection; on the other hand, it promotes initiatives aimed at improving the well-being and protecting the health of employees and their families.

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With these aims, in 2025, environmental monitoring and surveys were carried out to assess the internal well-being of property workplaces, performing air and water quality analyses at the Group's main locations and monitoring noise levels and micro climate, which have resulted in the adoption of improvements.

In addition, the Group launched a restructuring process of its offices with a view to improving flexibility and sustainability and supply functional, comfortable environments, with an innovative design: offices, meeting rooms and common areas feature furnishings and new technologies that promote the exchange and sharing of information. For example, the building restructuring of the offices sees particularly close attention being paid to new dynamics linked to co-working procedures, flexibility of space and remote working.

With reference to the promotion of initiatives for the well-being of employees and their families, the partnership with a third party continued in 2025, through which employees benefit from unlimited access at a discounted price to sports centres and gyms throughout the country, as well as free on-line digital training, live streaming and on-demand, and other services such as nutritional counselling at a discounted rate. A partnership was also renewed with Italy's leading online psychology service, which aims to promote the psychological well-being of the Bank's people by offering five free sessions with online professionals and subsidised rates for any follow-up meetings, to support both work and personal issues.

In the area of topics related to psychological-physical well-being and relational and emotional areas of people's lives, Banca Ifis also continued its collaboration with Welfood. In 2025, six online meetings of the 'Ifis Feelings' column, dedicated to affection and couple relationships, took place. Recordings of all meetings are also made available on demand on the company intranet.

In order to promote a positive working environment and prevent possible inappropriate behaviour, in addition to the training activity with the Trust Adviser on the Group Policy for Combating Discrimination, Violence and Harassment, in November the Bank delivered a training awareness webinar on digital communication, aimed at the entire corporate population. The aim of the initiative was to raise awareness of the risks associated with the use of the Internet, social media and artificial intelligence, providing them with the tools to recognise and counteract online discrimination and violence.

At the same time, the Group continued to pursue a series of initiatives to promote the health and safety of its employees and their family members. Within the framework of Kaleidos, a blood donation day was organised in 2025 in cooperation with AVIS at the Via Borghetto office in Rome, in which more than twenty colleagues signed up; a similar initiative had also been carried out at the end of the previous year at the Via Bianchini office in Rome. Also in this context, the partnership with WelfareCare continued, aimed at spreading the culture of preventive healthcare. In 2025, some 900 mammography and breast ultrasound examinations were performed and offered to employees and their families thanks to the WelfareCare mobile clinic brought to sites in Milan, Mestre, Mondovì, Florence, Ravenna and Bari.

[S1-4 DP 37,38a]

The Banca Ifis Group is actively committed to preventing the possible negative impact of occupational accidents and illnesses, implementing targeted measures to protect the health and safety of its employees with the aim of protecting their well-being and ensuring business continuity in a safe environment.

More specifically, the Group's staff are called to comply with health and safety provisions as well as attend mandatory training programmes. This is partly outsourced and mainly supplied by the Prevention and Protection Service, suitably trained to this end, and is delivered exclusively during working hours, free of charge and with a final test. In 2025, the Group provided around 2.700 hours of mandatory training on health and safety practices and procedures.

Group employees, in addition to undergoing regular statutory health checks, have comprehensive health cover for illness, accident, permanent disability and life in the event of death.

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Finally, occupational medicine and health surveillance are outsourced to a national network of appointed physicians, coordinated by a coordinating doctor. Under no circumstances does the internal organisation become aware of the medical data of its employees.

[S1-4 DP 38d]

In order to ensure the effectiveness of its internal controls, the Banca Ifis Group has structured an internal monitoring system to ensure compliance with the principles described in the Group Policy and the proper implementation of the actions taken. In this context, the Prevention and Protection Service conducts safety audits on a regular basis, paying particularly close attention to newly opened locations or offices, and where significant changes are made to the layout of work environments. In addition, it provides regular information flows to the Supervisory Body, reporting on health and safety activities. These flows include an annual reporting of the controls carried out, which allows us to verify the correct application of the mitigation procedures laid down in the Integrated Safety and Environment Manual. The assessment and updating of risks, collected in the site-specific Risk Assessment Document (DVR) and the Assessment of Risks of Interference (DUVRI), are continuously monitored, with particular attention to building safety, emergency preparedness, management of contracted activities and interference risks. Any non-conformities are handled through in-depth analysis and the adoption of corrective measures by implementing all necessary actions in advance and with priority.

In the event of an accident in the workplace, the Integrated Safety and Environment Manual provides, as already mentioned, a procedure for analysing and managing accidents, with the introduction of improvement and/or mitigation actions to prevent the occurrence or repetition of such events. These actions are subsequently monitored by verifying their effectiveness through on-site visits and the direct involvement of employees during training.

[S1-4 DP 39]

As part of the Integrated Health and Safety Management System, the Group also has processes in place to identify preventive mitigation measures and establish priorities for action.

In particular, the occupational health service works with the Employer and the Prevention and Protection Service to identify and assess all risks. In addition, it carries out annual inspections of work sites to verify compliance with health and safety measures. The appointed physician plans and carries out health surveillance, preparing, updating and keeping custody of, at his own responsibility, the medical records and risk factors of each and every worker.

The system is based on a three-level control hierarchy is adopted, entrusted to trained and competent figures. The first level is represented by the supervisors, who operate through a new portal dedicated to the sharing and management of operational controls; the second level involves the Prevention and Protection Service; the third level involves a third-party audit. Completing this system, the Internal Audit function carries out spot checks to verify compliance with the procedures envisaged by the Integrated Manual.

In addition, the Manual contains, in its procedures, all formal instruments necessary for any workers to make reports to the Prevention and Protection Service of any potentially damaging situations or dangerous behaviour, in order to collect useful information with which to identify future action to be taken.

[S1-4 DP 41]

Lastly, Banca Ifis ensures that its business practices cannot in any way compromise the health and safety of its workforce, thanks to health surveillance contracts that actively guard against such effects, in accordance with the regulatory provisions in force from time to time.

[S1-4 DP 43]

The Employer, supported by the Prevention and Protection Service and the competent doctor, has the task of identifying risks and managing the relevant preventive measures, in order to ensure a safe and secure workplace for employees. Through the HR Business Partner and Safety, Environment & Real Estate Projects functions, shall ensure (pursuant to Legislative Decree No. 81/08) that each worker receives adequate information and training

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on safety, with particular regard to occupational health and safety risks related to the company's activities in general or to the protection and prevention measures and activities adopted.

To this end, HR Business Partner requires the new employee to see further documents such as, for example, the file for the information and training of workers on residual risks and the protective measures applied.

3.1.2 Work-life balance

The Group optimises the balance between professional and private life in respect of the principle of equal treatment to all employees and collaborators, right from the selection phase, without any distinction or preference based on personal, social or membership characteristics. In particular, work-life balance is considered fundamental to employee well-being and organisational efficiency, contributing, for example, to reduced turnover and increased productivity.

[S1.SBM-3 DP 48a]

IRO description	IRO category	Connection with value chain	Time horizon
Work-life balance			
Protection of work-life balance through the use of part-time contracts, remote work and flexitime, parental/family leave, time bank/extra leave	Actual positive impact	Own operations	Medium-term
Improving retention and attracting new talent through initiatives targeting employee health and safety and creating systems/tools to ensure a better work-life balance	Opportunity	Own operations	Medium-term

Group approach and policies

[S1-1 DP 19, AR 17a]

In line with the ESG Policy (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview), the Banca Ifis Group is committed to promoting the involvement and motivation of people, through actions aimed at fostering corporate well-being and promoting healthy lifestyles. In addition, Banca Ifis adopts the Group Policy for Employee Management (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview), which defines principles and guidelines for managing relations with employees.

Actions

[ESRS 2 MDR-A DP 68a,b,c]

[S1-4 DP 37,40b]

In pursuit of the opportunity to promote a work-life balance, the Group has planned to introduce innovative systems and tools that support the reconciliation of these two spheres, encouraging greater flexibility in working arrangements and improving the conditions for access to family benefits. These initiatives aim to ensure a working environment that meets individual needs, contributing to the overall well-being of all employees and strengthening the corporate culture.

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In particular, the two trade union agreements also applied in 2025:

- on 'smart working', 'welfare' and 'canteen ticket', aimed at supporting the management of the different stages of parenthood and promoting work-life balance. These agreements include specific onboarding programmes for mothers and fathers returning from maternity or paternity leave, a smart working plan that also allows them to work continuously from the fifth month of pregnancy until the sixth month of the child's life (without prejudice to the compulsory maternity period), and offers two days of smart working to parents with children up to the age of fourteen. They also provide for the possibility of concluding part-time contracts and, for particularly serious situations, the activation of teleworking through individual agreements;
- on flexibility which, while respecting the thirty-seven-hour working week, allows entry from 8.00 until 10.30, so that entry and exit times can be brought forward or delayed compared to the standard time (9.00 - 17.30). It is also possible to take a half-day leave by compensating the hours not worked on that day with an increase in working hours spread over the other days of the week.

In addition, during 2025, the Group signed new agreements with trade unions, introducing further measures to support people's well-being and work-life balance. In particular, new paid leave has been envisaged, including 10 hours per year for medical examinations, plus an additional 10 hours for travel time, dedicated leave for children's inclusion in kindergartens, as well as an extension of paternity leave, with the introduction of an additional 10 paid days in addition to those already provided for under current legislation for new fathers or fathers on the way.

With reference to supplementary pension, against a minimum employee contribution confirmed at 1%, the Bank increased its contribution to supplementary pension funds to 2,25% or 2,75% depending on the classification, with the aim of reducing the pension gap between Professional Areas and Middle Managers. The new contribution rates apply, for employees already members of the Fund, as of 1 January 2025.

[S1-4 DP 37,38c]

The implementation of a system of welfare policies and actions aimed at promoting a better work-life balance for all employees, such as work-life balance initiatives and programmes to support family needs, contributes to creating a positive impact on Ifis People's quality of life.

Numerous initiatives have been renewed for 2025 as well, testifying to the Bank's commitment to the well-being of all its employees. These include the benefits package, which in turn comprises subsidised mortgages, health and pension insurance, a supplementary pension fund and canteen tickets, confirming the focus on an increasingly effective balance between private and professional spheres. The agreement on meal vouchers remains in force and extended to all employees, including those working in smart working or part-time mode. The expected result of adopting the above initiatives is to improve people's work life balance and well-being.

As further confirmation of the Bank's attention to the needs of employees, the DE&I Survey was administered in 2025, with the aim of identifying effective actions consistent with the needs that emerged. The results collected contributed to the definition of a specific Action Plan, included in the Gender Equality Business Plan drafted pursuant to the UNI/PdR UNI/PdR 125 Gender Equality Certification: 2022.

[S1-4 DP 38d]

The Human Resources Department collects and analyses data on the implementation of the above-mentioned initiatives, monitoring the effectiveness of the actions undertaken through detailed analyses.

[S1-4 DP 43]

The Group's Human Resources are directly involved in the management of material work-life balance impacts. In particular, activities are divided between the Labour Law Relations function, responsible for the adoption of internal HR policies, HR Business Partner, in charge of managing and monitoring impacts, and Total Reward & Controlling, in charge of the quantitative reporting of the results obtained through the actions undertaken.

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[S1-4 DP 37]

Similarly, the illimity Group has implemented a flexible and customisable corporate welfare system, with a strong focus on the psycho-physical, professional, social and financial well-being of its employees. illimity promotes constant listening and transparent communication, thanks to the annual Great Place to Work © survey and targeted action plans, such as transversal work tables and team building initiatives, to foster well-being and a sense of belonging. The results of these initiatives are highlighted by certification, for the sixth consecutive year, as Great Place to Work ©, reflecting the company's appreciation for DE&I, sense of team and pride in belonging. In addition, projects aimed at streamlining processes and strengthening internal communication were initiated.

3.1.3 Training and skills development

The Banca Ifis Group attaches a central role to training and skills development as strategic levers for the personal and professional growth of its employees and associates. To this end, the Group promotes training plans structured on a continuous learning model and dynamic skills management, with the aim of accompanying each employee on a personalised professional growth path. Attention to the transparency of evaluation systems and development opportunities is crucial to ensure that each employee can fulfil his or her potential to the fullest. Through these initiatives, Banca Ifis supports not only the improvement of individual performance, but also the development of an excellence-oriented working environment.

[S1.SBM-3 DP 48a]

IRO description	IRO category	Connection with value chain	Time horizon
Training and skills development			
Developing employees' skills through training, development and talent development programmes within Ifis Academy	Actual positive impact	Own operations	Medium-term
Enhancement of individual performance through appropriate performance appraisal systems and professional development plans	Actual positive impact	Own operations	Medium-term
Improving the retention and attraction of new talent through an effective training system and strengthening dialogue and cross-functional relationships	Opportunity	Own operations	Medium-term

Group approach and policies

[S1-1 DP 19, AR 17a]

Employee training is managed in accordance with the previously mentioned Group Policy for Employee Management (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview) with a focus on recruitment, evaluation and training processes. In line with the principles of the ESG Policy (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview), the Group is committed to enhancing its human capital, promoting the continuous training and professional growth of its employees, in order to ensure that they are equipped with the skills and professionalism needed to perform the responsibilities assigned to them, in a context aimed at promoting individual well-being and professional development.

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Actions

[ESRS 2 MDR-A DP 68a,b,c]

[S1-4 DP 37,40b, AR 17h]

The Banca Ifis Group promotes the growth of its workforce through a structured and effective training system, considering it an important opportunity for internal skills strengthening and innovation.

The Ifis Academy, an in-house training school inspired by the Group's leadership model, combines technical and behavioural skills and is at the heart of the talent enhancement and development system. In 2025, the attention paid to training its employees resulted in 59.842 hours provided to the corporate population, distributed among executives (1.906 hours), middle managers (22.789 hours) and office workers (35.147 hours), demonstrating the importance attached to continuous growth and professional excellence at every level of the organisation. Of these, 28.293 hours were dedicated to female workers and 31.550 hours to male workers, showing a balanced focus on training all employees, regardless of gender.

It should also be noted that a total of 59.842 hours of training were provided, distributed among the following areas: health and safety (2.712), anti-corruption (1.553), anti-money laundering (6.287) and 'other[48]'.

During the year, a five-year partnership was also signed with Digit'Ed S.p.A., active from 2026, which focuses on content delivery through advanced teaching methodologies and cutting-edge digital technologies, such as artificial intelligence, adaptive learning and an experiential approach. Thanks to this collaboration, Ifis Academy will consolidate its positioning as a strategic asset for the Bank's sustainable growth, with the aim of enhancing its distinctive skills and anticipating the challenges of the banking, economic and financial sector in an ever-changing environment.

In order to identify the managerial potential of Ifis People and take care of their growth in a proactive and constant manner, the mapping of internal talent continued during 2025. The project provided a snapshot of the profiles present in the Bank and will be accompanied by regular and constant monitoring to ensure effective tracking of key figures.

Depending on the subject area and the desired level of knowledge, the Human Resources Learning and Development Department promotes training programmes dedicated to the development of all the Group's people, selecting the most suitable teaching methods for each employee. Options vary between behavioural and management training workshops and laboratories, on-line courses, targeted technical training, seminars, on-the-job training, coaching and one-to-one interviews. The Ifis Academy provides the following training programmes and areas:

- Talent Accelerator, a macro-area which includes the Ready to Race project and the Start to Grow project, aimed at identifying and developing potential in the organisation. Ready to Race is a three-year course for around 50 employees who have been selected following an initial assessment phase. The course, run in cooperation with the professional group and independent institute The European House - Ambrosetti, sees a succession of training sessions, meetings with recognised speakers, company visits and trips abroad. For those who do not have an adequate level of English, dedicated language training has also been set up. As part of the various activities, participants are asked to work on topics central to Banca Ifis such as sustainability, innovation, business and digitalisation. In particular, 2025 focused on the link between business and sustainability, with the aim of developing a systemic mindset, understanding how sustainability gives value to business models and enhancing the connection between ethics and value generation. The course made possible a significant increase in participant satisfaction, promoting greater

[48] *'Other' includes training hours provided in the ESG area.*

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engagement with the organisation and obtaining greater loyalty among participating employees, which stands at 94%. Start to Grow completes the training offer of the Academy cluster dedicated to the Talent Accelerator and is designed as a path for a wide range of employees (approximately 130) who have the opportunity to develop their skills through training sessions that explore in detail some of the pillars of the Leadership Model. In 2025, the final event of the course took place: the participants were involved in an initiative that combined a visit to a major innovation hub in Bologna and a dynamic team activity with the aim of training the key competences covered by the initiative - agility, network building and self-management. In general, through these initiatives Banca Ifis intends to enhance decision-making and problem solving skills, preparing employees to make strategic decisions and stimulating their ability to think innovatively, as well as to promote cross-functional collaboration and increase their sense of belonging to the organisation;

- Business Accelerator, a macro-area that encompasses both training courses on business topics that can be applied for as part of the Performance Management process, as well as training courses aimed at specific structures of the Commercial & Corporate Banking and Npl business. In 2025, a significant evolution of the business pathways was launched, with the creation of two new Professional Programmes dedicated to new recruits: the programmes, developed in collaboration with 24ORE Business School, were created with the aim of accompanying colleagues on a path of growth that would make them autonomous and fully capable of interpreting their role with competence and confidence. In a parallel fashion, two Executive level courses are being planned, designed for more senior professionals, with the aim of strengthening the strategic and leadership skills needed to tackle the most complex business challenges. The development of these specific courses can enhance the specific competencies of these business functions, while promoting cross-functional collaboration and ensuring that each area contributes effectively to the organisation's overall objectives;
- People Accelerator, i.e. a series of initiatives aimed at the development and practical training of soft skills. These include a series of catalogue courses on Leadership Model competencies that employees can request as part of the performance management process and which are then organised annually on the basis of requests received, and the 'People Management Accelerator' course for managers and coordinators. The latest edition of the course, which involves around 40 participants and concluded in May 2025, made it possible to provide the necessary tools to better interpret one's role as a manager, promoting greater awareness and acquiring practical skills to adopt the behaviours and attitudes indicated by the Leadership Model; Two team coaching courses were also set up, dedicated respectively to Branch Sales Managers and Area Managers, with the aim of evolving the interpretation of the role in a managerial key, without forgetting the commercial peculiarity, by acting on people management skills;
- Digital library, a collection of digital training content available at all times, relating to current topics connected to behavioural, cultural, regulatory, technical and procedural matters;
- Mandatory training, which includes, amongst others, initiatives relative to: administrative liability of entities pursuant to Italian Legislative Decree No. 231/2001, operative requirements linked to the regulations on banking transparency, anti-money laundering, worker health and safety, IT security, regulation on personal data protection and business continuity, IVASS and MiFID 2. In particular, a new compulsory training content on artificial intelligence and the AI Act was included at the start of 2025, consisting of two modules: the first offers a general overview of artificial intelligence and its applications in business, with a focus on the ethical aspects and responsibilities associated with its use; the second delves into the objectives of the AI Act, prohibited practices and requirements for high-risk artificial intelligence systems, with practical guidance on how to adapt to the new regulations;
- Specific initiatives, i.e. transversal training initiatives activated and organised to meet specific organisational needs; among the most significant are the activities organised in relation to cybersecurity awareness, also in line with Bank of Italy Directive 2013/285, thus increasing the Bank's resilience against possible external cyber-attacks. In particular, targeted training was carried out in 2025 for some key figures with the aim of strengthening their skills in the cyber sphere, and a webinar open to the entire

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corporate population on cybersecurity, organised on the occasion of the European Cyber Security Month promoted by the European Union. The webinar provided an insight into how neuroscience can offer useful tools to recognise the psychological mechanisms behind cyber-attacks and protect our data more consciously. In addition, an up-skilling and re-skilling plan was launched targeting specific figures in the Bank with the aim of acquiring the necessary skills to acquire the cloud technology infrastructure. Finally, in the last months of the year, a training initiative was promoted to increase skills related to the use of Excel;

- Onboarding, a pathway to accompany new colleagues in their entry into the organisation. The course is inspired by Banca Ifis's commitment to the promotion of the Economy of Beauty and is structured around three main stages: the beauty of starting out, to welcome new colleagues and help them find their way through guided communications; the beauty of learning, to deepen their knowledge of the organisational context through dedicated live training sessions; and the Beauty of Meeting, to celebrate joining the Bank and meet new colleagues through an engaging and interactive moment;
- Specific training and updating, a macro-area that includes workshops, training courses, industry forums and activities organised both internally and externally, with the aim of ensuring continuous updating on new regulations and areas of expertise.

[S1-4 DP 37,38c, AR 17h]

The Banca Ifis Group recognises in people a fundamental asset for the achievement of its objectives, directing its personnel management towards the enhancement of individual skills, attitudes and abilities, and offering real opportunities for professional growth and realisation. Through a careful periodic evaluation process governed by the Group's Employee Management Policy, the Group recognises the importance of people development, considering investment in human potential an essential element in fostering innovation. In this context, measures were taken to consolidate the positive impacts of employee satisfaction and individual performance enhancement by improving training, development and staff management processes. The introduction of tools inspired by gamification principles has contributed to the enhancement of continuous learning and development, integrating motivational and engagement elements to foster dynamic and participative professional growth.

To support this approach, the Group uses the Ifis Talent platform, its own Talent Management System[49], which was upgraded in 2024 with a more intuitive interface and new functionalities. Within the platform, most of the activities related to the 'Perform Up' performance management process are digitised, which aims at enhancing individual performance and enables staff appraisal, access to customised training courses and professional development of individual employees. Within the platform, employees find all the tools they need to give continuity to their professional development and, at the same time, it allows managers to have a structured view of the evolution of their employees and to give them constant feedback on goals achieved, skills acquired and areas for improvement. The platform also makes it possible to: exchange feedback between employees from different areas; give feedback to one's boss or request it; and access digital pills with topics modulated according to the needs identified through the feedback gathered, thus supporting not only the personal awareness process, but also the acquisition of new references and behavioural methods. Access is also given to participation certificates, which are awarded at the end of certain relevant training experiences, and to 'badges', which are recognised on the basis of activities on continuous feedback and digital pills shared with employees.

In addition, the onboarding process has also been integrated within the Ifis Talent platform, with the aim of accompanying new recruits towards progressive autonomy, fostering team integration and developing a sense of belonging, through a series of individual and/or group activities. The platform also includes an extensive and constantly updated digital library to support the continuous training of all employees.

[49] *Currently only accessible to employees of Italian Group companies.*

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illimity also maintained a strong focus on training, promoting an approach that combines transversal courses, aimed at strengthening technical skills and spreading ESG culture, with mandatory courses for all employees on key topics such as DE&I, environmental sustainability and harassment prevention.

The offer consists of four main pillars:

- compulsory training: includes key topics such as compliance, health and safety, IT security, ESG with a focus on climate risks and DE&I;
- specialised training ('illimity up'): offers courses according to the role and needs of the individual, accessible on demand. In the area of performance management, each employee can build, together with his or her manager, a development plan by choosing from the course catalogue, with access also to the LinkedIn Learning platform, which is useful for autonomous and creative learning; in addition, there is language training, with English courses assigned on the basis of the result achieved in the test taken on joining the company;
- managerial development programmes: pathways dedicated to new Team Leaders, Managers and high-potential employees (so called 'Top Rising Star'), selected with evaluation tools and the support of managers. Exchange and growth initiatives such as Cross Mentoring and internal Erasmus complete the offer;
- training initiatives to support the 'digital boost': a selection of courses from the LinkedIn Learning library and a series of webinars aimed at understanding how to work even better with the opportunities offered by technological innovation.

[S1-4 DP 38d]

The Banca Ifis Group monitors and evaluates the effectiveness of the appraisal process through internal analyses conducted by the Human Resources Department, which include the verification of the distribution of expected appraisals and the fulfilment of the contractual obligation to appraise by managers.

The performance management process is in line with the Group's new leadership model, with the aim of better responding to employees' needs, reflecting the principles of the model and enhancing individual contribution.

Concretely, the process involves a goal-setting moment at the beginning of the year when each employee makes his or her own goal proposal that the manager can review and supplement, as well as a mid-year performance review. At the same time, each employee can choose from an extensive catalogue of soft and technical courses those best suited to his or her development needs: the training on offer ranges from Leadership Model skills to banking culture and technical business knowledge.

A Mid-Year Review is scheduled for continuous feedback to monitor progress against targets, identifying any need for adjustment and providing timely feedback. The final phase is devoted to evaluation, a moment that, in a cyclical and recursive perspective, coincides with the phase of assigning objectives for the new year.

In addition, the digitisation of the performance management process through the Ifis Talent platform allows employees of Italian companies and, as of 2026, also employees of foreign companies, to freely comment on their evaluation. This tool gives the Human Resources Department an opportunity to gather further feedback on the process. For employees of foreign companies, on the other hand, the process is managed in cooperation with the relevant HR Business Partner, who ensures alignment between business needs and human resources management, supporting managers in maximising the potential of employees.

The effectiveness of the initiatives is confirmed by the increasing use of the Ifis Talent platform and the significant increase in the number of feedbacks exchanged between employees. In particular, this year too, six employees were rewarded, having obtained the 'Ifis Talent Super Ambassador' badge in 2024, achieving the highest level in the programme's three categories: enjoyment and sharing of digital pills and feedback exchange. The award ceremony maintained its focus on sustainability: an experience was organised in Castello Tesino, in Valsugana, one of the areas most affected by storm Vaia and today particularly devastated by the bark beetle attack. During the day, participants tried their hand at planting more than 90 trees of different species, including spruce, beech

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and larch, with the aim of fostering biodiversity and contributing to the revival of the area. The event was enriched by a dedicated workshop, in which experts in the field illustrated how climate change is impacting on the valley's forests, offering food for thought on the active role everyone can play in protecting the environment.

These initiatives demonstrate Banca Ifis's commitment to ensuring continuous training and empowering employees as active promoters of good business practices. Furthermore, in order to verify the level of satisfaction and effectiveness of the training activities delivered through Ifis Academy, constant monitoring is conducted at the end of each initiative to ensure alignment with the set training objectives and the achievement of quality standards.

The effectiveness of the actions undertaken is further enhanced through external recognition. The HR Innovation Practice Observatory of the School of Management of the Polytechnic University of Milan, in the 'Performance Management' category, awarded the HR Innovation Impact Award 2023 to the Banca Ifis Group. This award is aimed at organisations that, having won the HR Innovation Award in previous years, have evolved their projects over time, generating a significant impact on the entire organisation.

[S1-4 DP 43]

The Human Resources Department plays a central role in managing feedback between the Bank, Group companies and employees. It is responsible for human resources development, workforce planning and HR process management, using structured methodologies and organisation support. It oversees the definition of resource requirements, ensuring the effective functioning of organisational units, and manages crucial activities such as staff recruitment, selection, induction, development and management. In this area, it oversees the planning of career paths, training programmes and internal and external mobility, ensuring adequate quality and quantity of resources within the planned budget.

In addition, the Learning & Development function, on the basis of the results of the annual evaluation and any quality gaps that emerge in this context, designs, plans and implements a training programme for employees. The function is also responsible for monitoring their use and verifying their effectiveness, with a particular focus on participation in compulsory training.

3.1.4 Equal treatment and opportunities for all

As expressed in the Code of Ethics (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview), the behaviour of all Group staff must be utterly correct and fair. The Banca Ifis Group undertakes to ensure that the management and heads of the individual organisational units behave fairly toward their collaborators, guaranteeing professional growth and fostering a working climate inspired by principles of transparency and loyalty.

[S1.SBM-3 DP 48a]

IRO description	IRO category	Connection with value chain	Time horizon
Equal treatment and opportunities for all			
Employee insecurity due to incidents of harassment and/or the absence of employee protection measures and/or awareness-raising initiatives	Potential negative impact	Own operations	Medium-term
Integration of disabled workers by ensuring greater accessibility through physical and digital solutions	Actual positive impact	Own operations	Medium-term

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IRO description	IRO category	Connection with value chain	Time horizon
Gender pay or wage gap for equal employment and skills and difficulties in accessing top positions and/or professional development processes for the less represented gender	Potential negative impact	Own operations	Medium-term
Reputational risk due to the detection of potential discrimination against employees	Risk	Own operations	Medium-term
Improving employees' sense of belonging to the Group by promoting projects that uphold values such as gender equality, inclusion and valuing diversity	Opportunity	Own operations	Medium-term

Approach and reference policies

[S1-1 DP 19]

With the aim of further consolidating and ensuring respect for diversity, the Banca Ifis Group applies the Group Policy for the Promotion of Diversity and Inclusiveness (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview), which, consistent with the principles enshrined in the Group's Code of Ethics and ESG Policy, fosters an inclusive corporate culture, ensuring equal treatment and respect for all employees and collaborators. In a parallel fashion, the Policy on Combating Violence and Harassment in the Workplace (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview) reinforces the Group's commitment to preventing and combating any form of discrimination, harassment or violence, promoting the well-being, awareness and empowerment of all its people. Furthermore, the Group's Remuneration and Incentive Policy (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview) helps to support these objectives by defining principles aimed at ensuring a remuneration system that is fair, transparent and consistent with the company's strategy and objectives. This policy is an essential tool to promote responsible behaviour, sound risk management and alignment of interests between management, staff and stakeholders.

[S1-1 DP 24a]

In this context, the Banca Ifis Group has a management system in place to prevent or mitigate negative impacts on the workforce with regard to inclusiveness through the joint adoption of the Policy for the Promotion of Diversity and Inclusiveness and the Policy for Combating Violence and Harassment in the Workplace. In particular, this latter defines how the Banca Ifis Group:

- promotes the importance of preventing, opposing and combating all forms of discrimination, harassment or violence within the company premises, with the aim of raising awareness on the issue in every person in the Group;
- identifies the most appropriate prevention measures to disseminate and promote, within the company organisation, a culture based on respect for human dignity, diversity and inclusion (e.g. training courses, information sharing, awareness-raising initiatives);
- promotes language that respects gender diversity.

[S1-1 DP 24b]

Thanks to these instruments, the Group guarantees fair treatment for all employees and collaborators, without discrimination on the basis of race, colour, gender, sexual identity and orientation, language, religion, political or other beliefs and opinions, national or social origin, birth, wealth, age, as well as any other condition, element or

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diversity characterising the person. The Group endeavours to promote and enhance interculturality internally and externally, including in personnel selection, following an open and inclusive social model.

Within the Policy for Combating Violence and Harassment in the Workplace, the Group clearly defines behaviour that is considered unacceptable, providing detailed guidelines for preventing and combating all forms of violence, harassment and discrimination. A zero-tolerance policy is adopted towards behaviour that may offend people's dignity, with a focus on harassment, gender-based and sexual violence. These attitudes may manifest themselves through words, gestures, digital messages or intimidating attitudes, including threats, insults and innuendo. Sexism, misogyny, misandry and any form of discrimination against LGBTQIA+ persons are also considered unacceptable.

[S1-1 DP 24c]

Consistent with these principles, the Group has implemented a Gender Equality Management System following the adoption of the Policy for the Promotion of Diversity and Inclusiveness (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview) and then intervened to remedy the impacts deemed material through the adoption of a Gender Equality Business Plan approved by the Banca Ifis Group Sustainability Committee. The policy, applicable and disseminated to the extent of its competence to all the Group's organisational units, is inspired by the principles enshrined in the Universal Declaration of Human Rights approved by the United Nations General Assembly on 10 December 1948 and the corporate values that constitute the Bank's value-based and cultural identity.

On these premises, through the adoption of the Policy for Combating Violence and Harassment in the Workplace, the Banca Ifis Group:

- promotes the use of language - both verbal and written - that is appropriate, aligned with its values, courteous, inclusive and respectful with regard to gender, vulnerabilities, difficult conditions and diversity in general, combating gender stereotypes, in order to contribute to social change;
- intends to continue its commitment to adopting preventive measures suitable for preventing and combating this kind of behaviour contrary to the values it has always promoted at all levels of the organisation, through information, training and awareness-raising initiatives for all staff;
- creates the conditions for all incidents of violence and/or harassment and/or discrimination to be reported, ensuring an effective process for handling reports that guarantees the utmost rigour and protection of the confidentiality of the persons involved;
- is committed to addressing and resolving reports of discrimination or violence or harassment quickly, confidentially and effectively.

[S1-1 DP 24d]

Finally, the Group will ensure that all staff, individually and collectively, contribute to nurturing and preserving a work environment free from discrimination and prejudice: this is an essential condition for achieving the objectives in respect of diversity and inclusion. The Policy for Combating Violence and Harassment in the Workplace also describes the process for reporting unacceptable behaviour that may lead to disciplinary sanctions, in order to ensure that all forms of discrimination are avoided, mitigated and addressed within the Group. Banca Ifis is committed to handling all reports swiftly and confidentially, ensuring that effective corrective action is taken. In addition, the Banca Ifis Group has adopted a Gender Equality Management Manual, with the aim of ensuring compliance with the principles of diversity, equal opportunities and inclusiveness within the organisation.

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Actions

[ESRS 2 MDR-A 68a,b,c]

[S1-4 DP 37,40b]

In the social context, the Banca Ifis Group considers the creation and promotion of initiatives aimed at upholding fundamental values such as gender equality, inclusion and valuing diversity an important opportunity for growth and development. In all Banca Ifis offices and branches, the panels 'We are Difference' and 'We are One' are displayed, reaffirming the Bank's focus on valuing diversity, spreading an inclusive culture and respecting different opinions and points of view. The posters also emphasise the importance of combating stereotypes and prejudices, promoting a welcoming and inclusive language.

In 2025, in continuity with previous years, on the occasion of internationally evocative days on the issues of civil rights, gender equality, homophobia and, in general, against discrimination, harassment and violence, ad hoc activities were implemented, including webinars, dedicated articles, in-person events and initiatives to raise awareness and engagement among the entire corporate population. In particular, the main events include: "Pink October", a month dedicated to raising awareness for breast cancer prevention, "Pride Month", a month dedicated to valuing diversity and LGBTQIA+ rights, the International Day for the Elimination of Violence against Women, and STEM Education Day, to promote interest and learning in science disciplines. In June 2025, an event entitled 'Cybersecurity: between AI and human value' was organised in collaboration with Women4Cyber, an initiative that aims to encourage women to train, improve their skills and develop a concrete interest in cybersecurity. The event was attended by about 35 colleagues.

The objective of all these activities is the dissemination of a shared culture and inclusive and respectful language in order to prevent conflicts and discourage non-inclusive practices within the work environment.

Banca Ifis also launched communication campaigns on topical issues and continues with the publication of the newsletters 'Sustainability Flash' and 'Sustainability News' dedicated to ESG and DE&I issues.

In addition to the initiatives listed above, the main corporate projects aimed at actively involving Banca Ifis employees are listed below:

- participation in the Race for the Cure charity marathon in Bologna, where the amount of each entry was donated to support the fight against breast cancer;
- corporate volunteering days in collaboration with Banco Alimentare, which saw employees active in nine Italian regions, including participation in the National Food Collection Day, and with Empethy, in shelters and kennels in five regions to combat stray animals;
- the pet food collection, again in cooperation with Empethy, which allowed the donation of quantities of food for dogs and cats to the shelters and kennels involved in the voluntary work carried out;
- blood donation day, in collaboration with AVIS in the Milan office, raising awareness among employees about the importance of contributing to the national health system.

The communication actions described are continuously monitored to assess their dissemination within the corporate population. This is done by measuring quantitative KPIs, which analyse the views of news published on the intranet, and qualitative KPIs, which measure the level of direct employee involvement in initiatives. Employees also have the opportunity to leave comments on the news, thus providing feedback to evaluate the effectiveness of the communication actions taken. From these actions, the Banca Ifis Group expects employees to identify with a shared culture that reflects the Bank's values. As previously mentioned, a DE&I Survey was conducted to support the Bank's focus on these issues, with the dual aim of understanding perceptions of the initiatives the Bank is proposing in the area of Diversity, Equity & Inclusion and, at the same time, gathering ideas for improvement to promote a fair, respectful working environment within the Bank, free from any form of harassment or discrimination.

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[S1-4 DP 37,40a]

As foreseen by the Policy for Combating Discrimination, Violence and Harassment in the Workplace, Banca Ifis has established the figure of a Trust Advisor, as a point of reference for employees who have suffered discrimination, violence or harassment in the workplace. This is an expert in the field of discrimination, with specific skills in the legal, psychological and conflict mediation fields, who provides support and advice in all situations reported and identified by the Policy.

During 2025, specific training on harassment and the figure of the Trust Adviser was provided to members of the Management Committee, managers and all other staff.

The adoption of the policy and the appointment of the Trust Adviser are two key elements demonstrating the Bank's commitment to ensuring that all staff are treated without discrimination, whether direct or indirect.

[S1-4 DP 37, 38a, AR 17c]

An active commitment to upholding core values such as gender equality, inclusion and valuing diversity also means recognising, preventing and working to mitigate possible negative impacts that could arise from unsafe situations for employees. These may manifest themselves in incidents of harassment, the lack of adequate worker protection measures or awareness-raising initiatives, discrimination resulting from non-inclusive practices in the workplace, and the gender pay gap despite equal employment and skills. In this context, salary review processes are geared towards closing any salary gap, with a view to continuous improvement. The Group therefore aims to reduce these potential negative impacts by promoting a safe, respectful and inclusive working environment.

In 2025, just like last year, a strategic objective was maintained within the performance management system for employees of Italian companies, aimed at fostering an increasing commitment to sustainability. The choice of training content was developed in continuity with 2024, where the proposed courses provided an overview of the ESG world and the 2030 Agenda, with a focus on gender equality (Goal 5) and reducing inequalities (Goal 10), which are still available on the platform. Subsequently, new modules related to sustainable cities and communities (Goal 11), responsible consumption and production (Goal 12), combating climate change (Goal 13) and partnership for the goals (Goal 17) were introduced. Training is included among the mandatory activities for all Group personnel.

In a parallel fashion, the 'People Management Accelerator' training course continues, in which, among other activities, a session dedicated to diversity and inclusion issues is planned. Participants are guided to grasp the value of differences as a generative element of innovation, promoting an inclusive culture within their own structures. Moreover, adherence to these competencies is subject to annual self-assessment and evaluation in the performance management process.

In addition, the e-learning course developed in cooperation with Valore D focusing on Unconscious Biases is also available on the platform, allowing to question and reflect on unconscious biases that hinder the emergence of talent in organisations. The course, structured in modules, offers the opportunity to discuss concrete cases of Unconscious Bias acted and suffered in business contexts. In addition, the Bank continues to offer a psychological support service through external partners and, through the implementation of the 'Policy for Combating Violence and Harassment in the Workplace', allows employees to report inappropriate behaviour also through the external channel of the 'Trust Advisor'.

In light of the introduction of the figure of the Trust Advisor, the Safe@Work series of meetings was organised, aimed at the different corporate groups (top management, managers and employees), in cooperation with the Libellula Foundation. The sessions illustrated the above-mentioned Banca Ifis Policy, the extent of the phenomena of discrimination, harassment and gender-based violence, and provided guidance on how to recognise and intervene in cases of inappropriate behaviour. In addition, the training made it possible to publicise the figure of the Trust Adviser, facilitating accessibility to this mechanism and its effective functioning.

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Overall, the initiative involved more than 1.300 colleagues, strengthening the culture of inclusion and protection of people within the organisation.

[S1-4 DP 37,38c]

The Banca Ifis Group recognises equal opportunities for all Ifis People, regardless of their cognitive, sensory and motor abilities, promoting the integration and inclusion of differently abled people and fully leveraging their talents and skills. To this end, the Group endeavours to break down all barriers by working to offer solutions that are tailored to specific needs and alternative ways of working (e.g. smart working, flexibility, teleworking, part-time work). A regulation for the use of internal parking spaces for the benefit of permanently and temporarily disabled employees and pregnant employees was published in 2025.

In this context, the Group has established greater protections and facilities for disabled people to enable them to better balance the more complex demands of life with work. These include, for example, the preferential choice of days on which to work in smart working mode and the possibility of teleworking. Furthermore, in accordance with current regulations, the Group promotes the adoption of all measures necessary to overcome physical obstacles and guarantee all Ifis People fair and inclusive access to offices, removing all architectural barriers by means of special equipment, aids and tools, such as, for example, lifts and stair lifts.

In a parallel fashion, the company websites and intranet have been updated to improve the browsing experience and accessibility for people with physical and cognitive disabilities. The company intranet has been supplemented with specific innovative tools, which are visually unobtrusive but very powerful and allow the page view to be modified according to accessibility needs (over 50 customisable options) to guarantee a better browsing experience even for those with physical or cognitive difficulties. In addition, options include specific profiles for epilepsy, low vision, ADHD, cognitive disabilities, blind (with audio players), and other features such as readable fonts, optimised contrast, voice commands, magnifying glass and virtual keyboard.

To ensure inclusiveness during company events, the Code of Ethics has been made available in Italian Sign Language (ISL), and simultaneous translation in ISL is offered to employees with hearing disabilities, thus promoting active, barrier-free participation.

[S1-4 DP 37,38d]

As evidence of the proper implementation of the initiatives and the benefits derived from them, in 2023 all Banca Ifis Group companies (based in Italy) achieved gender equality certification UNI/PdR 125: 2022, which is in addition to the Winning Women Institute certification, obtained for the first time in 2022 as the first Bank in Italy. Obtaining UNI/PdR 125:2022 certification requires the adoption of specific indicators, Key Performance Indicators (KPIs), in relation to six assessment areas (culture and strategy; governance; Human Resources processes; opportunities for growth and inclusion of women in the company; gender pay equity; parental protection and work-life balance). Each company within the certification scope achieved the minimum overall score of 60%, which determined the organisation's access to certification. This certification, renewed in 2025 at the time of the audit carried out by the relevant body, confirms the concrete commitment to the promotion of equality and inclusive policies within the organisation.

The UNI/PdR 125:2022, which provides for a management system for gender equality, is the main way in which the organisation monitors and evaluates the effectiveness of gender equality actions. Specifically, certification is for three years, with two annual audits to monitor the management system and any improvements.

In addition, in 2025 too, Banca Ifis received the 'Welcome Working for Refugee Integration' award from the UNHCR for the second year in a row, an acknowledgement of the companies' commitment to promoting a more inclusive society for those forced to flee war and persecution. The Bank was rewarded for its concrete commitment to the employment of refugees, helping to enhance their skills and talents in the professional context.

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As part of the Policy on Combating Violence and Harassment in the Workplace, starting FY 2025, monitoring through dedicated quarterly reporting was initiated, dedicated to enabling the analysis of reported cases with a significant impact and will allow targeted actions and initiatives to be implemented from 2026 onwards.

[S1-4 DP 39]

Such monitoring allows the most appropriate actions to be identified in a timely manner to respond to the impacts on employees and to detect any anomalies. This is overseen by the HR Business Partner function and through the detection and reporting processes defined by the Whistleblowing Policy and the Policy for Combating Violence and Harassment in the Workplace.

[S1-4 DP 41]

The Banca Ifis Group, in full compliance with current labour legislation, ensures that any decisions to terminate business relationships cannot in any way affect its workforce in terms of diversity and inclusion. In particular, through the application of the National Collective Bargaining Agreement for Credit, signed by the trade association Associazione Bancaria Italiana (ABI), Banca Ifis is subject to the numerous procedures for discussions with trade unions provided for in the contractual provisions, in the event of company reorganisations, acquisitions, mergers or business transfers.

[S1-4 DP 43]

In order to implement the Group Policy for the Promotion of Diversity and Inclusiveness, specific responsibilities have been defined for both corporate bodies and the corporate organisation. Starting end 2023, a specific working group dedicated to the management of DE&I issues was set up. The Sustainability Committee, with the support of the Human Resources Department, is in charge of monitoring compliance with DE&I principles, integrating them into Group policies and processes, implementing the business plan to reduce the pay gap and gender differences, and coordinating initiatives to promote an inclusive culture, both internally and externally to the Group, in cooperation with the Communications, Marketing, Public Affairs and Sustainability Department. The latter, in turn, fosters the dissemination of a diversity- and inclusion-oriented culture through awareness-raising campaigns and supports the communication of the business plan. In the continuous monitoring process, implemented by the relevant functions, it will also be possible, starting 2026, to assess the effectiveness of the actions and initiatives put in place as a remedy to the actual impacts.

In addition, with regard to the employee recruitment process, the Innovation Office supports the HR function in the induction phase. In particular, according to specific needs, the two functions analyse the most appropriate hardware and software, so as to ensure that the employee has the optimal conditions to perform his or her work effectively.

[S1-4 DP 37]

illimity Bank is actively involved in gender issues, having obtained the UNI/PdR 125:2022 certification for gender equality valid for three years and adhered since 2023 to the Memorandum of Understanding for the prevention of and fight against violence against women and domestic violence, promoted by the Ministry for Family, Birth and Equal Opportunities and the President of the Italian Banking Association (ABI), in order to develop and promote joint initiatives on these issues. Since the same year, illimity has made training on DE&I and the Anti-Harassment Policy mandatory for all employees. Through webinars, training courses and dedicated initiatives, it offers employees concrete opportunities to raise awareness, contributing to building an inclusive and respectful working and social environment.

The illimity Group has consolidated a structured path over time: already in 2020 it signed the "Manifesto for women's employment" promoted by Valore D. The Manifesto envisages the adoption of concrete and measurable objectives, with performance indicators and periodic monitoring, to be shared internally. In addition, the partnership with the Libellula Foundation led to the creation of two in-house figures dedicated to listening to and handling complex situations also related to gender inequality.

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In line with these principles, illimity promotes inclusive conditions for access to management roles, supporting gender equity policy through mentoring, coaching and specific training programmes for women with management potential. The illimity Group ensures fairness in selection and promotion processes by constantly monitoring the gender balance in the talent pool. This commitment is realised through impartial evaluations, engagement surveys and continuous measurements aimed at identifying and resolving critical issues in a timely manner.

3.1.5 Working conditions

The protection of human rights and respect for working conditions constitute an area of primary importance for the Banca Ifis Group, which works continuously to ensure that these principles are fully integrated into its activities and relations. This commitment finds expression in the Group's Code of Ethics, which defines the principles, values, rights, duties and responsibilities adopted towards all stakeholders. This document guides Group companies in their interactions, ensuring respect for human rights and the responsible pursuit of their corporate objectives.

[S1.SBM-3 DP 48a]

IRO description	IRO category	Connection with value chain	Time horizon
Working conditions			
Employment instability (e.g. of young employees) due to the extensive use of fixed-term and/or temporary contracts	Potential negative impact	Own operations	Medium-term
Employee satisfaction through compliance with union agreements and/or freedom of association of employees	Actual positive impact	Own operations	Medium-term
Operational risk due to non-compliance with labour law aspects of own workforce	Risk	Own operations	Short-term
Operational and reputational risk arising from legal actions brought by workers concerning non-compliance with working conditions, with possible operational sanctions and reputational damage	Risk	Own operations	Medium-term

Group approach and policies

[S1-1 DP 19,20]

In the area of protection of human rights and working conditions, Banca Ifis has established a policy framework to promote an ethical and people-friendly working environment (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview). Among these, the ESG Policy emphasises the focus on respect for universally recognised human rights, in accordance with the principles enshrined in the Universal Declaration of Human Rights, considered an indispensable pillar of the sustainability strategy. With this in mind, the Group aims to protect and promote these rights, incorporating them in the management of its activities and in its relations with employees and stakeholders, thus consolidating an ethical and responsible approach in every sphere of operations.

Overall, the Policy aims to spread a culture of sustainability, promoting responsible behaviour and the integration of environmental, social and governance factors in the Group's activities, in order to create value for all stakeholders.

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With reference to the social dimension, this instrument aims to generate positive impacts on people and communities through projects of inclusiveness, culture and well-being, supporting contemporary art and social inclusion. In particular, it aims to foster a safe, healthy and discrimination-free working environment for all Group employees, promoting equal opportunities and combating forced labour. It also protects human rights in all its activities, contributing to a fairer and more equitable working and social environment.

The Code of Ethics further reinforces these principles, enhancing working conditions and promoting an environment based on fairness, respect and valuing people. The Group's commitment is to ensure that the management and heads of organisational units behave with fairness and loyalty, creating a positive and inclusive climate.

Lastly, through the Group Policy for Employee Personnel Management which, as illustrated above, defines principles and guidelines for a structured and consistent management of personnel and collaborators, Banca Ifis pursues the objective of guaranteeing employment stability, limiting the use of fixed-term contracts and staff leasing.

[S1-1 DP 20a]

In particular, with regard to workers' rights, respect for these rights is ensured by compliance with the applicable labour and trade union law, at European, national and sectoral level, including the application of the National Collective Bargaining Agreement.

[S1-1 DP 20b]

The Group's approach aims to ensure not only the protection of fundamental human rights, but also the active involvement of all workers, facilitated by continuous dialogue with trade union representatives.

[S1-1 DP 20c]

Through periodic discussions with the relevant stakeholders, the Group ensures that it identifies any negative impacts at an early stage and identifies the most appropriate processes to effectively remedy them through the Whistleblowing mechanism (see 4.1 ESRS G1 - Business Conduct, section 4.1.1 Corporate Culture and Whistleblower Protection, DP 10) and the listening and dialogue tools set up and described in the next section on channels.

[S1-1 DP 21]

As previously mentioned, the Group’s policies are inspired by the principles sanctioned by the main international frameworks, with specific reference to the fundamental values of the United Nations Universal Declaration of Human Rights, approved on 10 December 1948, which guarantees the inalienable rights of every individual, promoting equality, dignity and freedom. Likewise, Banca Ifis operates in line with the goals defined by the 2030 Agenda for Sustainable Development, a global action programme signed by 193 UN member states, which includes 17 Sustainable Development Goals (SDGs). These goals encompass crucial issues such as the fight against poverty and hunger, access to education and health, the transition to clean energy, social equity, and climate and biodiversity protection. Furthermore, the Bank is committed to the ten universal principles promoted by the UN Global Compact.

This integrated approach testifies to Banca Ifis's desire to contribute to sustainable development, both at corporate and global level, by consolidating an ethical and inclusive corporate culture.

[S1-1 DP 22]

With this in mind, the Banca Ifis Group ensures that its policies comply with internationally recognised instruments, including the United Nations Guiding Principles on Business and Human Rights, through the correct application of the National Collective Bargaining Agreement applied in the credit sector, as well as the relevant Italian and EU legal regulations. Specifically, the Group condemns any form of forced or child labour and has introduced a dedicated procedure to report any cases of discrimination, violence or harassment. Details of this instrument are

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discussed in more detail in the section on the Policy on Combating Violence and Harassment in the Workplace (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview).

Actions

[ESRS 2 MDR-A 68a,b,c]

[S1-4 DP 37,38a,40a]

As part of the protection of working conditions, the Banca Ifis Group is aware of the importance of ensuring stable and safe working conditions for all its employees. More specifically, the Group has taken targeted actions to mitigate employment instability, a major issue arising from the use of fixed-term and temporary contracts, also paying attention to the risk linked to labour law breaches.

Specifically, the Human Resources Department, once a year:

- ensures the balance between fixed-term and open-ended contracts, through the application of legal regulations and the National Collective Bargaining Agreement for Credit;
- favours permanent hiring, with a focus on creating stable positions for employees and seeks to use fixed-term and temporary contracts only for specific needs, with the aim of fostering growth and stable development of the organisation;
- implements additional actions in order to stabilise resources hired on fixed-term or apprenticeship contracts, promoting the transition to open-ended contracts whenever possible.

[S1-4 DP 38c]

The Banca Ifis Group has taken steps to ensure employee satisfaction by implementing measures to respect employees' freedom of association, ensuring a fair and inclusive working environment and reducing the risk of litigation, sanctions and reputational damage. In addition, through specific trade union agreements (see 3.1 ESRS S1 - Own workforce, section 3.1.2 Work-life balance, DP 37 40b), flexible working tools, such as flexitime and remote working, have been introduced, which are conducive to improving the psychological-physical well-being of employees.

[S1-4 DP 38d]

The monitoring of workers' satisfaction, guaranteed by respect for union agreements and freedom of association, is carried out mainly through union meetings, which take place, on average, once every two months. The assessment of satisfaction is carried out by the HR Labour Law Relations function, in cooperation with the other areas of Human Resources. In addition, the HR Labour Law Relations function provides the Parent company's Board of Directors, as part of the 'exercise of delegated powers', with the main results of human resources management, including, by way of example, the turnover rate.

In a parallel fashion, the HR Business Partner (HRBP) Department contributes to monitoring by examining the impacts of the policies adopted, always in synergy with the other Human Resources Departments, thus ensuring an integrated and coordinated approach.

[S1-4 DP 39]

The Banca Ifis Group identifies the personnel management and evaluation processes as the main tools for defining and implementing actions to prevent, mitigate or manage the negative impacts associated with any situations of employment instability. The implementation of these actions is closely linked to discussions with trade unions. In negotiations, potential positive impacts are assessed in advance through structured proposals based on market benchmarks and simulations that take into account both quantitative and qualitative aspects for employees. In addition, processes aimed at promoting the psychophysical well-being of workers, such as the introduction of flexible working hours and remote working, are regulated by trade union agreements, which provide

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for follow-ups with trade union organisations to assess the effects. Data on the effects and utilisation of flexibility instruments are collected by the HR Admin & Payroll Department.

[S1-4 DP 41]

The Banca Ifis Group ensures the constant monitoring of the human rights and working conditions of the resources employed, while also favouring employment stability and the prevention of negative impacts resulting from corporate decisions. As mentioned in the previous section of the chapter, the decision to terminate business relations is therefore handled without direct impact on the human rights and working conditions of employees. Any employment issues that might arise would in any case be handled within the framework of what is defined by the Law and by all the instruments defined by the National Collective Bargaining Agreement for the Credit Sector signed by the Italian Banking Association (ABI) and the trade unions.

[S1-4 DP 43]

To ensure adequate working conditions and the responsible management of employment stability impacts and opportunities, Banca Ifis has defined specific responsibilities among the different departments. The Human Resources Department is responsible for assessing staffing needs and identifying opportunities for stabilising fixed-term contracts, helping to ensure continuity of employment, as well as ensuring compliance with current legislation and the rules defined by collective agreement. In addition, the HRBP Department is responsible for assessing employee satisfaction and compliance with union agreements, helping to promote a stable working environment that conforms to company standards.

[S1-4 DP 40a]

Similarly, the illimity Group takes a proactive approach to the management of social dialogue, ensures full contractual compliance and promotes organisational well-being initiatives, helping to mitigate the operational and reputational risks associated with any employee actions related to working conditions.

This supervision is also carried out through checks on compliance with the Code of Ethics (illimity Way) and internal policies on diversity, equity and inclusion, harassment prevention and health and safety protection. The illimity Group also ensures regular training for all staff, both employees and non-employees, provides anonymous and protected reporting channels and maintains an ongoing dialogue with employees. Overall, these measures help prevent disputes with employees and contractors and reduce potential impacts on business continuity and reputation.

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3.1.6 Other work-related rights (privacy)

The Banca Ifis Group considers the protection of personal data a mandatory principle that is key for building trust and developing a sense of security with customers as well as protecting the Group's reputation. In this regard, the Group has adopted appropriate internal policies and procedures, in accordance with current regulations on personal data protection and digital operational resilience in the financial sector and in compliance with specific banking supervisory regulations, to prevent and promptly manage cybersecurity incidents to protect information assets.

[S1.SBM-3 DP 48a]

IRO description	IRO category	Connection with value chain	Time horizon
Privacy			
Violation of employees' right to privacy resulting from inadequate management systems or ineffective application of procedures and preventive actions	Potential negative impact	Own operations	Medium-term
Risk of loss due to breach of privacy, failure of system and data integrity, inadequacy or unavailability of systems and data, including inadequate or failed internal processes and external events such as cyber-attacks	Risk	Own operations	Medium-term
Enhancement of the Group's reputation and employee trust through the promotion of initiatives aimed at ensuring confidentiality and privacy in Banca Ifis's workplaces	Opportunity	Own operations	Medium-term

Group approach and policies

[S1-1 DP 19]

The Group, as expressed in its ESG Policy and Code of Ethics (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview), it protects the privacy and data security of its customers and its own people, handling the data and information in its possession transparently and in full compliance with current legislation.

To this end, the Group's main internal regulatory source on personal data protection is the Regulatory Handbook on Privacy (see Other Sustainability Information, Section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview). The Manual is part of the set of procedures designed to establish principles, roles and responsibilities relating to the processing of personal data. Furthermore, the Manual ensures compliance with the rules of conduct to be followed by the Group in order to guarantee the safeguarding and proper handling of the information processed. Alongside this tool, the Bank has the Group Policy for Information Security Management (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview), through which it ensures an effective control of the risks associated with the use of information systems.

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Actions

[ESRS 2 MDR-A 68a,b,c]

[S1-4 DP 37,38a]

Banca Ifis aims to mitigate the possible negative impacts related to violations of employees' right to privacy, which could result from inadequate management systems or ineffective application of procedures and preventive actions.

The processing of personnel data, especially with regard to the use of technological solutions, is typically the subject of dialogue with company trade union representatives. In this context, we discussed, on the one hand, the preservation of e-mail metadata, automatically generated by workers' interaction with company systems, to enable possible investigations into anomalous or malicious events; and, on the other hand, the use of native biometric tools embedded in assigned devices, such as notebooks and smartphones, with the aim of both enhancing security and facilitating access, and preventing possible misuse by third parties.

[S1-4 DP 38d]

In order to ensure the effectiveness of actions and the protection of workers' rights, processing operations that could pose a high risk to their rights and freedoms are monitored with particular attention. Such processing is subject to a prior data protection impact assessment, as required by Article 35 of the GDPR[50]. The assessment, which is conducted in accordance with the guidelines of a methodological manual specifically drawn up by the Group, aims to identify and analyse potential risks associated with data processing. Then, all appropriate and necessary safeguards are taken to mitigate the identified risks in order to protect the rights and freedoms of the workforce.

[S1-4 DP 37,40a,b]

As previously mentioned, the Banca Ifis Group may incur significant risks, such as operational losses arising from unauthorised access to employee data (data breach) by its staff as well as breaches of privacy due to damage to the integrity of systems and data, as well as the inadequacy or unavailability of the systems themselves, including risks related to cyber-attacks or failed internal processes; simultaneously, the Bank's focus on these issues may promote initiatives aimed at ensuring privacy within the work environment, further enhancing data security and protection.

In 2025, the Group consolidated its training with respect to cybersecurity issues, also in line with Bank of Italy Directive 2013/285, by implementing a structured programme. On the one hand, training activities were organised to obtain certifications for key figures; on the other hand, awareness-raising events were held for all employees, focusing on best practices to prevent cyber-attacks.

Ifis Talent's digital library has compulsory training courses on topics of phishing and IT security, complemented by a series of fifteen training pills on 'Digital Transformation'. In addition, awareness-raising initiatives such as the 'Flash Cyber News' newsletter were revamped to update employees on the latest cyber threats and provide useful tools to counter them.

In addition to this, phishing simulation campaigns were conducted to further raise staff awareness and improve the level of regulatory compliance and cybersecurity posture required to support the digital evolution path. In particular, in line with what was started in 2024, in 2025 too, the inter-bank phishing championship was again promoted, aimed at the entire corporate population, in which employees of Italian companies were divided into teams and simulated phishing campaigns were then carried out. Each user participated in at least 3 of the 6

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[50] Article 35 GDPR: Data Protection Impact Assessment (DPIA), which is mandatory when a processing of personal data is likely to present a high risk to the rights and freedoms of data subjects, providing for a prior analysis of the measures necessary to mitigate such risks.

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campaigns, following which, depending on the behaviour adopted, different scores were given and different training contents were associated.

Through this competition, the relevant office monitored the progress and effectiveness of the campaigns, analysing the progress in employee awareness, the response methods adopted and the identification of the most critical threats. The analysis conducted showed a significant improvement in employees' attention to potential threats and an increased awareness of the security measures to be taken to prevent data loss, particularly with respect to the following three areas: the number of clicks made on suspicious links, any credentials entered, and e-mails reported as potential threats.

Finally, the Bank strengthened its cyber intelligence and open-source intelligence (OSINT) services to increase internal awareness and confirmed its membership of the CERTFin service, which allows it to receive real-time reports on fraud attempts in the banking sector, which are then shared with the relevant structures.

[S1-4 DP 39]

With particular reference to the IT security management process, this consists of four interconnected phases: (i) planning, to define security policies, objectives and controls; (ii) implementation, to implement the established measures with the involvement of the relevant business functions; (iii) verification, to monitor the performance of the adopted solutions and analyse their results; and (iv) improvement, to apply corrective and preventive actions based on the audits performed. This approach ensures continuous and adaptable IT security management, aligned with business objectives. To address possible violations of employees' right to privacy caused by inadequate management systems or the ineffective application of preventive procedures, the Group has adopted specific organisational measures. In particular, strict internal regulations have been introduced that regulate in detail the process for accessing, where necessary, personnel information on company systems. These rules apply to both active employees and terminated users. In addition, technical measures have been implemented to limit access only to authorised functions and only in strictly indispensable situations, in compliance with the principle of minimisation and limitation of data retention times.

[S1-4 DP 41]

In addition to the safety precautions described above, Banca Ifis is committed across the board to ensuring that there is no negative impact on the well-being of its employees.

The practices followed by the Group are developed in full compliance with current labour legislation and are supported by constant dialogue with trade union representatives and, when necessary, with the Territorial Labour Directorates. This concerns both the adoption of technologies that could involve remote control of workers and the installation of video surveillance systems for the protection of company assets. All procedures are made accessible to staff in a transparent manner, through the publication of regulations and circulars on the company intranet and, if necessary, through specific presentations given by management.

In addition, Banca Ifis ensures that the right to privacy is protected not only during the employment relationship, but also at its end, by guaranteeing the timely deactivation of the employee's e-mail box, limiting the retention of information contained in mailboxes and other repositories, and the secure management of the terminated employee's personal information.

Employees' right to privacy is regulated by specific and thorough internal procedures, made available to staff in a fully transparent manner by publishing them on the company intranet; they regulate, among other things, the process of access and/or deletion of employees' personal information. The process in question is traced by means of a special ticket, which allows it to be reconstructed ex post, and is managed exclusively by specific, suitably trained and authorised resources, in compliance with the principle of minimisation that informs the Group's operations.

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[S1-4 DP 43]

To ensure compliance with privacy and data security regulations, specific responsibilities have been assigned to the Privacy Unit, which operates within the Privacy & Security Department. This unit prepares and updates the internal documentation required by the regulations, monitors compliance with the relevant laws and checks the effectiveness of the security measures implemented. It also analyses how personal data is processed, assesses the associated risks, and examines the privacy impacts of new products, services, activities or software introduced by the Bank.

The Privacy Unit informs the various corporate functions about regulatory changes, providing support to ensure compliance, and works with the Human Resources Department to promote a privacy-aware corporate culture by organising periodic training sessions for staff. In the context of business continuity, it carries out the business process impact analysis and draws up the corresponding plan, thus contributing to responsible and integrated data protection management.

3.1.7 Engagement processes

[S1-2 DP 27,a,b,c]

Scope	Method of engagement (1)	Phases, type and frequency of engagement	Department with operational responsibility
Health and safety	Workers' Safety Representatives	• Participation in the risk assessment process in case of new openings; • Consultation in the event of substantial changes in safety management figures, such as competent doctors or in risk assessment; • Specific discussions through dedicated meetings and/or reports managed by e-mail and via the Service Desk; • Participation in the annual periodic meeting (Italian Legislative Decree no. 81/08, Art. 35) as an important element of the safety management process; • The workers' representatives are also entitled to request an extraordinary meeting	Workers' representatives and Employer, or relevant delegate
Work-life balance	Workers' representatives	• Bi-monthly average frequency	HR Department and the Director of Human Resources
Equal treatment and opportunities for all			
Working conditions			
Training and knowledge development	Employees	• Periodic interviews • Annual performance management	HR function
Other work-related rights (privacy)	Workers' representatives	• Where necessary, through meetings with workers' representatives and trade associations and/or trade unions	Human Resources Department

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(1) As far as the agreements regulating relations with workers' representatives and trade unions are concerned, Banca Ifis's headmasters are directly traceable to the National Collective Bargaining Agreement for the credit sector signed by ABI (to which the Banca Ifis Group is a member and to which it assigns the mandate of representation at the national level) and, more generally, to all the agreements on trade union freedoms and various protocols stipulated by ABI itself with trade union organisations.

Discussions with workers' representatives represent an important opportunity for dialogue and confrontation, making it possible to address key issues such as work-life balance and the protection of weaker groups, ensuring proper management of the related impacts. The Human Resources Department takes charge of these requests, drawing up proposals that are then shared with the Bank's decision-making bodies, at both information and approval levels. This structured process of receiving requests, evaluating them, working out solutions and then presenting them at decision-making tables allows the needs that emerge to be translated into concrete initiatives for the benefit of workers and the organisation.

[S1-2 DP 27e]

The company assesses the effectiveness of the engagement of its workforce and the agreements reached through regular meetings with workers' representatives, aimed at monitoring the results achieved and the level of employee satisfaction. This assessment is also supported by the ongoing employee relations activities carried out by the HR Business Partner (HRBP) Department, fostering constant dialogue and proactive attention to staff needs.

[S1-2 DP 28, AR 17d]

The Banca Ifis Group adopts specific questionnaires to understand and assess the needs and perspectives of employees particularly vulnerable to workforce-related impacts. In this context, a key role is played by HRBPs, who ensure a continuous and direct dialogue with these workers, facilitating the timely and effective resolution of any critical issues and developing specific initiatives for specific categories of workers. In particular, with the aim of supporting work-life balance, the Bank has implemented targeted measures, such as offering additional smart working days to parents and pregnant workers, and prioritising smart working days for workers with disabilities or caring responsibilities.

In order to better understand the perspectives of these vulnerable workers and prevent the risk of marginalisation, the Bank has planned to structure specific questionnaires in the area of equal treatment and opportunities for all, with a particular questionnaire planned for 2025. In addition, as part of the gender equality certification process, targeted interviews were conducted with employees to verify their knowledge of the actions taken and policies adopted in this area.

Finally, in the area of health and safety, risk assessment and emergency management also take into account the needs of the most vulnerable workers, considering aspects such as pregnancy, differences in age, gender and origin, work-related stress, disability, contract type and exposure to aggressive or discriminatory behaviour.

With reference to working environments, during 2025, some of the Bank's offices were further adapted to ensure full accessibility and usability of spaces.

[S1-2 DP 27a]

Similarly, the illimity Group constantly values listening to and involving its workforce, gathering their perspectives through structured methodologies and tools.

[S1-2 DP 27b]

The illimity Group, as part of its double materiality assessment of its perimeter and value chain, involves a sample of employees, the "ESG Ambassadors", through the administration of a questionnaire aimed at identifying the impacts deemed most significant. In a parallel fashion, all illimity employees have been participating since 2019 in the annual anonymous "Great Place to Work" (GPTW) survey, developed by an independent third party, to

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express their opinions and perceptions on their work experience, as described in more detail above (see 3.1 ESRS S1 - Own workforce, section 3.1.2 Work-life balance, DP 37).

[S1-2 DP 27c]

Operational responsibility for ensuring that engagement activities are carried out effectively and that the results steer the illimity Group's approach lies with illimity's Sustainability structure, as far as the double materiality ratings expressed by its own workforce (as well as other stakeholders) are concerned, and with illimity's HR function as far as the Great Place to Work (GPTW) questionnaire is concerned.

3.1.8 Channels

[S1-3 DP 32a,b,c,d,e]

For the Banca Ifis Group, dialogue with employees is an important element in fostering a relationship based on sharing and collaboration. The objective is to help reduce any insecurity situations related to incidents of harassment, lack of protective measures for workers or lack of awareness-raising initiatives, in order to promptly remedy any potential or actual negative impacts. Through open and constructive discussion, the Bank aims to create a safe, inclusive and respectful working environment in which every employee can feel protected and valued.

Any conduct contrary to these principles may be reported through the Whistleblowing mechanism (see 4.1 ESRS G1 - Business Conduct, section 4.1.1 Corporate Culture and Protection of Whistleblowers, DP 10) in the event of a report of any conduct, action or omission that violates national or European Union regulatory provisions and which harms or may harm the public interest or the integrity of Banca Ifis Group companies; or, through the channel of the Trust Advisor in the event of unacceptable behaviour, concerning acts of discrimination, sexual and moral harassment, as better identified by the Policy for Combating Violence and Harassment in the Workplace.

In 'Health, Safety and Environment', employees can refer to a dedicated section within the Service Desk application available on the company intranet. Or share reports by e-mail and the engagement of workers' safety representatives.

Finally, another key point of reference is the HRBP Department, which ensures direct contact with employees, facilitating constant dialogue on regulatory, management and pay topics.

Whistleblowing

[S1-3 DP 32b]

The Whistleblowing system, described in detail in relation to business conduct (see 4.1 ESRS G1 - Business Conduct, Section 4.1.1 Business Culture and Whistleblower Protection, DP 10) allows for anonymous reporting, ensuring the protection of the whistleblower.

[S1-3 DP 32a,32c]

The reports can be submitted using different channels and are handled by the respective Head of Internal Audit, who examines and investigates them based on the principles of impartiality, privacy, dignity of the employee and protection of personal data.

In order to investigate the contents of the reports, the Head of Internal Audit may:

- speak to the Whistleblower and request additions from the latter, if necessary;
- make use of the staff of the organisational unit it supervises;
- involve staff from other organisational units;

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- make use of the support of third parties where strictly necessary or appropriate in the light of the particular subject matter of the report received.

Upon conclusion of the investigation, the Head formalises his assessments and forwards them onto the Chief Executive Officer of the Parent company and, if applicable, to the Supervisory Body of the Parent company and/or the subsidiary, except for potential incompatibilities.

In order to ensure the effectiveness of the measures taken by the Bank to remedy the situations that have arisen, evaluations are carried out on a case-by-case basis, analysing each situation and its circumstances in detail. More specifically, decisions on the acts or facts detected are taken by the specific organisational units or by the competent corporate bodies, which, if necessary, involve the Human Resources Department for the adoption of any disciplinary measures or for the management of communications to the Involved Person.

[S1-3 DP 32d]

Banca Ifis guarantees the accessibility and availability of whistleblowing channels through a structured internal system, which implements the European Directive 2019/1937 on the protection of whistleblowers. The procedures for reporting are communicated to employees by means of internal rules available on the company website, ensuring transparency and easy access to information.

In particular, the possibility of reporting is extended to all those who work or collaborate with the Group, through various active means of reporting, allowing them to report acts, facts or omissions that may constitute violations of laws or internal procedures. The system adopted ensures the confidentiality of the personal data of the whistleblower and the alleged perpetrator, providing a safe and secure environment for the handling of reports.

[S1-3 DP 32e]

The tests carried out during 2025 did not reveal any problems with the proper functioning of the internal reporting systems; in fact, the recent tests on the availability of the Whistleblowing application were positive. In addition, as for previous years, no incidents of discrimination were reported in 2025.

[S1-3 DP 32a,b,c,d,e]

Similarly, illimity Bank, AREC neprix, Abilio and Fürstenberg SGR[51] also adopt structured systems for reporting and handling violations. In particular, to support the process, illimity Bank, AREC neprix and Abilio make use of a digital platform called '@Whistleblowing' through which conduct in breach of the Code of Ethics can also be reported. The platforms allow employees, members of corporate bodies and external parties to submit reports, via an online wizard, of misconduct, irregularities or violations of internal and external rules.

Alerts can be transmitted through different channels. For the Banca Ifis Group and Fürstenberg SGR, among others, the dedicated application, voice messaging systems, internal or external mail and the possibility of a direct meeting with the Head of Internal Audit are available. For illimity Bank, AREC neprix and Abilio, reports can be made by letter or via the dedicated telephone number.

As far as the management of the process is concerned, illimity Bank has a 'Whistleblowing Policy', implemented by AREC neprix and Abilio, which governs the whistleblowing process and related verification activities. The policy is made available on the corporate intranet, in the section dedicated to the violation reporting system, as well as on the institutional websites of Group companies. In addition, whistleblowing policies and procedures are communicated to all personnel at the time of employment through the information package and, upon request, shared with business partners.

[51] *It should be noted that Fürstenberg SGR has implemented and applies the Group Policy for the Management of Reports of Violations (Whistleblowing), of Banca Ifis.*

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Trust Advisor

[S1-3 DP 32b]

As mentioned above, the Group has made available to employees an external channel, the 'Trust Advisor' (TA), through which they can report conduct contrary to company principles, human rights violations, incidents of violence or harassment in the workplace.

[S1-3 DP 32c]

The mechanism for reporting and handling complaints has two different modes: an informal procedure, aimed at fostering timely resolution of issues through dialogue and discussion, and a formal procedure, which involves the activation of structured procedures for the management and possible follow-up of reports:

[S1-3 DP 32e]

- informal procedure: applies to minor cases that can be traced back to mostly unconscious behaviour and can be resolved through awareness-raising or mediation. This procedure must be concluded as soon as possible, taking into account the sensitivity and complexity of the situation, indicatively within 45 days, and provides for subsequent monitoring moments to verify its effectiveness. In case of repetition of the reported conduct and/or retaliatory acts against the Reporting Person or Witnesses, the formal procedure is activated;
- formal procedure: this is triggered in all situations considered particularly severe by the reference person (CFO, HRBP or manager), i.e. attributable to serious discrimination or harassing or violent conduct particularly damaging to a person's dignity, or repeated, or representing a high risk factor for the person and/or the organisation. The formal procedure is managed by the HR Business Partner (HRBP), with the power to notify the Trust Advisor for the purpose of complete data collection. If the report of serious facts is addressed to one's superior or to the Trust Advisor, he/she assesses the risk of repetition and the degree of dangerousness and seriousness of the situation and promptly (within 48 hours) communicates the facts to the HRBP, which then provides for the possible securing of the person subjected to the harmful conduct and initiates a preliminary investigation phase aimed at ascertaining the justification for what has been reported. This process must be concluded in accordance with the law and in relation to the sensitivity and complexity of the concrete situation. Following the outcome of the investigation, the Bank takes the appropriate disciplinary measures, in accordance with the law, the relevant National Collective Bargaining Agreement and the Policy.

The Trust Advisor reports annually to the Human Resources Department on the activities carried out, taking care to omit the identification data of the persons involved in order to guarantee their confidentiality.

[S1-3 DP 32d]

Employees are also informed of the existence of the channel by means of information, training and awareness-raising activities on the topics of the Policy, carried out by the Trust Advisor, with a view to preventing and combating non-compliant behaviour.

Privacy

[S1-3 DP 32a,b]

Employees' right to privacy is guaranteed and protected through internal processes and regulations in line with the General Data Protection Regulation (GDPR), enabling employees to exercise their rights in a safe and secure manner.

[S1-3 DP 32d]

To raise concerns or exercise their rights under the GDPR, employees may use the dedicated channels provided by the Group, such as the e-mail address privacy@bancaifis.it, managed by the Data Protection Officer, or contact the Data Protection Officer directly at rpd@bancaifis.it.

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[S1-3 DP 32c]

The handling of such requests is governed by an internal procedure involving, in addition to the privacy structure, the Human Resources Department and, when necessary, the ICT department.

[S1-3 DP 32e]

Mailboxes are constantly monitored and access to information is restricted to authorised personnel, in accordance with the principle of data minimisation. Furthermore, workers are adequately informed of their rights and the channels available to them through specific information available on the company intranet, in line with the principle of transparency.

[S1-3 DP 33]

The Banca Ifis Group assesses, through the use of the corporate intranet and dedicated communication channels (HRBP, CdF, Intranet, Whistleblowing), whether employees are aware of the existence of structured processes to address and resolve negative impacts that could affect the workforce, as well as of the channels available to them to raise concerns and ensure they are adequately addressed. In particular, a survey is to be delivered to all employees on diversity and inclusion, aimed at assessing several parameters, including the level of knowledge of the Group's tools and processes on these issues. The survey will also be aimed at investigating employees' perceptions of the effectiveness of the Bank's equal opportunities procedures and controls, such as the Code of Ethics, the Gender Equality Policy, the Anti-Harassment Policy and other related initiatives.

As part of the gender equality certification process, targeted interviews were also conducted to verify knowledge of actions taken and policies related to equal treatment and opportunities for all.

Through the adoption of the Whistleblowing Policy (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview) the Banca Ifis Group guarantees all necessary measures to protect the physical integrity and moral dignity of whistleblowers, providing them with adequate protection against any form of retaliation, penalisation, discrimination or threat. In a parallel fashion, the Policy on Combating Violence and Harassment in the Workplace (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview) will ensure fair protection of both the Whistleblower and the Reported Person, specifying that no disciplinary action or sanction is envisaged against those who report in good faith facts that, after verification, turn out to be unfounded. Furthermore, all interviews that will be conducted will be strictly bound by the principle of confidentiality, to protect those involved.

Finally, the Integrated Safety and Environment Manual contains, in its procedures, all formal instruments necessary for any workers to make reports to the Prevention and Protection Service of any potentially damaging situations or dangerous behaviour, in order to collect useful information with which to identify future action to be taken. These processes are made known during the delivery of compulsory Health and Safety in the Workplace training courses.

3.1.9 Targets

[ESRS 2 MDR-T DP 80a,b,c,d,e,f,g,j]

The targets reported in this section refer to the employees of the Parent company, in line with the reporting boundary applied in the previous year, and the illimity Group, respectively. Following the consolidation of recent acquisitions, the process of defining Group-wide targets will be initiated during the next financial year, with the aim of ensuring the alignment of perimeters, methodologies and reference time horizons.

[S1-5 DP 46, AR 49c]

Banca Ifis has defined specific targets for its employees to promote an inclusive and sustainable corporate culture. These objectives include the continuous improvement of employee welfare, increasing diversity and equity within the organisation, and the enhancement of sustainability topics in professional development paths.

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For example, the goal of increasing gender equality and diversity within the organisation is in line with EU directives on promoting gender equality and reducing inequalities. Likewise, the integration of ESG criteria into the remuneration system responds to European guidelines on sustainable finance and the need to encourage responsible business practices.

[S1-5 DP 47c]

The defined targets were set in percentage terms, with the intention of aligning with internationally recognised metrics, highlighting the bank's positive trends and monitoring progress in a clear and measurable manner.

In light of the structured commitment to these topics, they were set both with a view to maintaining current performance in order to consolidate the results achieved, and with a view to improvement in strategic areas where further significant progress can be achieved.

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Sub-topic	Target	Type	Baseline	Target year
Work-life balance	Smart working 40% Number of days/month smart working	Maintenance Target	40% days smart working/month (2024)	2026
Equal treatment and opportunities for all	Gender parity on the workforce >50% female figures	Maintenance target	53% (2024)	2026
	Female employees in positions of responsibility >40%	Target increase	39% (2024)	2026
	Minimum open-ended contracts >97%	Maintenance target	97% (2024)	2026
	Application of ESG KPIs to the remuneration system Incentive variable (1) 100% of employees of the Group's Italian companies	Maintenance target	100% of employees of the Group's Italian companies	2026
	Remuneration of top management related to ESG topics 15-20% Variable remuneration of top management linked to sustainability (2)	Maintenance target	15-20% Variable remuneration of top management linked to sustainability (2024)	2026
	ESG training 100% of the perimeter considered with at least 2 courses in 3 years	Target increase	80% of the perimeter considered with at least 2 courses in 3 years (2024)	2028

(1) The target set refers to the productivity bonus and MBO aimed at all employees of Italian Group companies.
(2) It should be noted that the management and supervisory bodies do not have variable remuneration systems with the exception of the Chief Executive Officer.

[S1-5 DP 47a]

The objectives described above were set with the direct engagement of the Sustainability Committee. In addition, sub-topics are identified taking into account the constant dialogue that takes place with workers' representatives (particularly on the issue of work-life balance) and the indications that emerge from the monitoring process of the Group Policy for the Promotion of Diversity and Inclusiveness (see Other sustainability information, section 5.3 Minimum disclosure requirements: MDR-P Policies overview), on issues of equal treatment and opportunities for all.

[S1-5 DP 47b]

Similarly, the Sustainability Committee is permanently involved in the processes of monitoring the achieved objectives and improving the planned targets.

In addition, in view of the normal engagement of workers' representatives, which takes place constantly through planned meetings, it is possible to monitor the aspects most closely adhering to the agreements reached with the aforementioned representatives, as well as to receive indications and/or suggestions useful for achieving the predefined objectives.

Therefore, these objectives, developed in line with international best practices, will be reviewed periodically to ensure their alignment with employee needs and ESG criteria, reinforcing the role of sustainability as a strategic lever for business success.

[S1-5 DP 47a]

Similarly, the illimity Group has defined targets in the Sustainability Plan 2023-2025 based on qualitative-quantitative analyses and internal and external benchmarks, in line with stakeholder and market expectations.

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[S1-5 DP 47b]

The Sustainability function of illimity Bank oversaw its implementation, monitoring and reporting, with periodic reporting to the Board Sustainability Committee (which is no longer in place as it has been replaced by the Sustainability Committee of the Parent company Banca Ifis) and to the Bank's Board of Directors.

[S1-5 DP 47c, AR 49c]

The social and workforce objectives were defined in line with the Sustainability Plan and company policies, including the Code of Ethics and the DE&I policy of illimity, to safeguard inclusion, gender equality and the protection of fundamental rights.

Scope	Targets realised by 2025(1)	Target status
Gender Equity	Doubling the number of women in management roles	Objective realised
Talent Pool & Gender Pay Gap	Maintaining gender balance in the formalised talent pool and a gender pay gap (calculated as Equal Pay Gap, adjusted) with a maximum deviation of 5%.	Objective realised
Engagement Index	Maintaining the Group's employee engagement index above 70%	Objective realised
illimity Foundation	Real estate impact projects through the illimity foundation	Objective realised
Gender equality certification	Maintaining gender equality certification 'UNI_PdR 125-2022'	Objective realised
Anti-Harassment Policy	Development of a company policy to combat harassment, sexually inappropriate behaviour and bullying	Objective realised
Training	Maintain an average of 42 training hours/employee	Objective achieved (with 56 hours/employee)
	Ensure 3 hours of ESG training per employee	Objective achieved (with 4,4 hours/employee)
Sustainable mobility	Awareness-raising initiatives on sustainable mobility (home-work) for employees	Objective realised
Supply chain	>50% of total expenditure on goods and services by 2025 assessed by ESG criteria	Target achieved (with a value of 57%)

(1) The targets, referring to the three-year period 2023-2025 with a base year of 2022 and a deadline set by the Board of Directors on 31 December 2025, do not include a base value.

3.1.10 Metrics

[ESRS 2 MDR-M DP 75, 77a]

In line with the approach adopted for quantitative climate change data, in the process of reporting on its own workforce metrics, Banca Ifis worked closely with the relevant business functions, ensuring qualified and targeted input in their respective areas. The methodologies and assumptions adopted are fully compliant with the European Sustainability Reporting Standards (ESRS) and current regulations, guaranteeing transparency, consistency with European sustainability standards and accurate and reliable reporting.

It should be noted that the increase in employees, which is visible for all KPIs in S1-6, compared to what was reported in 2024 is due to the inclusion in the count also of the illimity Group's employees, amounting to 672, and Fürstenberg SIM's employees, amounting to 19, as at 31 December 2025.

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[S1-6 DP 50a,d,di,dii,f]

Total employees (1)	UoM	2025	2024
Men	No.	1.298	952
Women	No.	1.397	1.061
Other	No.	0	0
Not reported	No.	0	0
Total	**No.**	**2.695**	**2.013**

(1) The employees of all Group companies as at 31 December 2025 were counted in the headcount. The number of employees of the Group is in line with the value reported in the Notes to the Consolidated Financial Statements: Part C - Information on the Consolidated Income Statement, Section 12 - Administrative Expenses - Item 190.

[S1-6 DP 50a,d,di,dii]

Total employees (1)	Country	UoM	2025	2024
	Italy	No.	2.668	1.983

(1) In the count, in number of persons, only employees of Italian companies as at 31 December 2025 as foreign companies do not exceed the 10% limit or the number of 50 employees.

[S1-6 DP 50b,d,di,dii]

Total employees (1)	UoM	2025	2024
Permanent employees (total)	No.	2.650	1.962
Men	No.	1.272	924
Women	No.	1.378	1.038
Other	No.	0	0
Not reported	No.	0	0
Temporary employees (total)	No.	45	51
Men	No.	26	28
Women	No.	19	23
Other	No.	0	0
Not reported	No.	0	0
Total	**No.**	**2.695**	**2.013**

(1) The count, in number of persons, includes the employees of the entire Group perimeter including foreign companies as at 31 December 2025. In addition, apprentices were also included within the category of permanent workers. The information is extracted from the Zucchetti application for all companies of the Banca Ifis Group. For the illimity Group and Fürstenberg SIM (formerly Euclidea SIM), the data were provided directly by the respective companies.

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Note that given that operations mainly take place in Italy, no breakdown of data is given by geographic area. In addition, the Banca Ifis Group did not employ any employees with variable working hours during the reporting period.

During 2025, a total of 64 positions were opened within the Group, of which 19 were filled by internal candidates (or 30% of the total) and 45 by new recruits (or 70% of the total).

Recruitment by internal candidates consisted of 10 female and 9 male employees. These recruitments are represented by 2 persons under 30 years of age, 9 persons between 30 and 50 years of age and 8 persons over 50 years of age. In addition, with reference to the management level, internal recruitment consists of 3 managers, 8 middle managers and 8 clerical staff. Finally, with reference to nationality, there are 18 people in Italy and 1 person in Romania.

At the same time, the composition of new hires is 17 female and 28 male employees. In this case, with reference to the age group, the new hires consist of 20 persons aged under 30, 22 persons aged between 30 and 50 and 3 persons aged over 50. The management level of these recruitments is represented by 2 persons in the role of manager, 6 persons in the role of middle manager and 37 persons in the role of clerk. The new recruitments were carried out entirely in Italy.

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[S1-6 DP 50c,d,di,dii]

Total employee who have left the organisation	UoM	2025	2024
Voluntary (1)	No.	152	73
Due to dismissal (2)	No.	5	5
Due to retirement (3)	No.	0	0
Due to death (4)	No.	1	1

(1) The total number of persons who left the company due to voluntary resignation has been included in the count (fixed-term terms and contract terminations within the group have been excluded and employees who left due to consensual termination have been included).
(2) The number of persons dismissed for failure to complete the probationary period, failure to confirm apprentices and for just cause has been included in the count.
(3) In the count, following the extraction from the Bank's systems, there is no distinction of employees who resigned due to retirement, who are jointly included in voluntary resignations.
(4) It is specified that the deaths recorded are not attributable to work-related causes.

It should be noted that the increase in the number of employees who left the organisation on a voluntary basis is mainly due to the integration of the numbers relating to the illimity Group: the figure is in fact composed of 78 employees who left the organisation in 2025, relating to the old perimeter of the Banca Ifis Group and 74 employees who left the organisation in the period 1 July 2025 - 31 December 2025 of the illimity Group.

It should be noted that the employee turnover rate during 2025 was 6% (3,9% at 31 December 2024), calculated using the total number of Group employees, including foreign companies, as the denominator of the KPI. Specifically, the number of Group employees with terminated employment contracts was 158, of whom 57 were women (4% turnover) and 101 were men (7,8% turnover). Furthermore, with reference to age group, it is specified that there are 32 employees aged under 30, 102 aged between 30 and 50 and 24 aged over 50, with turnover rates of 16,7%, 5,2% and 4,3% respectively. With reference to the management level, the employees who left the Group were divided into 13 executives, 44 middle managers and 101 clerical staff, whose turnover was 7,8% for employees, 4,5% for middle managers and 6,5% for clerical staff. Finally, with reference to nationality, there are 151 employees leaving in Italy (5,6%), 4 employees in Poland (26,7%) and 3 employees in Romania (25%).

[S1-7 DP 55a,55b,bi,bii, 56]

The Group has a total of 39 non-employees in its own workforce, including interns, temporary workers and project workers (CO.CO.CO). The employees of all Group companies as at 31 December 2025 were counted in the headcount.

[S1-8 DP 60a,b]

Employees covered by collective bargaining agreements (1)	Country	UoM	2025	2024
Percentage of total employees covered by collective bargaining agreements	Group	%	99	99
Percentage of total employees covered by collective bargaining agreements are within coverage rate by country (within the EEA)	Italy	%	100	100

(1) Considered in the count, in number of persons, only employees of Italian companies as foreign companies do not exceed the limit of 10% or 50 employees.

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[S1-8 DP 63a]

Employees covered by workers' representatives	Country	UoM	2025	2024
Percentage of employees in the country (EEA) covered by employee representatives	Italy	%	100	100

[S1-8 DP 63b]

There are no agreements with employee representatives of the European Works Council (EWC), the Societas Europaea (SE) Works Council, or the Societas Cooperativa Europaea (SCE) Works Council. There are agreements with workers' representatives at national level for all employees of Group companies based in Italy that apply the National Collective Bargaining Agreement for the credit sector.

[S1-8 AR 70]

Coverage rates	Collective bargaining coverage		Social dialogue
	Employees - EEA (for countries with >50 employees representing >10% of total employees)	Employees - Non-EEA (estimate for regions with >50 employees representing >10% of total employees)	Workplace Representation (EEA only) (for countries with >50 employees representing >10% of total employees)
0-19%			
20-39%			
40-59%			
60-79%			
80-100%	Italy		Italy

[S1-9 DP 66a, AR 71]

Gender distribution at top management level (1)	UoM	2025	2024
Men	No.	9	10
	%	69	77
Women	No.	4	3
	%	31	23
Other	No.	0	0
	%	0	0
Not reported	No.	0	0
	%	0	0
Total	**No.**	**13**	**13**

(1) Senior management refers to the first reports of the Group CEO, in line with the definition of the Corporate Governance Code and the section of the Banca Ifis Group's institutional website.

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[S1-9 DP 66b]

Total employees by age group (1)	UoM	2025	2024
Under 30 years old	No.	192	117
	%	7	6
Between 30 and 50 years old	No.	1.948	1.457
	%	72	72
Over 50 years old	No.	555	439
	%	21	22
Total	**No.**	**2.695**	**2.013**

(1) The figures include the entire Group perimeter including foreign companies.

It should be noted that the increase in the number of employees compared to what was reported in 2024 is due to the inclusion in the count also of the employees of the illimity Group, amounting to 672, and of Fürstenberg SIM, amounting to 19, as at 31 December 2025.

[S1-10 DP 69]

All Banca Ifis employees receive a fair and adequate salary, established in accordance with applicable benchmarks and in full compliance with applicable regulations. The company is committed to promoting remuneration that reflects the principles of fairness, transparency and sustainability, valuing the contribution of each employee and ensuring economic conditions in line with industry best practice.

[S1-11 DP 74a,b,c,d,e]

All Group employees have social income coverage in the event of illness, unemployment, occupational injury and disability, leave and retirement as required by national law.

[S1-12 DP 79, AR 76]

Own employees with disabilities (1)	UoM	2025	2024
Percentage of employees with disabilities, subject to legal restrictions on the collection of data	%	5	5

(1) Workers belonging to both types of protected categories were included in the count: Disabled civilians (123) and workers hired under Art. 18 of Law 68/99 (no. 12) - Foreign companies were excluded due to the non-application of the regulations (there are no obligations to hire disabled personnel under the Romanian and Polish national regulations). For these reasons, employees of foreign companies were excluded from the numerator, while the total number of Group employees (including foreign companies) was used as the denominator for the KPI calculation.

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[S1-12 DP 80]

Total employees with disabilities by gender	UoM	2025
Men	%	2
Women	. %	3
Other	%	0
Not reported	%	0
Total	**%**	**5**

[S1-13 DP 83a]

Regular performance and career development reviews	UoM	2025	2024
Men	%	99	89
Women	%	99	94
Other	%	0	0
Not reported	%	0	0
Number/percentage of performance review per employee	N.	1,7	0,9
Number of reviews in proportion to the agreed number of reviews by the management	N.	1,7	1

With a view to improving and streamlining the appraisal process that enhances the continuous feedback system, a refinement of the calculation was carried out considering the employees involved in the performance review processes currently underway. In particular, the Perform Up process concerns all employees of the Banca Ifis Group, belonging to the white collar and middle management categories, hired by 1 October 2025 and who have accrued at least three months of actual service during the year. The number of reviews per employee increased compared to the previous year because feedback from the Mid Year Review, also an integral part of the Perform Up process, was included in the count. This moment represents a structured discussion, to be recorded in the system, between manager and employee, aimed at monitoring the progress of the objectives assigned for the year. Finally, there is a dedicated, specially structured process for managers and key personnel.

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[S1-13 DP 83b]

Average number of training hours per employee and by gender	UoM	2025	2024
Men	No.	32	27
Women	No.	30	22
Other	No.	0	0
Not reported	No.	0	0
Average number of training hours	No.	31	25

The average number of training hours per employee is around 31 hours, with a balanced gender distribution (32 for men and 30 for women, respectively). Compared to the data reported in the previous year, there was an increase in the number of training hours provided. This increase can be attributed, in particular, to the enhancement of some strategic projects planned by the Ifis Academy, including the Talent Accelerator paths and the revision of the training programmes dedicated to business (Professional Program). Furthermore, it is specified that the average number of training hours provided to employees under 30 is 49, to employees between 30 and 50 is 32 and to employees over 50 is 23. At the same time, with reference to nationality, it can be noted that the average number in Italy is 31, in Poland it is 34 and in Romania it is 14. Finally, with regard to the breakdown by professional classification, it should be noted that the average hours of training provided for executives is 17, for middle managers it is 32 and for office workers it is 32.

[S1-14 DP 88c,d,e]

Own-workforce accidents	UoM	2025	2024
Number of recordable work-related accidents for own workforce (1)	No.	16	17
Rate of recordable work-related accidents for own workforce (2)	No.	5	5

(1) Indicate the number of accidents as per Communications sent to INAIL (no accidents were reported for foreign companies).
(2) The figure was provided for the entire perimeter including foreign companies and is calculated as the ratio of the number of accidents at work to the number of hours worked by employees.

Non-employee accidents	UoM	2025
Number of recordable work-related accidents for non-employees	N.	1
Rate of recordable work-related accidents for non-employees	N.	40

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In detail, 16 injuries occurred during 2025. Dangers at work constituting a risk of injury with serious consequences include the dangers linked to the work carried out by (sales and other) staff using a company car to visit customers or for business trips, or simply while commuting.

The accident rate for non-employees, 40, is attributable to the small number of non-employees and the associated hours worked, estimated on the basis of standard working hours taking into account the right to periods of paid absence from work, and can be attributed to a single accident.

It is specified that with regard to the data provided by the illimity Group, only quantitative information from 1 July 2025 to 31 December 2025 was included for calculation purposes.

In addition, it should be noted that the absenteeism rate stood at 2% in 2025, a figure calculated as the ratio of recorded sickness and accident absence days to the total number of working days in the year.

[S1-14 DP 88b,d,e]

Work-related ill health	UoM	2025	2024
Number of cases of recordable work-related ill health of employees	No.	0	0
Number of fatalities in own workforce as a result of work-related injuries and work-related ill health	No.	0	0
Number of fatalities as a result of work-related injuries and work-related ill health of other workers working on the undertaking's sites	No.	0	0
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health of employees	No.	11.273	7.812

The variation in the data between 2024 and 2025 is influenced by the high volatility of the number of sick days, which is closely linked to the nature and type of cases recorded in the respective years.

In addition, during 2025, there are no cases of occupational diseases for employees. Major hazards that may cause future occupational disease, identified through risk assessment, include those derived from the following risk factors:

- physical such as noise and vibration of the hand-arm system and whole body;
- inherent in the workplace and the organisation of work, such as proper ergonomics of the workstation and the use of video terminals.

[S1-14 DP 88a]

Note that the percentage of people in its own workforce who are covered by the health and safety management system based on legal requirements and/or recognised standards or guidelines is 99%, while for non-employees it is 87%.

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[S1-15 DP 93a,b]

Total employees who took family-related leave	UoM	2025
Men	%	4
Women	. %	12
Other	%	0
Not reported	%	0
Total	**%**	**16**

It should be noted that the percentage of workers entitled to family leave is 100%. The figure includes the entire category of parental leave, including maternity and paternity leave, parental leave for childcare, as well as leave to care for family members, in accordance with the provisions of Law 104.

[S1-16 DP 97a,c]

Gender pay gap	UoM	2025	2024
Gender pay gap including Identified Staff	%	26	20
Senior managers	%	11	5
Middle managers	%	8	6
Clerical staff	%	3	1

The gender pay gap for the year 2025 was calculated on the consolidated perimeter including the Banca Ifis Group, the illimity Group and its subsidiaries and Fürstenberg SIM. The calculation was made considering total remuneration, which specifically includes: full-year and full-time gross annual remuneration (RAL), any role-related allowances (RBA), welfare, variable components and benefits.

The overall gap was 26%, calculated as the difference between the average gross hourly wage of male employees and the average gross hourly wage of female employees, compared to the average gross hourly wage of male employees (as a percentage). The gender pay gap calculated in this way includes staff categories that are not homogeneous with each other and not comparable in terms of complexity and organisational weight; in particular, the largest staff category makes the overall figure insignificant. Therefore, evidence is given of the gap by classification, excluding Identified Staff: Managers: 11%, Executives: 8%, Clerical staff: 3%.

The difference in remuneration compared to 2024 is attributable to the extended scope (illimity Group and Fürstenberg SIM) and the different calculation method, which, in addition to fixed remuneration (used for the figure to 2024), also includes variable components and benefits.

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It should be noted that by applying the pay gap calculation methodology used for FY2025 to the data from the 2024 perimeter, the value amounts to 25%. At the same time, by adopting the perimeter and calculation methodology from 2024 for 2025, the pay gap for the current year, with the same 2024 perimeter, stands at 19%.

[S1-16 DP 97b]

Annual total remuneration	UoM	2025	2024
Annual total remuneration rate (1)	No.	41	43

(1) The annual total remuneration rate is calculated as the ratio between the CEO's total remuneration and the remuneration median annual total of all employees (excluding the person earning the highest salary). The perimeter is the same as for the gender pay gap.
The calculation was made considering total remuneration, which specifically includes: full-year and full-time gross annual remuneration (RAL), any role-related allowances (RBA), welfare, variable components and benefits.

[S1-17 DP 103a,b,c]

Discrimination	UoM	2025	2024
Number of incidents of discrimination	No.	0	0
Number of complaints filed through channels for people in own workers to raise concerns	No.	3	2
Number of complaints filed with National Contact Points for OECD Multinational Enterprises	No.	0	0
Amount of fines, penalities and compensation for damages as result of the incidents of discrimination, including harassment and complaints filed	No.	0	0

During 2025, a total of 3 whistleblowing reports were received, none of which was recognised as a report of an incident of discrimination or of the other cases covered by the report. Of these, 2 reports came from the Parent company and 1 from the illimity Group, submitted in the second half of 2025 concerning an incident of verbal harassment. This report, however, does not constitute discrimination in the workplace within the meaning of the relevant legislation and, as of 31 December 2025, is still being investigated.

[S1-17 DP 103c]

Therefore, in continuity with 2024, there is no evidence or reports for 2025 of discrimination cases and related fines or penalties.

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[S1-17 DP 104a,b]

Human rights	UoM	2025	2024
Number of severe human rights incidents connected to own workforce that are cases of non-respect of the UN Guiding Principles, the ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises	No.	0	0
Number of serious human rights incidents connected to own workforce	No.	0	0
Amount of material fines, penalties and compensation for severe human rights issues and incidents connected to own workforce	No.	0	0

[S1-17 DP 104b]

As for 2024, there is no evidence for 2025 of reports of human rights violations and related sanctions.

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3.2 S2 - Workers in the value chain

Material impacts, risks and opportunities

[S2.SBM-3 DP 48a]

IRO description	IRO category	Connection with value chain	Time horizon
Working conditions			
Violation of workers' rights through the use of suppliers who do not protect workers' rights (e.g. adequate wages, safe employment, health and safety, etc.)	Potential negative impact	Upstream value chain	Medium-term
Improvement of the Group's reputation through partnerships with ESG-friendly suppliers	Opportunity	Upstream value chain	Medium-term
Strengthening market reputation through the promotion of labour rights practices along the entire value chain	Opportunity	Upstream value chain, downstream value chain	Medium-term

[S2.SBM-3 DP 10a]

Workers in the Banca Ifis value chain, with particular reference to the supply chain, represent a significant component of the Group's business. Banca Ifis is aware that maintaining a high quality in relations with suppliers means contributing to an economic development that is attentive to environmental protection and respect for human rights. The main categories of professional and non-professional services, in particular consulting or legal services, outsourcing services, customer information services and services related to the use or support of software, are highly strategic for the Group's results. For this reason, it is of paramount importance that the Bank's suppliers are carefully selected with a view to minimising potential negative impacts related to the violation of workers' rights caused by a lack of protection.

Banca Ifis, as part of the double-materiality process, carried out a careful and detailed mapping of its supply chain, identifying the main categories of suppliers and their location.

[S2.SBM-3 DP 11a,c]

The material impacts that emerged from the double materiality assessment should be considered as potentially addressed to all workers in the Group's supply chain, regardless of type or job classification. In addition, negative impacts identified as material are related to the occurrence of individual incidents of labour rights violations, which are caused by the lack of protection afforded by the supply company. These impacts are potential as they are adequately addressed and mitigated by the Bank's various internal and external initiatives and regulations, as further described below.

[S2.SBM-3 DP 11,ai-v]

In terms of the types of subjects impacted, workers in the Group's supply chain operate predominantly by entities in the upstream value chain of the company. Furthermore, at geographical level, the Group's suppliers are mainly located in Italy and are therefore subject to current regulations on the protection of workers' rights and privacy.

[S2.SBM-3 DP 12]

At the same time, through risk analysis, assessments were carried out involving the entire supplier base. These analyses did not reveal any specific categories of workers with particular characteristics that are more exposed to risks.

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[S2.SBM-3 DP 11e]

At the same time, strategic opportunities related to strengthening sustainability in the supply chain were identified, through the promotion of practices protecting workers' rights along the entire value chain and related to the use of partnerships with ESG-virtuous suppliers. Such actions not only reduce the risks of non-compliance and improve corporate reputation, but also foster the creation of a more resilient supplier ecosystem in line with the Bank's sustainability goals, contributing to the generation of shared value in the long run.

[S2.SBM-3 DP 10b]

The material opportunities identified are closely linked to the Bank's procurement strategy, as the acquisition of information related to the sustainability profile of suppliers in the broader procurement process enables the Bank to foster responsible practices along the value chain, increase the quality of suppliers by contributing to the promotion of workers' rights and the creation of a more ethical and sustainable supply chain.

[S2.SBM-3 DP 13]

These risks and opportunities affect all workers in the supply chain.

3.2.1 Worker-related rights in the value chain

Approach and reference policies

The Banca Ifis Group has developed several policies over the years (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview) aimed at the proper management of the above impacts, risks and opportunities (IROs). In addition to the ESG Policy, which recalls the approach and general guidelines, the main oversight tools are the Group Code of Ethics, the Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/2001 of the individual companies and the Group Expenditure Cycle Management Policy.

Consistent with its commitments in the social sphere, the Banca Ifis Group recognises the opportunity to accelerate the path of sustainable transition both within the Group and in its relations with key players in the value chain.

[S2-1 DP 16]

Within the Code of Ethics, the Group has defined a series of commitments in the ESG sphere, in line with its values and principles and with reference to its business partners and players in the value chain.

With specific regard to suppliers, they are required to approve the Code of Ethics when entering into contracts with Group companies and to adhere to it scrupulously during the contractual relationship. Specifically when formalising contracts or supply agreements, the Group also requires the acknowledgement and acceptance of the Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/2001 (see Other Sustainability Information, section 5.3 Minimum disclosure requirements: MDR-P Policies overview). Finally, the Group's Policy for Liability Cycle Management (see Other Sustainability Information, section 5.3 Minimum disclosure requirements: MDR-P Policies overview) provides the principles and guidelines for the definition of the management process of the expenditure cycle by the Parent company and the subsidiaries and suppliers of the Group.

Through the implementation of the ESG Policy, the Group considers occupational safety, health protection and well-being of its staff, suppliers, all collaborators, customers, third parties and the various stakeholders involved in its business to be priority and non-negotiable objectives.

To this end, the Group aims to meet appropriate safety requirements and foster a safe, healthy and inclusive working environment as well as to pursue a policy of continuous improvement of its performance for the safety and health protection of all. Furthermore, it promotes a workplace free of all kinds of discrimination and applies the values of transparency, inclusion and equal opportunities at every stage of the recruitment, selection, hiring,

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promotion and remuneration process. Finally, the Group condemns any kind of harassment, abuse or intimidation as well as any form of forced or child labour.

[S2-1 DP 17,a,b,c]

As explained in the ESG Policy (see Other Sustainability Information, section 5.3 Minimum disclosure requirements: MDR-P Policies overview), the Group considers respect for universally recognised human rights to be an essential requirement in its sustainability strategy, and therefore protects and promotes these rights in the conduct of its business and in its relations with its employees and other stakeholders. Believing that the adoption of responsible purchasing policies promotes sustainable economic development that protects the environment and respects human rights, the Group attributes a key role to suppliers in the sustainability journey and believes that transparent partnerships can generate mutual value. To this end, the Group shares its commitment to the protection of human rights through the ESG Policy, available on the Bank's official website. This document allows external stakeholders, including suppliers, to report any negative impacts or non-compliant behaviour.

Aware of the importance of promoting sustainable behaviour throughout the value chain, in 2025, the Group embarked on a journey to integrate ESG considerations in the evaluation of counterparties, including social and human rights aspects.

[S2-1 DP 19]

In implementing its banking activities and organisation from an ESG perspective, the Bank takes into account various regulations and third-party initiatives such as, as regulated in the ESG Policy, the UN Universal Declaration of Human Rights and Agenda 2030, the UN Global Compact and Directive (EU) 2022/2464.

During the reporting period, the Bank received no reports of violations of international principles, including the United Nations Guiding Principles on Business and Human Rights, the International Labour Organisation (ILO) Conventions and the OECD Guidelines. Furthermore, no incidents of human rights violations were found along the upstream value chain[52].

Actions

[ESRS 2 MDR-A DP 68a,b,c]

[S2-4 DP 32a]

The Banca Ifis Group recognises its responsibility to understand and address the impacts that its activities may generate along the supply chain, in particular on the workers of key suppliers of capital goods.

[S2-4 DP 33b]

The Code of Ethics and the Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/2001 (see Other Sustainability Information, section 5.3 Minimum disclosure requirements: MDR-P Policies overview) are the main internal regulatory tools used to monitor and supervise the ethical-behavioural standards of business partners, ensuring that all parties involved respect the principles of sustainability, fairness and human rights. In particular, in order to intervene promptly and prevent possible negative impacts, Banca Ifis requires its suppliers to read the Code of Ethics in order to establish and maintain business relations in line with the values subscribed to by the Group. In addition, Banca Ifis has a policy for the outsourcing of business functions aimed at monitoring and regulating this area.

[52] *The analyses conducted by Banca Ifis with regard to workers in the value chain focused mainly on the supplier base.*

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[S2-4 DP 32d, 33c]

In order to ensure the welfare and protection of its suppliers' workers, the company adopts strict eligibility criteria during the selection phase, including verification of compliance with the DURC (Consolidated Document Attesting to Compliance with the Payment of Social Security and Welfare Contributions) and DURF (Consolidated Document Attesting to Compliance with the Payment of Tax), to collaborate with suppliers in compliance with the contribution, insurance and tax obligations under current legislation.

Banca Ifis monitors and evaluates the effectiveness of the above-mentioned action by ensuring compliance with the minimum requirements for active suppliers. This process takes place through regular checks, carried out every twelve months, which include, for example, verification of the regularity of DURCs and compliance with the minimum requirements for active suppliers. It should be noted that all of the suppliers subjected to these checks[53] were found to be in line with the selection requirements and no non-compliances were reported.

Compliance with the Code of Ethics and the selection criteria is monitored periodically, ensuring the correct application and effectiveness of Banca Ifis's commitment throughout the entire supply chain.

Ifis Academy Evolution project

[S2-4 DP 34b]

Confirming Banca Ifis's commitment to building an integrated and sustainable ecosystem, the Bank has initiated an evolution of the Ifis Academy training processes through an innovative path, which includes the provision of a platform, provided by partner Digit'Ed, through which the Bank's main stakeholders will be able to access diversified training content. The initiative is aimed at promoting the sharing of common sustainability-oriented skills and values.

In particular, the Banca Ifis Group has launched the 'Evoluzione Ifis Academy Project', with the aim of expanding the training offer, extending it not only to internal employees, but also to external stakeholders, including customers such as SMEs, leasing and rental operators and Npl debtors, as well as key suppliers and external collaborators who have access to the Bank's systems via VPN and Banca Ifis accounts. The project aims to promote a shared culture of knowledge and sustainable development along the entire value chain, enhancing human capital and strengthening the sense of individual and collective responsibility towards the territory and communities. The new training content, which ranges from financial education to the ESG world (with the possibility of acquiring SDG's User certification), to cybersecurity topics to alert users to digital risks, can be accessed from the main applications used by external stakeholders, such as PagaChiaro, myIfis and Jaegger, and delivered through the platform provided by Digit'Ed, a leading partner in the development of training programmes and infrastructures. Thanks to this evolution, the Academy is no longer just the centre of the Bank's people training, enhancement and development system, but a real Corporate School for Ifis People and its stakeholders: a step that aims at enhancing the Group's distinctive skills and generating systemic value in the long run. It is a holistic approach that opens up the view and fosters knowledge and skills development in an open system in which real learning networks can be built, while at the same time enhancing internal know-how and creating common competences with stakeholders.

[S2-4 DP 31,34b]

In addition, with a view to strengthening its reputation in the market and promoting responsible practices to protect workers' rights along the entire value chain, the Group has taken the following actions and safeguards:

[53] *It should be noted that the checks relate exclusively to suppliers subject to the expenditure cycle procedure.*

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- analysis of supplier administrative, organisational, capital[54] and reputational aspects;
- analysis of ICT and data security aspects;
- definition of appropriate contractual standards in order to mitigate identified risks (e.g. prohibitions against subcontracting in certain conditions);
- ongoing analysis of the service levels provided by the supplier, in the light of what is guaranteed in the contract;
- definition of an exit strategy if it becomes necessary to suspend the relationship with the supplier;
- second level Operational Risk controls on outsourced functions, ICT third parties.

These and additional safeguards are formalised and ensured by the Bank through the implementation of the Group's Policy for Liability Cycle Management (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview) and the Policy for the outsourcing of business functions.

Sustainable Procurement project

[MDR-A DP 68a,b,c]

[S2-4 DP 31,34b]

At the same time, with a view to pursuing the opportunity to promote collaborations with suppliers and business partners with a better sustainability profile, the Banca Ifis Group has started a 'Sustainable Procurement' path.

In 2025, in fact, the collection of ESG questionnaires addressed to the most relevant suppliers[55] was initiated in cooperation with the Consortium ABC platform. Information within the Jaegger portal for supplier management was analysed and integrated. At the end of the year, more than 50% of the identified suppliers had completed the questionnaire and provided data on sustainability issues.
The analysis of the information received showed that most of the counterparties are well positioned on these issues, thus achieving a high ESG rating.

[S2-4 DP 33c]

These analyses, and the administration of the questionnaire, represent concrete efforts by the Procurement function to increase the availability of ESG data on suppliers and will form the basis for future engagement initiatives aimed at orienting the supply chain towards the same sustainability principles adopted by the Group.

The findings, which are accessible via the dedicated dashboard on the Jaegger platform, make it possible to outline targeted actions to accompany suppliers on the path to sustainable transition.

[S2-4 DP 35]

In order to prevent any negative impacts arising from the activities of the Bank or its workforce, the Code of Ethics provides for the use of the Whistleblowing system as an internal reporting tool (see 1.1 ESRS G1 - Business Conduct, section 4.1.4 Corporate Culture and Protection of Whistleblowers, DP 10).

Banca Ifis, in its capacity as Parent company, has implemented this mechanism that allows for the reporting of conduct, actions or omissions, attributable to members of the corporate organisation, that violate national or European Union regulations and that may compromise the public interest or the integrity of the Bank and its subsidiaries.

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[54] The analysis of asset profiles is limited to the cases defined in the Expenditure Cycle Policy.
[55] It should be noted that the sample taken under analysis corresponds to suppliers with individual commitments of more than 100 thousand Euro per year.

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Reports can be submitted through several autonomous and independent channels, including a dedicated application, a voice messaging system, the postal service or a direct meeting with the Head of Internal Audit.

[S2-4 DP 36]

In line with the attention shown by the Group, no human rights incidents related to the upstream and downstream value chain for suppliers subject to the Expenditure Cycle Policy were detected by the Procurement & Cost Management Department during the year.

[S2-4 DP 38]

The Procurement & Cost Management Department of Banca Ifis, in addition to dealing with the day-to-day management of suppliers, plays a key role in controlling and monitoring compliance with minimum requirements, with the aim of selecting suppliers who adhere to the Group's principles and values. This activity ensures compliance with established criteria and national standards and promotes an ongoing focus on a responsible supply chain[56].

[S2-4 DP 33a]

Furthermore, with the aim of taking effective action and producing positive impacts along its supply chain, Banca Ifis carries out an in-depth analysis of the external context, examining industry best practices, and conducts detailed analysis and mapping of its suppliers. Finally, it periodically monitors and maintains a constant dialogue with suppliers to verify compliance with the criteria established for selection and collaboration, with particular attention to the protection of minimum requirements for workers within the supply chain.

3.2.2 Channels

[S2-3 DP 27a,b,c,d, 28]

Since 2021, the Code of Ethics envisages a contractual clause, which, in accordance with the relevant internal regulations, defines it as a binding document vis-à-vis each recipient and, in particular, suppliers. In a parallel fashion, in the various relationships with suppliers, this clause has been introduced into contractual texts wherever possible.

Violation of the Code of Ethics can constitute, in the cases set forth in internal regulations, a breach of the contractual relationship and gives the Group the right to demand termination or withdrawal from the contract for just cause if, in the unquestionable judgement of the Group, the violation committed is such as to undermine the relationship of trust or cause significant harm to the Group. The right of the Parent company or its subsidiaries to claim damages remains unaffected.

When formalising contracts or supply agreements, as mentioned above, the Group requires, in accordance with the indications of internal regulations, the acknowledgement and acceptance of the Organisational, Management and Control Model pursuant to Legislative Decree no. 231/2001.

In order to assess the effectiveness of the systems adopted, as described in Chapter G1 (see 4.1 ESRS G1 - Business Conduct, Section 4.1.1 Corporate Culture and Protection of Whistleblowers, DP 10), the Bank has a Whistleblowing system accessible to both internal and external stakeholders, including suppliers, to collect possible reports and take the necessary measures in the event of non-compliance. As for its own employees, the Group provides protection for whistleblowers by ensuring that they are adequately protected against retaliation.

Note that in 2025, no reports were received from workers belonging to the supply chain.

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[56] It should be noted that the Procurement & Cost Management Department carries out its controls taking into account the exclusions provided for in the relevant internal regulations.

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3.2.3 Targets

[ESRS 2 MDR-T DP 72,81,a,b,bii]

[S2-5 DP 41,42a,b,c]

On the basis of the initial evidence emerging from the Sustainable Procurement project and considering the integration of new suppliers resulting from the acquisition of new operating businesses, Banca Ifis will assess, over the next few years, the opportunity to set quantitative targets for improving the ESG performance of the supply chain, taking into account the strategic priorities and the needs of the operating environment, also in view of the future business plan to be presented to the market. In a parallel fashion, the Ifis Academy Evolution Project involved the most relevant suppliers to strengthen engagement and foster alignment with the Group's sustainability principles.

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3.3 S3 – Affected communities

Material impacts, risks and opportunities

[S3.SBM-3 DP 48a]

IRO description	IRO category	Connection with value chain	Time horizon
Communities' economic, social and cultural rights / Communities' civil and political rights			
Socio-economic development of the communities concerned through support initiatives, collaborations with third parties, donations and/or sponsorships	Actual positive impact	Downstream value chain	Medium-term
Integration into the social fabric of communities through the promotion of initiatives that support the development of the territories and communities involved, collaborating with local organisations, industrial and professional associations	Opportunity	Downstream value chain	Medium-term
Increasing market share by expanding the offer of products with a positive social impact	Opportunity	Own operations Downstream value chain	Medium-term

[S3.SBM-3 DP 8a,9c]

The communities in which Banca Ifis operates and the impacts linked to them play a fundamental role in the Bank's strategy: the Group's social agenda, in fact, puts people, communities and territories at the centre, following the double bottom line approach inspired by the Chairmanship. This translates concretely into the implementation of projects and initiatives that generate high added value on the community and territories and that promote social inclusion, diversity, people's well-being and culture.

To support this strategy, the Kaleidos Social Impact Lab, founded in 2022 at the behest of President Ernesto Fürstenberg Fassio, provides an extensive policy of investing in projects and initiatives that benefit people and communities, providing tools to help build a more inclusive and sustainable future. Territorial initiatives have the dual objective of generating a positive impact by responding to stakeholders' needs and consolidating the Group's role as a bank close to the territory.

The correlation between the Group's strategy and the material impacts identified is tangible: the socio-economic development of communities through support initiatives, collaborations with third parties, donations and/or sponsorships is the philosophy embodied in the Kaleidos Social Impact Lab and guides the Group's strategy and business model. Confirming the centrality of these topics, it is specified that they will also constitute a key element for Banca Ifis's future Business Plan to be presented to the market.

[S3.SBM-3 DP 9]

All affected communities potentially subject to material impact by the company, whether related to its own operations or along the value chain, are included in the scope of disclosure and have been covered in the double materiality assessment.

[S3.SBM-3 DP 9a,ai-iv]

The positive impacts generated by the Group's activities affect the entire territory in which Banca Ifis operates, both regionally and nationally, and the communities along the value chain represent at the same time opportunities to generate further positive impacts.

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[S3.SBM-3 DP 11]

Through Kaleidos, the Group develops initiatives, in collaboration with non-profit organisations and local or national associations, with a high social impact in the areas of inclusive communities, culture and territory and people's well-being. The material impacts and opportunities realised through Kaleidos positively and transversally affect different groups of beneficiaries such as: fragile individuals, people in socio-economic difficulties, young people, students, artists and athletes, all located locally and nationally.

[S3.SBM-3 DP 10]

The constant dialogue with communities and the impact assessment that the Bank carries out as part of Kaleidos make it possible to identify, measure and monitor the impact generated by the Banca Ifis Group's strategic initiatives in the area of social responsibility and to identify the effects of these activities on the various communities affected and on the Group's stakeholders. Banca Ifis participates in the social life of the territory constructing a relationship of continuous dialogue with people and institutions, pursuing projects that can contribute to the development of more inclusive and collaborative communities[57], in which diversity is a value and culture a tool for sustainable growth, according to the direction indicated by the Group's social agenda.

Banca Ifis also pays special attention to the local communities most exposed to potential risks, with the aim of integrating these perspectives into its sustainability strategies.

[S3.SBM-3 DP 8b]

In addition to impacts, material strategic opportunities are also closely linked to the corporate strategy as they are perfectly aligned with Kaleidos's mission: the promotion of new initiatives to support territories and communities, the creation of partnerships with local organisations, industrial and professional associations, and collaboration with community groups enable the creation of social value.

[S3.SBM-3 DP 9d]

The double materiality assessment has not revealed any material risks on communities, rather only strategic opportunities such as the promotion of new initiatives that support the development of the territories and communities involved, the increase of market share through the expansion of the offer of products with a positive social impact, such as those related to the third sector, and the creation of new partnerships to foster sustainable programmes with a positive impact. These opportunities are reflected within the broader context of Kaleidos and have the common aim of forming synergies with local institutions, in order to disseminate and promote an ongoing dialogue with the communities and provide support and promotion to the various social and cultural initiatives.

3.3.1 Commitment to affected communities

Approach and reference policies

Social topics are central to the Group's sustainability strategy, which is not only committed to respecting the rights of the local communities concerned, but seeks to create a positive impact on the people, communities and territories in which it operates. As mentioned above, also thanks to Kaleidos, the Group plays an active role in community development, strengthening ties with territories and stakeholders at local and national level. In order to ensure adequate governance of social topics, a series of Policies and Procedures have been defined that govern

[57] *Collective and collaborative growth refers to a development path based on diversity enhancement and social re-inclusion projects.*

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the Group's activities, including the Code of Ethics and the ESG Policy (see Other sustainability information, section 5.3 Minimum disclosure requirements: MDR-P Policies overview).

[S3-1 DP 14]

The Code of Ethics outlines the set of principles, values, rights, duties and responsibilities assumed towards all stakeholders, while the ESG Policy aims to define the Group's sustainability guidelines and encourage the integration of ESG considerations into the Group's activities.

In the social sphere, these policies support the Group's commitment to the development of the communities and territories in which it operates, through participation in national projects, support for national and local non-profit organisations and entities, solidarity and social inclusion programmes, and training and research initiatives. Moreover, recognising the role of the third sector for the fair and cohesive development of the community, the Group activates partnerships for the realisation of initiatives in favour of disadvantaged categories and supports the community through donations and sponsorships consistent with its values and social objectives.

In addition, the Group pays special attention to projects supporting medical-scientific research, the promotion of diversity and inclusion, the social reintegration of people in difficulty and the enhancement of artistic and cultural heritage. Lastly, the Group supports a series of events and projects linked to the world of amateur and professional sport, both at national and local level, aimed at promoting in the community, and especially among young people, the values of sport, an expression of good educational practices and a vehicle of well-being and growth for society and organisations.

Donations and sponsorships are made transparently and in full compliance with applicable laws and regulations. All payments made in this area must be recorded accurately and in full and entered in the books and records by the relevant organisational units.

[S3-1 DP 17]

The Group's activities and policies in the field of sustainability are inspired by the main national and international initiatives and regulations such as the United Nations 2030 Agenda, the UN Global Compact and the Universal Declaration of Human Rights. The Group also reports on its commitment to sustainability according to the main applicable standards and regulations.

[S3-1 DP 16,b]

The ESG Policy enshrines, among other aspects, the Group's commitment to the protection of human rights in accordance with the highest international standards, including the United Nations Guiding Principles on Business and Human Rights and the Universal Declaration of Human Rights. As made explicit in the Policy, the Group considers respect for universally recognised human rights to be an essential requirement in its sustainability strategy, and therefore protects and promotes these rights in the conduct of its business and in its relations with the local communities.

Banca Ifis promotes a constant and collaborative dialogue with all communities. In particular, the Group collaborates with local institutions to enhance business culture. In 2025, Banca Ifis organised and promoted several meetings and opportunities for discussion with local stakeholders, communities and SMEs, focusing on different topics such as Italy's artistic and cultural heritage, sport as a tool for youth inclusion and development, and innovation and made in Italy. Some examples are the 'Innovation days' road show, in partnership with Il Sole 24 Ore, or the Study Days realised in collaboration with the Contemporary Creativity Directorate General of the Ministry of Culture.

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Actions

[MDR-A DP 68a,b,c]

[S3-4 DP 31,32c]

Through Kaleidos, Banca Ifis's Social Impact Lab, the Group acts by developing high social value projects in three main impact areas: Inclusive Communities, for the promotion of initiatives favouring diversity and social inclusion, Well-being of People, to promote psychological-physical well-being as well as sport, and Culture and Territory, to enhance and protect the territory's artistic and cultural heritage.

[S3-4 DP 32d]

In order to support the action of Kaleidos and to create an ever greater positive impact and a distinctive approach to social sustainability, Banca Ifis has developed a tool to guide the action of the Social Impact Lab in an increasingly structured manner: the Social Impact Economic Measurement Model. This model, developed by the Strategic Marketing & Research function of Banca Ifis in partnership with Triadi, a spin-off of the Polytechnic University of Milan led by Prof. Mario Calderini, is able to identify, measure and monitor the impact generated by the Group's social initiatives and makes it possible to:

- translate the "S" (social) dimension into a concrete set of values;
- make their actions measurable, guarding against the risks of socialwashing and greenwashing;
- select projects where we the impact can be maximised taking a purpose-driven approach.

The model is based on the Theory of Change and is scalable and replicable, which means that it can be applied to different initiatives implemented by the Bank. The methodology of the impact measurement model is developed in four different phases: the study of the context, the identification of impact dimensions, the identification of KPIs for each dimension and data collection, and the monetisation of social impact.

During 2025, the application of the impact measurement model continued for all of Kaleidos's relevant activities. In particular, more than 50 projects were measured (and measurable), which together generated a social value of 16,3 million Euro. The average multiplier (i.e. the ratio between the value generated and Banca Ifis's financing) was 5,2, meaning that 1 Euro invested turned into an average of more than 5 Euro of economic value for the community. This analysis revealed that projects in marginalised contexts and/or with impacts on multiple dimensions generate high social value and consequently have high average individual multipliers. Also in 2025, the impact measurement was also extended to the projects that are part of Ifis art, making it possible to measure the social value generated by the opening of the International Sculpture Park and related initiatives.

Inclusive communities

[MDR-A DP 68a,b,c]

[S3-4 DP 31,32c]

Within the Kaleidos Inclusive Communities area, Banca Ifis supports projects that enhance diversity and address social inclusion. This area includes all initiatives and projects that aim to promote an inclusive culture, to fight all kinds of discrimination and to foster, through concrete actions, gender equality and diversity in all its forms. These actions contribute to the dissemination of the positive impacts identified by the Group and, at the same time, enable the pursuit of the various mapped material opportunities.

In 2025, in continuity with previous years, initiatives were promoted to foster gender equality in STEM subjects, such as the Summer STEM Academy, the summer campus on STEM disciplines and diversity and inclusion organised by the Alumni Association of the Scuola Galileiana of Padua and dedicated to 4th grade students, and the joining of Women4Cyber Italia, the programme that encourages the improvement of skills and interest of female gender figures in cyber issues.

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Particularly important is the collaboration with NOVI Education to promote and support the Moonshot project, an innovative programme developed in collaboration with Nasa's Houston Space Center to introduce young students to STEM subjects. Thanks to the support of Banca Ifis, a specially created didactic path has been disseminated in five state schools in Rome, bringing space research directly into the classroom to spread and contaminate different subjects, scientific and non-scientific, in an interdisciplinary manner through experiments of various types and difficulty. During 2025, more than a thousand Euro students between the ages of 7 and 18 were able to attend these courses free of charge. This initiative has allowed the Group to contribute to the creation of an all-round educational welfare, to reduce the gap between public and private and to educate the new generations.

Impact measurement was applied to this project, which produced a multiplier of 3,8, i.e. 1 Euro invested in this initiative produced almost 4 Euro of social value. The measurement also shows that a large proportion of the interviewed students who participated in the programme increased their interest in STEM subjects and acquired new professional knowledge and skills.

At the same time, in the context of promoting social inclusion and youth empowerment, the Bank supported several initiatives aimed at the most fragile individuals, such as:

- collaboration with the social cooperative company Articolo 3, which operates within the Bollate Prison to facilitate dialogue between inmates and outside society;
- support for the YOLK Association, which enabled the creation of a free summer camp in Rome, which promotes educational and recreational-sports activities for children from socio-economically disadvantaged backgrounds;
- the partnership with Bambini delle Fate and the Pinacoteca di Brera in the project 'Perhaps a dragon will be born', aimed at creating an educational-artistic course for autistic children and young people in the Pinacoteca;
- collaboration with UNHCR on the DAFI programme, which promotes social inclusion through the education of young people from difficult socio-economic backgrounds by providing university scholarships to deserving students;
- support for the CEIS association in Genoa, for the development of specialised workshops for individualised educational and rehabilitation projects;
- collaboration with the Don Gino Rigoldi Foundation, through which the bank supports families and young people who find themselves on the edges of society;
- partnership with the SOS Children's Association and support for the 'Adopt a Family' project, through which the Group helps single-parent and single-income families;
- support for the Missione e Solidarietà Association, which supports those most in need and on the margins of society with concrete help, as well as support for the San Patrignano Community, which offers help to people with addictions, and for the Anfass association in Treviso, which seeks to foster the rights of people with intellectual and relational disabilities and their families.

Another relevant project concerns the collaboration with the Banco Alimentare Foundation, started in 2023 and consolidated during 2025. After supporting the distribution of the equivalent of 10 million Euro meals to people in need, Banca Ifis reinforces its commitment to social inclusion and food recovery by financing a new innovative project. Specifically, the initiative focuses on the recovery of meat as surplus food from the large-scale retail trade (GDO), to then process it through specific cooking techniques and distribute it, in the form of a finished product, to people in need through Banco Alimentare's partner territorial entities. In this way, the project takes on a highly innovative character, as it envisages the recovery of a product - meat - that is difficult to recover due to high costs and an increasingly reduced residual shelf life and, at the same time, the integration of a new operational phase - processing - through cooking techniques that guarantee its wholesomeness, safety and preservation. After conducting numerous tests and feasibility studies during 2024, the project was launched in Lombardy as a pilot project in 2025 and to date is unique of its kind at national and supra-national level.

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Here, too, the Group applied the impact measurement model to the first collaboration undertaken, which resulted in the distribution of the equivalent of 10 million Euro meals. The resulting impact multiplier is 6,7, i.e. for every Euro of donated contribution, almost 7 Euro of social value was generated.

Personal well-being

Within the Kaleidos Personal Well-being area, Banca Ifis has set up partnerships with local organisations to create programmes to raise people's awareness of the importance of prevention and to facilitate its spread, promote psychological-physical well-being in all its facets and support scientific research. The initiatives make it possible to pursue the material positive impacts and enhance the opportunities identified by the double materiality assessment. In this context, the following collaborations were promoted during 2025:

- the partnership with the Bambino Gesù Children's Hospital, to support the oncological research project on the use of CAR T cells in brain tumours in children, adolescents and young adults, and for the purchase and installation of a PET-TAC tomograph, an innovative imaging machine. With reference to the first collaboration, the support of Banca Ifis allows to support a trial aimed at assessing the safety and efficacy of gene therapy with CAR T cells on patients who have relapsed or are refractory to other treatments available today. The study is expected to enrol 54 patients aged between 6 months and 30 years with tumours that have recurred or are not responding to conventional therapies. On the contrary, with reference to the PET-TAC tomograph, it represents one of the most advanced technologies in the field of diagnostic imaging that allows obtaining detailed images for early diagnosis and monitoring, in particular, of oncological pathologies;
- the partnership with the Heal Foundation in supporting the Taxi Solidale project, which enables sick children and their families to be accompanied free of charge to specialised treatment centres for treatment. Thanks to the Bank's support, the service, which originally started in Lazio, has been extended to Lombardy and has made it possible to help not only sick children and families with treatment, but also single mothers with children from socially disadvantaged backgrounds;
- the new collaboration with the Venice Brain Foundation to support 'Brain Up', an experimental project for scientific research against infantile cerebral palsy also co-financed by the Veneto Region, which aims to promote targeted therapies and psychological support for families.

Among the most significant initiatives in 2025 in the field of biomedical research is the collaboration with the Foundation for Advanced Biomedical Research through its operational arm the Veneto Institute of Molecular Medicine (VIMM), which continues from 2020.

Located in Padua, the Foundation operates by carrying out research projects in the fields of oncological, metabolic, neurodegenerative and muscular diseases, with the aim of developing new knowledge and increasingly effective therapeutic solutions.

Over the years, Banca Ifis has supported VIMM through various programmes and research areas within the 'Adopt a Researcher' project. From the Laboratory of Pathobiology of Lymphomas and Myeloma, directed by Prof. Francesco Piazza, which has inspired studies on patients with multiple myeloma and which has made it possible to test the efficacy of new drugs against these diseases; to the research programme against prostate cancer, led by Prof. Andrea Alimonti, which aims to decrease the risk of developing resistance to therapies. Also part of this project is the organoid research programme, led by Prof. Nicola Elvassore, which aims to unravel the mechanisms that regulate brain development, enabling the identification of future therapeutic strategies for those suffering from neurodegenerative diseases.

During 2025, the collaboration with the Institute was further strengthened through the Bank's support in the purchase of a Lightsheet Microscope, an innovative piece of equipment that enables the study of neuromuscular and metabolic diseases. Thanks to this technological tool, VIMM researchers can advance scientific research by producing three-dimensional disease models, which are pioneering at European level. The microscope represents

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a highly valuable piece of equipment for the Institute: it has a useful life of around 30 years and is used by more than 15 research groups.

In order to measure the social value created by this latest partnership, the Group applied its impact measurement model, which produced an impact multiplier of 7,3. This means that every 1 Euro of donated contribution turns into more than 7 Euro of social value created. This is a remarkable above-average result, up from the measurement applied to the 'Adopt-a-Researcher' project, which had produced a multiplier of 6,2.

Convinced that sport also contributes to people's well-being and is a means through which to spread positive values, in 2025 Banca Ifis launched Ifis sport, the first banking division in Italy entirely dedicated to the support and sustainability of the sports ecosystem.

In particular, the action of Ifis sport takes the form of a wide range of products and solutions built on 20 years of experience in the sector. Today, the Group through Ifis sport offers football clubs support in the area of credit advance; structured finance solutions; leasing and operational rental of instruments and equipment; and dedicated financial coverage. This is the first and only banking proposal in Italy entirely dedicated to the world of sport. In order to promote sport as a powerful engine of social inclusion, economic growth and territorial enhancement, Banca Ifis is the main partner of the Serie A Festival and since 2025 the Official Bank Partner of the Serie BKT, an agreement thanks to which Banca Ifis strengthens its position in the world of Italian football, bringing the Ifis sport brand to all the pitches of the Italian cadet league.

The journey that included, on the one hand, enhancing the range of dedicated products and services, and on the other hand, further commitment to initiatives aimed at promoting social inclusion and spreading the positive values associated with sport. Specifically, Banca Ifis:

- supported CONI's junior medal-winning athletes in their sporting careers again this year by donating more than 80 scholarships;
- contributed to the organisation of the 40th edition of the Coppa Paolo Mantovani, Europe's most important youth sports school event in the city of Genoa, reserved for young primary school students in and around Liguria;
- confirmed the partnership with the amateur sports association (ASD) Wheelchair Sport Firenze - Volpi Rosse and continued supporting the Italian Federation of Sport for the Hearing-Impaired, in order to promote inclusion through sport;
- started a collaboration with CalcioAS Luiss in order to promote the world of sport and business by focusing on the values of ethics, excellence and personal growth.

The Bank's commitment to the world of sport has been enriched by the creation and publication of the Observatory on the Italian Sport System, a tool that photographs the value of sport and its contribution to the country's development, available to operators in the sporting and production sectors and to policy-makers. The Observatory analyses the state of health, trends and scenarios of Italian sport, acting as a measurement and evaluation tool for all stakeholders concerned.

Culture and territory

Finally, with reference to the third and last area of Kaleidos Culture and Territory, the collaboration with the Fratelli Tutti Foundation established by Pope Francis in 2021 continued, which promotes fraternity and social friendship through specific paths, as well as training activities and intercultural dialogue through dedicated events and cycles of meetings. In addition, support was given to the Marcianum Foundation, established in 2008 within the framework of the Patriarchate of Venice, which promotes cultural and school projects in the Veneto region.

This also includes the Bank's commitment to enhancing Italy's artistic and cultural heritage through various initiatives and collaborations. One example is the renewal of the partnership with the Fondo Ambiente Italiano

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(FAI), qualifying Banca Ifis as a Corporate Golden Donor member to preserve and promote artistic and cultural heritage in Italy.

The main projects in this area include 'Ifis art', the project desired and devised by Chairman Ernesto Fürstenberg Fassio that brings together all the initiatives to promote art, culture, contemporary creativity and their values. It is an articulated and unprecedented project that focuses on digital, to make art accessible also through innovative and alternative methods, the development of public-private partnerships, to support territories and communities, support the younger generation in their growth path and foster social inclusion through art. The project finds its highest expression in the International Sculpture Park, opened to the public in spring 2024 and already an international case history in corporate collection and cultural and social responsibility.

The International Sculpture Park, housed within the Group's historic headquarters, is a permanent exhibition dedicated to contemporary art in which works of art by great masters of contemporary sculpture, both Italian and international, are displayed, blending in with the surrounding environment. One of the pillars on which the Park was conceived is inclusiveness, structured both in access, which is free of charge, and in the signs, design and material choices, guided by the principles of respect for the exhibits and harmonious integration with the surrounding nature. To make the visiting experience digital and innovative, the Ifis art app has been developed, which allows visitors to book their own access time, to participate in scheduled events, but also to listen to or read the guide created especially for 'walking in beauty'. In the same spirit of disseminating culture, a guide dedicated to younger people has been designed with simplified texts and fun, appealing language.

In its second year, the museum space set up in the Banca Ifis headquarters welcomed more than 6,000 visitors, three times as many as in 2024, which had been its first year of operation. The success is mainly linked to the extension of the collection of works exhibited by Banca Ifis and the events organised also with the collaboration of external entities, with a view to strengthening connections with the territory.

The development programme of the Banca Ifis Sculpture Park's activities was also able to count on a series of new partnerships with leading local realities in order to create an interconnected ecosystem for the enjoyment of Italian art and culture. In May 2025, Banca Ifis announced a three-year collaboration with the Genesi Association to promote social inclusion through art. In the same vein, in June Ifis art inaugurated a new initiative involving the extraordinary opening of the Park to local associations active in social work. The project was created to allow children, young adults and, in general, people with disabilities to come into contact with the beauty of the works exhibited in the garden of Villa Fürstenberg, accompanying them on guided tours among the sculptures, paths and ancient trees in the park. The pilot event was held in June 2025 with the Gruppo Sollievo of the Association Parkinsoniani Associati Città Metropolitana di Venezia ODV. The initiative then saw a second appointment in October 2025 with the Cooperativa Sociale Itaca, which deals, among other things, with young people with intellectual disabilities.

The broader Ifis art project also includes other major initiatives that support, enhance and protect Italy's artistic and cultural heritage. One important example is the redevelopment project of Palazzo San Pantalon in Venice and the restoration of the work placed on its façade, 'The Migrant Child', one of only two recognised by Banksy in Italy. Supporting exhibitions, fairs, events and artistic-cultural events is another important part of Ifis art. In fact, Banca Ifis is the official sponsor of the Italian Pavilion at the 19th International Architecture Exhibition - the Venice Biennale. The Bank was also the main sponsor of the fifth edition of the International Modern and Contemporary Art Fair in Rome, where it exhibited a stand dedicated to Banksy and organised a talk on art-related topics.

Together with the Pinacoteca di Brera, Banca Ifis inaugurated 'Beauty and the Ideal. The Banca Ifis Canova Collection and the Travelling Picture Gallery', an exhibition entirely dedicated to Antonio Canova and the 12 busts of the Neoclassical sculptor recovered and restored in 2023 by the Bank. In addition, a collaboration with the Galleria Nazionale d'Arte Moderna e Contemporanea (National Gallery of Modern and Contemporary Art) was promoted in 2025 with which 'Ceroli Totale', a monographic exhibition dedicated to Mario Ceroli, was presented. The exhibition traces 70 years of the sculptor's research through a selection of 20 works including sculptures and installations from the GNAMC, Banca Ifis and the artist's collection.

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In addition to this, there are youth empowerment activities through art projects and meetings with artists, workshops also dedicated to employees within the International Sculpture Park, study days on topics related to art and culture organised in cooperation with the Directorate General for Contemporary Creativity - Ministry of Culture, and appointments dedicated to Made in Italy and the enhancement of sectors that support the Italian economy.

[S3-4 DP 38]

The Communication, Marketing, Public Affairs & Sustainability Department, in particular through the Brand, Corporate Communications & Sustainability organisational unit (which has three FTEs dedicated entirely to sustainability activities), supports the Sustainability Committee in defining the Non-Profit strategy and ensures the management of donations and in support of organisations, non-profit bodies and operators with proven experience and solid reputation, in line with the defined ESG strategy and in full compliance with the principles and rules of conduct set out in the Code of Ethics concerning transparency, compliance with the law, involvement and choice of beneficiaries. In addition, the Department was further strengthened in 2025 with the recruitment of a new resource in the role of Head of Philanthropy, with the task of strengthening the supervision of philanthropy issues.

[S3-4 DP 36]

During the year, no reports of significant human rights incidents in the communities concerned came to the attention of the Brand, Corporate Communications & Sustainability organisational unit.

[S3-4 DP 31,34b]

With reference to community-related areas, the Group has identified opportunities in relation to the promotion of initiatives that support the development of the territories and communities involved, including through increasing its market share by expanding its offer of products with a positive social impact. In particular, in 2025:

- the new 'Valore Venezia' product was launched, with the aim of enhancing the territory in which the Group operates. This is a distinctive initiative that enhances the positioning of Banca Ifis in supporting the territory and the art world. Specifically, this product is aimed at companies belonging to specific sectors and categories belonging to the world of beauty, allowing them to access a flexible form of credit with subsidised pricing. There are many synergies between the product and the Bank's commitment to the preservation and protection of Italy's artistic and cultural heritage, which is realised through the Ifis art project. To support the product and demonstrate the driving role that businesses in the world of Beauty have on the Italian economy, data and information from the study conducted by Banca Ifis 'Economy of Beauty' were used;
- the sixth edition of the 'Economy of Beauty' market watch has been published, a project born in 2021 as a platform for business culture dedicated to stakeholders interested in enhancing Beauty as a distinctive factor, and aimed at measuring, year after year, the contribution of Beauty to the overall development of the Italian economy. In particular, this edition of the Observatory tells how companies in the Beauty sector have chosen to invest in Artificial Intelligence and what the tangible results are. The observatory shows that the adoption of these technologies achieves concrete benefits for business growth: increased efficiency, improved profitability and reduced costs. Artificial intelligence is thus confirmed not as a mere trend, but as a real driver of strategic transformation.

These initiatives are in addition to the publication of the Social Bond Framework in 2024, which represented a fundamental step towards increasing transparency with respect to the assets financed by the Group, strengthening the relationship with long-term investors and other stakeholders. In particular, the Framework supports the Group's sustainability strategy and is an integral part of Banca Ifis's ambition to deliver a positive impact through its banking activities by directing capital flows towards a sustainable economy. In line with the Group's social commitments and objectives, the framework aims to define clear rules for identifying eligible activities to be financed through the issuance of a social bond. The Social Bond Framework is an opportunity for Banca Ifis to position itself in the sustainable finance market in order to attract dedicated funding for loans and

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investments with a positive social impact, according to the Group's funding plan, putting the topics of sustainability at the heart of discussions with investors.

[S3-4 DP 31, 32c]

In 2025, the illimity Group continued its commitment to generating shared value for communities by financially supporting the illimity Foundation (the 'Foundation'), an autonomous and independent entity from the Group, set up to develop social and territorial impact and regeneration projects. For illimity, this commitment also translates into tangible actions, such as the donation of real estate - from guarantees of impaired loans - to associations and Third Sector organisations for social purposes. Significant examples are the properties donated in past financial years by companies of the illimity Group, respectively, to the Il Nodo di Catania Consortium to house young care leavers (Barrio21 Project) and to the Kirikù Cooperative for the creation of an educational hub for young people and families to be inaugurated in the first half of 2025 (H.edu Project), demonstrating how illimity transforms resources into opportunities for those who need them most. The Foundation promotes paths of inclusion, cohesion and shared well-being, mainly through the regeneration of disused real estate assets, enhancing the value of local heritage and promoting long-term economic and social sustainability.

3.3.2 Engagement processes

[S3-2 DP 21,a,b,c,d]

Each social initiative follows a specific evaluation process that includes, after an initial phase of listening to the communities and collecting their needs and requests for support through dedicated on-line and in-person events, an activity to verify the consistency of the initiative with the values promoted by the company (conducted by the Communications, Marketing, Public Affairs & Sustainability Department). During these phases, contacts with associations, foundations or non-profit organisations are carried out directly, without intermediaries or delegated persons, at least monthly. Each initiative is presented to and approved by the Sustainability Committee, which decides independently within the budget defined at Group level. In addition, the Committee itself guides the approach used by the Bank in community engagement, while the Communications, Marketing, Public Affairs & Sustainability Department ensures that the engagement process is carried out effectively and that the results are integrated into the social strategy, ensuring effective and structured community engagement.

[S3-2 DP 22]

Particular attention is paid to the needs of affected communities that may be considered more vulnerable and are in situations of greater hardship, with whom medium- to long-term partnerships are promoted that foster a more inclusive culture and have been shown to be the most significant in terms of the social value generated, as better described in the section on impact measurement.

[S3-2 DP 21,a,b,c,d]

Similarly, the illimity Group implements engagement activities towards affected communities in order to guide its decisions and activities, directly involving communities through legitimate representatives or their trusted proxies. Engagement takes place in the strategic planning and monitoring phases of ESG policies, through questionnaires, interviews and thematic workshops (focus groups), to assess material ESG impacts, on an annual basis.

This process is overseen by the Board of Directors, operationally supported by the Sustainability function of illimity, contributing to the integration into corporate decisions. The effectiveness of engagement is monitored through dedicated KPIs that measure the results of policies and actions undertaken.

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3.3.3 Targets

[ESRS 2 MDR-T DP 72,81,a,b,bii]

[S3-5 DP 41,42a,b,c]

The Sustainability Committee, a managerial committee chaired by President Ernesto Fürstenberg Fassio, was also set up by the Banca Ifis Group to strategically address the material impacts, risks and opportunities relating to the affected communities. The commitment in these areas will finally be further strengthened in the future business plan to be presented to the market, which will incorporate concrete objectives to demonstrate the Bank's commitment to the communities concerned.

illimity, within its Sustainability Plan 2023-2025, has identified as one of its priorities the generation of social impact in the real estate sector through support for the illimity foundation, with the aim of contributing to urban regeneration, reducing vulnerable situations and creating value for local communities through inclusive initiatives and dedicated spaces. The definition of this priority action was supported by double materiality assessment and an ongoing dialogue with stakeholders, consistent with ESG priorities. The Plan ended in 2025, making it possible to evaluate the results achieved. Barrio21, H.edu) of the illimity foundation has contributed to consolidating and developing social and urban regeneration initiatives oriented towards youth inclusion, living and working autonomy and the creation of community spaces, strengthening the territorial coverage of the above-mentioned projects and broadening their impact. Overall, the actions implemented have generated positive effects in terms of social and labour inclusion, social urban regeneration and strengthening of local ecosystems.

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3.4 S4 – Consumers and end-users

Material impacts, risks and opportunities

[S4.SBM-3 DP 9a]

Consumers represent a strategic asset for the Banca Ifis Group, constituting a central reference in the choices of business model and sustainable development.

With this in mind, the Group adopts an approach geared towards long-term value creation, responding to customer needs, addressing risks and exploiting opportunities arising from consumer dependencies. This approach is embodied in initiatives such as sustainable recovery, aimed at the financial re-inclusion of debtor clients, and the dissemination of products and services that support the sustainable transition of SMEs as well as financial inclusion. Furthermore, the Bank promotes transparent and secure communication, ensuring data protection through advanced IT systems. In a parallel fashion, the Bank has defined a strategy oriented towards consumer satisfaction, integrating their needs with sustainability, innovation and transparency objectives.

[S4.SBM-3 DP 10,a,10ai-iv]

The focus on customers is also reflected in the results of the double materiality assessment, which identified related impacts, risks and opportunities.

The material impacts identified involve the end users who access the communication channels and use the products and services offered by the Bank, with specific reference to NPL debtor customers and business customers, especially SMEs. The Bank's conduct has the potential to adversely affect the privacy, personal data protection, freedom of expression and the principle of non-discrimination of consumers and end users.

[S4.SBM-3 DP 10b]

The analysis shows that negative impacts are limited to potential individual incidents because they are mitigated by adequate internal controls and policies. They are mainly related to the execution of unfair commercial practices towards customers, limited access to products and services for certain categories of stakeholders, digital gaps brought about by the bank's digitisation processes, and possible violations of privacy.

[S4.SBM-3 DP 10c]

The positive impacts extend to the entire customer base and translate into benefits such as the financial re-inclusion of households, the development of sustainable recovery models for Npl customers, the support of SMEs in sustainable transition paths and the promotion of an entrepreneurial culture, as well as the provision of tailor-made products/services and timely and effective complaint handling.

[S4.SBM-3 DP 9b, 10d]

As part of the materiality assessment, Banca Ifis identified a number of material risks and opportunities related to customer impacts and consumer dependencies. Risks mainly include operational risks, with particular reference to potential unauthorised access to customer data (data breach) by internal staff, as well as risks of non-compliance with market integrity, fairness and transparency regulations. These are flanked by reputational risks arising from the failure to respect customers' interests, the adoption of unfair business practices or the absence of adequate codes of conduct.

At the same time, the opportunities identified include strengthening the Group's reputation through clear and transparent communication and the promotion of financial education initiatives, as well as improving loyalty through enhanced privacy and data security safeguards, and expanding market share through the development and implementation of digital and innovative solutions, products and services.

[S4.SBM-3 DP 11,12]

The risk and opportunity assessment covers the entire customer base of the Banca Ifis Group, without specific subdivisions. The various projects implemented by the Bank, described in the following paragraphs, have made it

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possible to understand the needs of different consumer groups and to enhance positive impacts, strengthen safeguards to counter negative ones, evaluate new opportunities and mitigate identified risks.

3.4.1 Digitalisation and access to (quality) information

The Group recognises the development of digital innovation as one of the leading and priority actions for the implementation of its strategy. The main objectives include expanding the product offering through fully digital sales channels, improving the user experience for all types of customers and streamlining internal processes.

[S4.SBM-3 DP 48a]

IRO description	IRO category	Connection with value chain	Time horizon
Access to (quality) information			
Contribution to the creation of a digital divide for certain categories of disadvantaged users, due to the progressive digitalisation of Bank processes	Potential negative impact	Downstream value chain	Medium-term
Expanding market share and improving retention through the implementation of digital/innovative solutions, products and services	Opportunity	Downstream value chain	Medium-term

Group approach and policies

[S4-1 DP 15]

In this context, the Banca Ifis Group integrates technological development and digital innovation within its sustainability strategy.

In the Group's ESG Policy (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview), the development and deployment of digital technologies stand out among the key elements reflecting commitment to the three pillars of environmental, social and governance sustainability. This approach highlights how digital transformation is integrated into the Group's sustainable strategy, representing a key element.

In line with these principles, each Group company offering a catalogue of banking products and services has adopted a specific organisational procedure aimed at showing the strategy by which full compliance with current transparency regulations is ensured. Through the application of the Organisational Transparency Procedure for Banking and Financial Transactions and Services (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview), the Group promotes fairness and clarity in transactions related to the protection of customer rights.

Actions

[ESRS 2 MDR-A DP 68a,b,c]

For Banca Ifis, digitisation is a key strategic factor in the evolution and strengthening of its business and customer relations, enabling it to offer increasingly efficient, accessible and personalised services. Thanks to the adoption of advanced technologies, the Bank is able to improve data management, optimise daily operations and respond more promptly to customers' needs. Digitalisation enriches customer interaction, making transactions faster and

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safer, favouring transparent and immediate communication, and facilitating access to banking services, in line with the expectations of an increasingly digital world. The illimity Group is also moving in this direction, developing, through its suppliers, IT platforms that guarantee IT security and a good digital customer experience. Fundamental are the digitisation and technological modernisation measures undertaken, with the aim of offering customers a simple, immediate and user-friendly digital experience.

[S4-4 DP 30,33b]

The Group sees innovation as a key opportunity to expand its market presence and consolidate customer loyalty. To this end, it invests in the development of cutting-edge digital solutions, products and services designed to adapt to a changing environment and meet the needs of an increasingly competitive market. Consistent with this vision, the Group has initiated several significant projects in 2025, in line with its strategic directives, which consider digitalisation a central factor in the Group's reputational and business growth.

These include the continuation of a development programme called Digital Selling Platform (DSP), aimed at optimising the sales and onboarding processes of companies. The initiative aims to create a single platform to centralise processes related to each type of service, either through sales channels intermediated by the sales network (internal or external) or directly (self-service). In 2025, the platform was enhanced with the sale of the 'e-Bike to consumers' product, expanding the range of products available to B2C customers.

At the same time, new solutions were introduced for remote identification and signature services that are essential for e-commerce channels, self-service sales modes and online mediation portals for salary-backed loans. These digital tools allow access to market segments that are difficult to reach through traditional physical intermediary channels, contributing to the expansion of Banca Ifis's presence in the market. Particular focus was given to improving application performance, with a focus on aspects that directly influence the customer experience.

In the same vein, the 'Next4Lending' project was launched, which aims to enrich the platform with the Lending product by simplifying and digitising the current process, reducing manual work and operational risks and improving efficiency. Another significant intervention concerned the improvement of the user experience of the Next platform through the introduction of improvements aimed at simplifying and digitising the sales process, from quotation to disbursement.

The Group has also continued to strengthen and evolve the digitalisation path undertaken in the previous year with the aim of increasing the efficiency of internal processes and services for customers, be they businesses or private individuals. Action has been taken to enhance the security of the entire IT system, ensuring robust and secure applications that provide high standards of protection and security for customers.

[S4-4 DP 30,31a,d,32a,b,c]

With the aim of reducing the possible digital divide for certain categories of disadvantaged users due to the context of increasing digitisation, during 2025 Banca Ifis implemented a governance system dedicated to the issue of accessibility, defining an operating model and a regulatory framework complete with processes and procedures governing accessibility management within the Bank. This structured commitment reflects the Group's desire to ensure, on an ongoing basis, the increasing accessibility of its digital assets.

In the context of the creation of new assets and the progressive digitisation of existing ones, the Innovation Office plays a coordinating and guiding role, ensuring that accessibility requirements are integrated right from the design stages.

In addition, the Group concluded the 'Digital Accessibility Remediation' project aimed at implementing a new design system for the Bank's applications, enabling people with permanent or temporary psycho-motor disabilities to use the Group's corporate websites.

At the same time, the Group promotes initiatives, both internal and external, to foster digital inclusion, support innovation and close gaps for specific categories of users. Particular attention is paid to initiatives to raise awareness and promote gender equality in STEM disciplines: in 2025, the Bank renewed its support for the

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Summer STEM Academy for the fifth consecutive time, involving twenty-five girls and boys in the fourth year of high schools throughout Italy with excellent results in science subjects (see 3.3 ESRS S3 - Affected Communities, section 3.3.1 Commitment to Affected Communities, DP 31,32c).

To support its growth and retention strategy, Banca Ifis has started a market analysis to assess the competitiveness of its offer and the efficiency of its processes. Particular attention is paid to the clarity and effectiveness of customer communication, ensuring an interaction characterised by professionalism, fairness and transparency and enabling customers to make informed choices.

In addition to the initiatives described above, illimity is committed to generating value for its customers by promoting a clear and transparent communication approach, based on the full sharing of essential information and detailed pre-contractual documentation related to the products offered (e.g. interest rates, protection mechanisms). In doing so, it aims to ensure that the benefits and risks associated with such instruments are readily understood by the client. In particular, the illimity Group implements an internal control process for the preparation of corporate and commercial communication content to ensure compliance with transparency and consumer protection regulations.

This communication approach applies to all documentation addressed to illimity customers including advertising material, pre-contractual and periodic information and contractual documentation. The implemented practice is fundamental to the correct design of business processes and to increasing stakeholders' sense of trust regarding the transparency of illimity's operations and services.

[S4-4 DP 31d]

In order to verify the effectiveness of the projects implemented, the Bank introduced a system to monitor the KPIs identified for each project. This approach is aimed at analysing and resolving any anomalies, with the aim of identifying areas for improvement and ensuring increasingly reliable and efficient portals.

[S4-4 DP 34]

To ensure effective and comprehensible communications, the Bank uses the structures of Brand, Corporate Communications & Sustainability and Digital Innovation & Advertising. In order to fulfil regulatory transparency obligations, all customer communications are subject to validation by dedicated control structures such as Legal, Compliance and Privacy. In addition, to prevent ineffective communications, the sales network receives continuous, up-to-date training on the risks of miscommunication.

3.4.2 Privacy

The growing spread of ICT products and services based on processing personal data has made privacy and information security more and more strategic for companies over the years. In this context, the Banca Ifis Group considers the protection of personal data to be an indispensable value in consolidating customer trust and protecting its reputation, and is strongly focussed on the prevention and rapid management of IT incidents in order to protect its information assets entrusted it by the customers.

[S4.SBM-3 DP 48a]

IRO description	IRO category	Connection with value chain	Time horizon
Privacy			
Violation of customers' right to privacy resulting from inadequate management systems or ineffective application of procedures and preventive actions with consequent data loss	Potential negative impact	Downstream value chain	Medium-term

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IRO description	IRO category	Connection with value chain	Time horizon
Risk of operational losses due to unauthorised access to customer data (Data Breach) by Banca Ifis in-house staff for personal gain	Risk	Own operations Downstream value chain	Medium-term
Improving customer loyalty by optimising corporate assets in terms of privacy and data security and quality information	Opportunity	Downstream value chain	Medium-term

Group approach and policies

[S4-1 DP 15]

In this context, Banca Ifis has integrated the protection of privacy and data security among the strategic and non-negotiable objectives of its corporate governance, considering them essential elements to ensure transparency, reliability and respect towards customers, employees and stakeholders.

In support of this commitment, the Bank has a Group Policy for IT Security Management, which defines the IT security governance model, establishing principles, responsibilities and operating rules for the protection of the Group's information and IT assets, to guard against risks associated with the use of information systems (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview).

In a parallel fashion, the ESG Policy (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview), the Banca Ifis Group considers the protection of privacy and security of customer information to be priority objectives, ensuring transparent data management that complies with the current regulatory framework.

To ensure the concrete implementation of these principles, the Group has adopted the Regulatory Handbook on Privacy, drafted in compliance with Regulation (EU) 2016/679 (GDPR) and Italian data protection legislation. The Manual is designed to protect personal data processed by Banca Ifis and its Italian subsidiaries, while respecting fundamental freedoms and promoting responsible and compliant handling of personal data (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview).

[S4-1 DP 16a]

The Manual also emphasises that respect for universally recognised human rights is an indispensable requirement of its strategy by promoting the protection of these rights in its operations and in its relations with employees, stakeholders, users and end consumers.

[S4-1 DP 16]

The ESG Policy has been developed in compliance with international regulations and principles, including the UN Global Compact, the Universal Declaration of Human Rights and UN principles, thus reinforcing the Bank's attention to promoting a responsible growth model.

[S4-1 DP 16c]

With this in mind, the Parent company promotes sustainable economic development, giving preference in its financing decisions to companies that adopt ethical behaviour, optimising environmentally friendly production methods, guaranteeing inclusive working conditions that respect human rights, and are inspired by the highest standards of corporate governance.

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[S4-1 DP 16a,b]

To promote transparency and customer engagement, the ESG Policy is made public and accessible, strengthening the creation of long-term sustainable value. However, no direct engagement of consumers and end-users was carried out in the drafting of the Policy and in defining the Group's approach to human rights.

[S4-1 DP 17]

The various instruments adopted by the Bank have been developed in accordance with international standards, ensuring that all activities are aligned with the principles of the UN Global Compact and the OECD Guidelines. To date, there have been no cases of violation of these principles towards customers and along the value chain, in line with the Bank's focus on meeting global standards of sustainability and social responsibility.

Actions

[ESRS 2 MDR-A DP 68a,b,c]

For Banca Ifis, the protection of customer privacy represents a fundamental value as it contributes to strengthening trust and preserving the company's solid reputation. The Bank recognises the importance of ensuring strict and transparent management of personal data, in accordance with European and Italian regulations. In this context, as mentioned above, the Privacy Rulebook is a key tool to ensure that all personal data processing activities are carried out in compliance with the rules in force, with the protection of the rights of data subjects at the centre. Through a structured and monitored approach, Banca Ifis is committed to implementing specific measures to maintain high standards of security and transparency at all stages of processing, consolidating stakeholder trust.

[S4-4 DP 30,31a,33a]

The increasing digitisation and computerisation that have characterised the Group's processes and activities in recent years have made the issues of cybersecurity and data protection increasingly central to the strategy and business model. In particular, numerous activities are implemented to promote cybersecurity and to protect privacy, with the aim of adequately guarding against and monitoring potential risks and related negative impacts. One important example is the internal regulatory framework governing IT security and the processing of personal data in compliance with national and international law. From a governance point of view, the management of privacy and cybersecurity issues is carried out by the Privacy & Security Department, reporting directly to the General Management and, specifically, to the Chief Operating Officer (COO). As described in the Organisational, Management and Control Model as per Italian Legislative Decree no. 231/2001 of the Bank, the COO is responsible for overseeing the bank's IT and information security and business continuity functions, as well as privacy regulatory safeguards. General Management also includes an Operational Quality Committee, with the aim of outlining, and sharing, operational improvements that allow the Bank to continuously refine its attention to internal/external regulatory frameworks and IT security. Finally, it should be noted that the cybersecurity strategy is outlined and monitored by the CEO.

With regard to the protection of its customers' privacy, the Banca Ifis Group has adopted a number of safeguards to intervene promptly in the event of violations related to inadequate management systems or ineffective application of security procedures. The control systems put in place by the illimity Group include specific access protocols, activities of the Compliance function with reference to the requirements defined by GDPR and prudential regulations, and IT systems with access profiling. These measures aim to prevent breaches of customer privacy and the loss of sensitive data by ensuring that all preventive actions are effective and properly implemented.

In line with the reference legislation, the Group has also adopted specific internal procedures, in line with the provisions of Regulation (EU) 2022/2554 (DORA Regulation), which is currently being updated. These procedures are designed to handle information security incidents that could compromise personal data, violating the confidentiality, integrity or availability of such data. Likewise, the illimity Group adopts internal rules on IT security,

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data protection and business continuity. Specifically, this includes advanced data protection and monitoring systems, protocols to handle data breaches, encryption and enhanced authentication; as well as safeguards in compliance with GDPR and DORA regulations.

At the same time, the Group promotes awareness-raising and training initiatives aimed at reinforcing the awareness of the resources that manage communication activities, drawing attention to any cases of misconduct that might accidentally occur. A typical example of a privacy-impact incident is 'mispostal', which occurs when a person's personal data is accidentally transmitted to unentitled persons. In such cases, Banca Ifis undertakes to intervene promptly by assessing the extent of the breach and informing the person concerned, in order to allow the appropriate protective measures to be taken and to avoid any unlawful use of the wrongly transmitted information. Similarly, the illimity Group also promotes awareness-raising initiatives aimed at employees through customised training on the topics of phishing, business e-mail compromise, malware, data protection and business continuity.

The measures described above aim to prevent breaches of customer privacy and the loss of sensitive data by ensuring that all preventive actions are effective and properly implemented.

With regard to cybersecurity topics, in 2025, the Group has implemented several actions to improve employees' ability to identify and report incidents involving personal data. In particular, IT tools were implemented to detect and prevent abnormal or fraudulent behaviour, such as data theft, and access to customers' banking data was monitored, both by staff with and without privileged users, in line with the provisions of the Data Protection Authority. The Group ensured the prevention and timely handling of IT security incidents, protecting its information assets, which include the data of customers, employees and suppliers. In support of these, numerous staff awareness-raising initiatives were carried out on data protection and cybersecurity issues. These include the monthly dispatch of the newsletter 'Flash Cyber News', the organisation of the interbank phishing 'championship' and communication activities aimed at raising awareness of the most recurring cyber threats and the most effective ways to defend oneself (see 3.1 ESRS S1 - Own workforce, section 3.1.3 Training and skills development, DP 37).

In the same area, as for 2024, the Group has continued the project activity to revise the Supervisory Authority's Order No. 192 of 2011, aimed at intercepting any anomalous or undue behaviour by Group employees in relation to personal banking data of customers. The activity involved, among other things, the review of the application perimeter, the verification and regeneration in accordance with the registers, the verification and refinement of alerts, and the verification and testing of the escalation process to ensure the correct application of internal processes and to strengthen privacy protection. On the technical side, the illimity Group regularly carries out crisis simulations and conducts Vulnerability Assessment and Penetration Test (VAPT) activities to identify and mitigate potential vulnerabilities.

[S4-4 DP 30,33b]

In continuation of these safeguards, the Banca Ifis Group conducts regular security tests on websites and portals for users and customers, in order to ascertain the presence of any security anomalies and, consequently, to strengthen the safeguards. Unique and secure access solutions (such as SPID and CIE) were also implemented to streamline and facilitate access to restricted areas for Npl customers.

To further increase the security of instant credit transfer transactions, the Group has activated, in cooperation with core banking service providers, the 'Verification of Payee' (VoP) function, which allows the IBAN to be checked against the account holder, possibly also requesting an identification code (e.g. VAT number or tax code), reducing the risk of errors and fraud.

[S4-4 DP 34]

The focus on privacy is not limited to the internal operations of the Group, but also extends to relations with its value chain. In particular, the Group pays special attention when establishing business relations with suppliers, especially those dealing with the processing of personal data of customers and/or end users. Before a contract

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is concluded, suppliers are thoroughly assessed by the competent internal functions, with a particular focus on verifying the adoption or ability to adopt adequate measures to ensure the protection of personal data processed. The illimity Group also involves its value chain in information privacy management, implementing an ongoing Third Party Risk Management process to monitor the IT security posture of suppliers, services and products provided by the Bank.

[S4-4 DP 32a]

With the aim of monitoring the effectiveness of the actions taken, the Group has structured privacy breach management processes and measures regulated by an internal regulatory framework, including the Operating Procedure for the Management of Information Security Incidents. These processes are based on industry best practices, codes of conduct and guidelines from competent authorities, including the European Data Protection Board.

[S4-4 DP 32b]

In line with the IT security management process described above (see 3.1 ESRS S1 - Own workforce, section 3.1.6 Other work-related rights (privacy), DP 39), Banca Ifis monitors the performance of the solutions adopted with the aim of applying corrective and preventive actions based on the audits carried out and the impacts found.

[S4-4 DP 32c]

The reference processes, which are being updated with the entry into force of the DORA Regulation, are shared through training sessions, tested regularly and monitored using dedicated IT resources, such as Jira and RiskOp.

[S4-4 DP 31d]

All security incidents are surveyed and reported on an annual basis. Starting with the analysis of the incidents that have occurred, the 'problems', i.e. recurring patterns at the origin of accidents, are examined in order to identify and implement the most suitable preventive actions. Such interventions may include staff training or the adoption of technological solutions to detect, intercept or exclude human error.

3.4.3 Access to products and services

The Banca Ifis Group supports SMEs with a diversified range of commercial and corporate banking services, including factoring, financial leasing, advisory for M&A transactions and medium and long-term financing. In the Npl segment, the Bank adopts a sustainable collection model that allows households and companies to manage repayment plans and encourages their financial re-inclusion.

[S4.SBM-3 DP 48a]

IRO description	IRO category	Connection with value chain	Time horizon
Access to products and services / Non-discrimination			
Financial re-inclusion of families and development of an ethical and sustainable collection model	Actual positive impact	Downstream value chain	Medium-term
Contribution to customer financial education	Actual positive impact	Downstream value chain	Medium-term
Contribution to increasing the country's entrepreneurship and supporting it in the sustainable transition through the strengthening of credit access channels, with a specific focus on SMEs	Actual positive impact	Downstream value chain	Medium-term

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IRO description	IRO category	Connection with value chain	Time horizon
Lack of ability to meet the financing requirements of certain stakeholder categories due to operational limitations, positioning, strategic decisions of the Group and/or regulatory pressure	Potential negative impact	Downstream value chain	Medium-term
Enhancing reputation through the promotion of effective financial education initiatives	Opportunity	Downstream value chain	Medium-term

Group approach and policies

[S4-1 DP 15]

In order to effectively manage the impacts and seize the opportunities associated with its activities in the areas of financial education, strengthening of credit access channels and financial reinclusion, the Group has adopted a framework of policies and procedures that ensure transparency, fairness and risk control at all stages of the development and communication of its business initiatives (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview). In particular, the Group Policy for Approving New Products and Services, Launching New Businesses and Entering New Markets defines the guiding principles aimed at ensuring a structured and transparent process, while the Group Organisational Procedure - Management of Marketing Communications to Customers establishes the organisational and operational criteria governing marketing communications, ensuring a coordinated, consistent and responsible approach throughout the Group's operations.

Actions

Accessibility

[ESRS 2 MDR-A DP 68a,b,c]

[S4-4 DP 30,31a,d]

In this context, the Banca Ifis Group is committed to preventing situations of limited access, for specific categories of stakeholders, to favourable credit line conditions, which may arise from the Group's strategic choices or from operational and positioning difficulties in meeting financing requests.

To this end, Banca Ifis operates in line with the Group's Policy for the approval of new products and services, the launch of new activities and entry into new markets by adopting guiding principles governing the development, modification, distribution and monitoring of products and services offered. For products intended for retail customers, these processes ensure that, throughout the entire life cycle, the interests, objectives and characteristics of customers are adequately considered, with particular attention to the assessment of typical risks and the avoidance of potential conflicts of interest.

The Banca Ifis Group also continued the 'Innovation Days' project involving the Group's managers in partnership with Il Sole 24 Ore, through which technology and sustainability issues are explored in depth within an entrepreneurial context made up of companies that do not stop investing and recording important results in both product innovation and sustainability. Through this initiative, the Bank aims to improve the financial education of its audience, while strengthening its reputation and competitive positioning in the market.

Finally, the illimity Group supports its customers by offering savings instruments and factoring and financing services aimed at fostering business development and growth, stimulating investment and facilitating access to credit. Specifically, illimity:

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- promotes structured financial solutions for corporate and SME customers, such as the provision of new finance or the takeover of existing finance;
- provides financing, also with public guarantees and facilities, mainly to corporate clients in order to support them in their recovery, revitalisation and growth process;
- finances the working capital of companies, improving their supply chain management;
- provides financial savings instruments, including deposit accounts, also accompanied by guarantee measures such as the Interbank Deposit Protection Fund for retail customers.

ESG products

[ESRS 2 MDR-A DP 68a,b,c]

[S4-4 DP 30,31c]

At the same time, the Group aims to generate positive impacts by supporting sustainable transition through expanding access to credit, with a focus on SMEs. With this in mind, the Group has embarked on a gradual process of integrating ESG parameters into the Bank's information system: an effective collection of ESG data contributes, for example, to mitigating the risks associated with assessing the creditworthiness of counterparties and strengthening the company's reputation, contributing to the development of a strategic vision that goes beyond the mere requirements of an increasingly complex and articulated regulatory framework.

2025 saw the continuation of the local initiatives started with businesses, independent professionals and SMEs, helping to promote the management culture and raise awareness on best practices as well as new technologies and tools supporting growth - chief among them digitalisation.

In 2025, the Bank continued its collaboration with SACE through the activation of the SACE Green Guarantee, thanks to which both SMEs and large companies can implement a sound sustainability strategy. The Guarantee, backing 70% of the loan, aims to support Italian companies that invest in projects to develop their businesses in Italy with the objective of accelerating the transition to an economy with a lower environmental impact, integrating production cycles with low-emission technologies for the production of goods and services, and promoting initiatives that develop mobility with lower polluting emissions.

In addition, the Group implemented the following main initiatives:

- in continuity with 2024, the promotion of sustainable mobility continued, despite the state incentives (so-called Ecobonus) for the year 2025 have been further scaled down; in particular, given the importance the Bank attaches to the issue in question, the sales network has been constantly informed about the new state 'Ecobonus' incentives and made aware of financial leasing solutions for electric vehicles;
- in continuity with 2024 when the new B2B 'e-bike rental' product was released to promote sustainable mobility and active tourism in Italy, in 2025 sustainable mobility was further promoted by extending the 'e-bike' product to B2C customers as well;
- following the release in 2024 of the leasing product for photovoltaic systems and charging stations aimed at supporting the transition to renewable energy sources and environmental sustainability, awareness-raising campaigns were carried out in 2025 for the sales network and strategic partnerships were undertaken to develop the product.

The Group also continued to develop its offer of sustainable products in the social sphere, introducing an electro-medical leasing and rental product (offered by Banca Ifis and Ifis Rental Services respectively) designed specifically for pharmacies and healthcare facilities based in Campania, Molise, Apulia, Calabria, Sicily or Sardinia. The aim is to support health centres and prevention activities in these territories by facilitating access to high-end diagnostic equipment through favourable conditions.

Similarly, the illimity Group has moved in this direction, developing the "Green, Social & Sustainability-linked Loan Framework", which has been included in illimity Bank's internal regulations, specifically in the Single Credit Procedure, and has been subject to independent assessment by the DNV certifying body valid since 2024. This

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framework has enabled illimity to establish guidelines for providing loans and/or investments to support projects with positive impacts on the environment and society, as well as providing incentives for companies to improve their sustainability practices. Specifically, illimity has defined business strategies oriented towards the promotion, also through subsidised conditions, of new financial instruments and products, such as Green Loan, Sustainability Linked Loan and Social Loan designed to support companies in the path of sustainable transition.

[S4-4 DP 31d]

The Group has in-house structures dedicated to monitoring the procedures adopted in order to assess their regulatory and strategic compliance, making use, where necessary, of consultants who are experts in the sector being analysed.

Specifically concerning the definition and introduction of new products and services:

- the Compliance Department ensures the control of the risk of non-compliance, for example, by assessing the adequacy of the safeguards with respect to the applicable regulations or by verifying the compliance of the advertising messages envisaged. In addition, following the introduction of new products and services, the Compliance Department requires the provision of appropriate training courses for the organisational units impacted by the new banking products and services (e.g., on the risks inherent in the new product and how to mitigate them);
- the Anti-Money Laundering Department helps evaluate the risk that the new initiative could pose to the Bank concerning the potential for it to become involved in money-laundering and terrorist financing as a result of the new product, with particular attention paid to the remote onboarding of the customer.

[S4-4 DP 30,31a,32a,b,c]

In order to respond to negative impacts that may affect customers, specific processes have been implemented to constantly evaluate and improve their experience.

These include direct surveys conducted to customers registered on myIfis to assess their satisfaction. In addition, the physical network of sales representatives, sales support and managers maintains continuous contact with customers, monitoring their degree of satisfaction in order to optimise the service provided and take corrective action if necessary.

In the case of communications perceived as ineffective, the communications team is involved by the business functions to make them clearer and more understandable, ensuring better interaction with customers.

[S4-4 DP 34]

During 2025, the Group concluded the project started in 2024, for the makeover of its corporate websites with the aim of improving accessibility for people with physical and cognitive disabilities, whether permanent or temporary. As far as creditworthiness is concerned, there are currently no differences in the favourable terms of credit lines for different categories of stakeholders.

Social banking Npl

[ESRS 2 MDR-A DP 68a,b,c]

[S4-4 DP 30,31c]

Banca Ifis's social agenda and its focus on the needs of individuals and businesses is also reflected in the adoption, by the Npl business, of a sustainable collection model, whose ultimate goal is the financial re-inclusion of family and corporate customers. In addition, as part of this project, the bank paid attention to particular categories of debtor customers considered to be “in difficulty”, with initiatives of psychological support and re-employment offered in partnership with specialised organisations.

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Banca Ifis Group is one of the leading specialized operators in the Italian non-performing loan sector and the market leader in the unsecured small ticket segment, operating through two companie:

- Ifis Npl Investing: originates and submits for evaluation and due diligence investment opportunities in non-performing loans also in the form of fund shares and securitisation notes. As investor and owner of the debt portfolio, it defines recovery strategies and monitors recovery performance on a case-by-case basis. Ifis Npl Investing is a full subsidiary of Banca Ifis;
- Ifis Npl Servicing: a company that manages portfolios of non-performing loans owned by Ifis Npl Investing and portfolios of Npl on behalf of third parties, implements the most appropriate recovery strategies in coordination with its principals and with the aim of defining sustainable solutions with the debtor clients. Ifis Npl Servicing is a full subsidiary of Ifis Npl Investing.

Over the years, a virtuous model has been defined, in which every action is also evaluated considering the impact it can have on the community and the context in which the Group operates. Thanks to the definition of a collection model centred on customer assistance and which favours amicable agreements, the Group is committed to fostering a concrete path to the financial re-inclusion of debtors through a management characterised by: the customisation of repayment plans, multi-year and with sustainable monthly instalments, open dialogue with debtors and respect for the counterparty's preferences in terms of contact times and channels, investment in corporate structures (contact centre) and technological equipment to offer flexibility over time for the debtor.

The Group companies operating in the Npl Segment focus on assessing whether the receivables can be recovered and preparing settlement plans compatible with the specific debt situation by adopting several mechanisms throughout the various loan acquisition stages, i.e.:

- a first control, aiming to verify whether the loans being acquired can be recovered, so as to exclude non-existing or time-barred receivables and prevent the risk of non-payment as well as the reputational risk that trying to collect bad loans would entail;
- the implementation of welcome calls aimed at ensuring the quality of the service dedicated to debtor clients and the effectiveness of the sustainability of the negotiated agreements;
- the definition of repayment plans suited to the customer's finances and tailored to each individual case;
- the assessment of the customer's actual return potential with a deliberation process focused on understanding the customer's overall situation.

Identification of Banca Ifis's operating Segments is consistent with the methods adopted by the Management to take operative decisions and is based on internal reporting, used in order to allocate the resources to the various segments and analyse the relevant performance.

In the course of 2025, the project was continued to further develop the Bank's sustainable debt collection model and approach, in order to materialise its recovery action as an opportunity for financial re-inclusion, consistent with the "double bottom line" approach inspired by the Chairmanship, and with the utmost attention to sustainability. In particular, the project was further consolidated and evolved, divided into several project sites, each with a specific purpose. The results achieved during the year are manifold and involve several areas:

- the enhancement of the Pagachiaro Portal, a digital platform available to debtor customers through which, following digital onboarding, they can receive all relevant information about their position and subscribe to pre-approved proposals, as well as share feedback on the Group's operations. In addition, the following features will be activated from 2026:
  - signing of proposals defined with the out-of-court network;
  - registration through alternative modes (i.e. SPID and CIE);
  - autonomous definition of a recovery plan (within predefined limits);
  - settlement of instalments at the end of the repayment plan or rescheduling thereof;
- the implementation of specific communication initiatives to encourage the use of the Pagachiaro portal;

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- the introduction of psychological support models and support in reintegration into the world of work in cooperation with specialised external partners , in order to support the social and financial reintegration of debtor clients, with the first vouchers for the activation of support initiatives for those in difficulty having been issued;
- the rolling outsourcing of positions to dedicated out-of-court and judicial networks, with the aim of encouraging amicable settlements of cases under judicial processing, increasing out-of-court settlements in the judicial basin.

The Banca Ifis Group's amicable collection model is based on a collection network that adheres to behavioural standards based on principles of fairness, loyalty and consistency, in line with the Group's Code of Ethics and the Unirec Code.

The quality of portfolio management procedures is monitored with more than 60 thousand telephone calls per year to verify customer satisfaction, both in terms of relationship management and satisfaction with the defined return solution.

The Ifis Npl amicable collection network consists of:

- Internal Call Centre: made up of Ifis Npl Servicing employees who provide management and support through dedicated channels (e.g. toll-free number, Pagachiaro portal, e-mail);
- Agent network (Agents pursuant to Art. 115 of the Consolidated Act on Public Safety Laws and Agents in financial activities) operating extensively throughout Italy;
- Collection partner companies of Ifis Npl specialising in out-of-court activities.

Operating practices are formalised in internal rules and regulations to ensure transparency, integrity and added value to the debt collection process. The adopted organisational model and internal regulations were defined, in compliance with current legislation and the relevant principles of conduct.

In the selection phase of agents and recovery companies, structured checks are carried out to assess their suitability and reliability, including checks on professional registers, investigations into good standing requirements, asset and company analyses, and assessment of operational practices.

The creation of a Network of professionals at the debtor customer's service enables real support nationally, in full respect of the Group's values. Several precautions are taken to ensure the integrity of the behaviour of debt collection Agents and companies, including:

- the obligation to comply with the Code of Ethics and the Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/2001, at the time of stipulating the contract;
- control over the number of mandates: pursuant to Art. 128 quater, paragraph 4 of the Consolidated Law on Banking, the financial Agent may perform activities based on the mandate of a single intermediary or several intermediaries belonging to the same Group. In certain cases, the Agent may take on two additional mandates provided that they are for different products from those already in place;
- the presence of a continuous monitoring system through contact with debtor customers and the verification of specific qualitative and quantitative indicators;
- continuous training and coaching both in the start-up phase and during the course of the activity;
- observation of the “Code of Conduct” drafted by the Unirec forum.

In order to strengthen the Network's work in line with the Group’s values, special internal regulations have been prepared that recall the ethical-behavioural principles, with a focus on the sustainability of the collection action on which special training is provided.

[S4-4 DP 31d]

All the professionals in the Network are specially selected on the basis of suitability and reliability criteria, trained and constantly supported and monitored over time, including through specific indicators.

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Ifis Npl Servicing adopts various monitoring methods in order to verify the Network's behaviour and performance in the Npl area, including 'welcome calls', aimed at ensuring the quality of service dedicated to debtor customers and the effectiveness of the sustainability of negotiated agreements. There is also a continuous listening to the problems and needs expressed by the network operators through specially organised meetings. Any anomalies and behaviour that does not comply with the guidelines provided by the Parent Company are promptly reported to the function responsible for managing operational and reputational risks.

In addition, with a view to further improving processes from an ethical-sustainable perspective and developing a market model to support financial re-inclusion, the following initiatives were taken:

- integration and deepening of ESG topics in training for internal and external resources with a focus on recovery strategies on fragile subjects;
- remodelling of monitored indicators by increasing the specific weight of ESG KPIs focused on recovery activity and sustainability of collection;
- renewal of incentives to the most virtuous recoverers from an ESG perspective and provision of incentives related to the enhancement of the Pagachiaro portal onboarding;
- strengthening and expansion of the Welcome Call activity also through external Call Centres;
- enhancement of self-collection tools (Pagachiaro portal) for debtor customers.

The Banca Ifis Group's control functions carry out checks on the external Ifis Npl Network (Collection Companies, Agents pursuant to Art. 115 of the Consolidated Act on Public Safety Laws and Agents in Financial Activities) regarding compliance with the laws and regulations as well as the procedures shared when the mandate was signed, in order to prevent any operational, legal and reputational risks associated with the credit brokerage activities carried out by parties outside the Group.

Ifis Npl Servicing also constantly monitors the external network through quantitative and qualitative KPIs. These KPIs are monitored monthly and, if applicable, a dialogue is activated with agents and debt collection companies to launch any corrective actions. In addition to the regular inspections run at the collection Companies and Agents, specific inspections may be held or questionnaires submitted with a view to verifying various aspects, including the adequacy of the collection processes adopted in respect of the market best practices.

On the basis of the above-mentioned monitoring activities, an overall assessment of the collectors is drawn up and, depending on the results, appropriate actions are identified. When faced with risk events, the internal structures duly inform the control organisation units and, in particular, the Risk Management function, as responsible for handling operational risks. In the event of repeated low quality in work performed or misconduct, penalties are applied, culminating in the termination of the cooperation relationship in the most serious cases.

Customer financial education

[ESRS 2 MDR-A DP 68a,b,c]

[S4-4 DP 30,31c,d, DP 33b]

Banca Ifis considers it fundamental to train young people and adults on financial education issues, promoting concrete initiatives aimed at supporting customers in making conscious choices about spending, investing and saving. This initiative is part of the Group's broader commitment to sustainability, which is perfectly integrated within the Group's way of banking, with the aim of creating value for society, people and communities. Contributing to customers' financial education, in fact, is an opportunity to promote financial awareness and responsibility among consumers, fostering long-term financial well-being. In a parallel fashion, the promotion of effective financial education initiatives represents an opportunity to improve corporate reputation.

Among the various concrete initiatives undertaken by the Group, in 2025 Banca Ifis will once again join FEduF, the 'Fondazione per l'Educazione Finanziaria e al Risparmio' (Foundation for Financial and Savings Education), set up on the initiative of the Italian Banking Association (ABI), which aims to develop and disseminate financial and

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economic knowledge within the broader concept of Education for Conscious and Active Economic Citizenship. The Group's journey to promote these values began in 2023 with the awarding of scholarships from the 'Outstanding School Students' project, an initiative of FEduF, the Savings Museum, ABI and Confindustria in cooperation with the Ministry of Education, to be handed out to high school students who excel in various fields. In 2025, there was also a partnership for the 'Al Bar Sport' project, promoted by Unitelma Sapienza in collaboration with FEduF, which aims to promote financial education and sustainability among young sportsmen and sportswomen by involving athletes, sports federations, institutions, companies and schools.

As early as 2024, on the other hand, a specific project strand on financial education for adults was started within the 'Social Banking' project on Npl business. Specifically, with the aim of raising awareness among Npl debtor customers on financial education issues, 10 video-pillows were developed and made available on generic financial education topics and on specific topics related to the debt collection process. The video pills were developed in cooperation with FEduF and the Unirec consumer forum and uploaded on the Pagachiaro portal.

In the course of 2025, content was transferred from the Pagachiaro portal to the Open Learning platform developed in collaboration with Digit'Ed, which aims not only to deliver internal training to the Group's employees, but also to extend it to all the main external stakeholders with whom the Bank interacts.

In order to assess the effectiveness of the above-mentioned financial education initiatives, the Bank has implemented a periodic monitoring of the enjoyment and use of the video-pills, using specific indicators to measure these elements.

3.4.4 Responsible marketing practices

Banca Ifis recognises the importance of ensuring customer satisfaction by offering customised solutions and handling complaints quickly and effectively. The Bank is committed to avoiding unfair marketing practices, promoting clear and transparent communication and ensuring high standards of integrity.

[S4.SBM-3 DP 48a]

IRO description	IRO category	Connection with value chain	Time horizon
Responsible marketing practices / Non-discrimination			
Improvement in customer satisfaction levels due to the provision of tailor-made products/services and/or the failure to deal with complaints in a timely and effective manner	Actual positive impact	Downstream value chain	Medium-term
Engaging in unfair marketing practices, non-transparent, deceptive or aggressive communication, including greenwashing or social washing with respect to products offered	Potential negative impact	Value chain	Medium-term
Reputational risk due to failure to respect customers' interests, unfair market practices and lack of codes of conduct (including debt collection activities)	Risk	Downstream value chain	Medium-term
Compliance risk linked to non-compliance with regulatory requirements on market integrity, fairness, transparency and prevention of market abuse	Risk	Own operations Downstream value chain	Medium-term

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IRO description	IRO category	Connection with value chain	Time horizon
Improving customer relations and retention through clear and transparent communication	Opportunity	Value chain	Medium-term

Group approach and policies

[S4-1 DP 15]

Within its policy system (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview), the Banca Ifis Group emphasises its commitment to operate in a socially responsible and inclusive manner, with a focus on consumers and end-users of its products and services. In this context, the Group's Code of Ethics and ESG Policy define the guiding principles that guide all business activities, promoting behaviour based on fairness, non-discrimination and mutual respect. In support of these principles, the Group adopts a Group Policy for the approval of new products and services, the launch of new activities, and entry into new markets, which governs the design, distribution and monitoring of products in a structured manner, ensuring their consistency with customer interests.

At the same time, the Organisational Procedure for Transparency in Banking and Financial Transactions and Services sets out the main regulatory requirements and operating procedures through which Group companies guarantee clear, complete and quality information to customers, strengthening the trust and awareness of their stakeholders. In addition, the illimity Group has a Complaints Management Policy (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview), which governs the processes for receiving and dealing with customer complaints, ensuring timely and punctual responses and fostering the continuous improvement of service quality and business relations.

Actions

[ESRS 2 MDR-A DP 68a,b,c]

Respect for customers' interests and transparent management of their relationship with the bank are central topics for Banca Ifis. The latter strives to mitigate the risks arising from non-compliance with these interests and the absence of codes of conduct, while ensuring full compliance with regulatory requirements on market integrity, fairness and transparency, as well as in the prevention of abuse. A fundamental aspect of the Group's strategy is the constant improvement of customer relations, promoting quality communication, and ensuring the absence of discrimination at every stage of the relationship.

To this end, Banca Ifis endeavours to introduce concrete measures to protect customers, preventing potential negative effects from unfair, deceptive or aggressive business practices, including greenwashing or social washing related to the products offered.

[S4-4 DP 30,33a]

Starting 2024, the Bank addressed the need to adapt to regulatory and market developments in the ESG sphere by defining an ESG-enhanced credit framework based on customer assessment through an ESG score. To this end, it modified the existing underwriting processes and introduced new IT tools, such as:

- administration of an ESG questionnaire to counterparties and use of the ESG Score;
- updating of credit policies and integration of the current credit framework with a strengthening of the steering from an ESG perspective;
- modification of the proxy engine with the integration of a strengthened underwriting process from an ESG perspective;

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- establishment of a technical team of ESG experts for underwriting advice.

The Group has established ESG standards that the Bank must adhere to in relation to the end customer; these are continuously monitored internally in order to assess the application and regulatory compliance of these procedures.

At the same time, in order to ensure market practices aligned with customer interests and compliant with regulatory requirements, the Group has adopted a specific Group Policy for the approval of new products and services, the launch of new activities, and entry into new markets.

The Policy described above establishes guidelines for the development, distribution and monitoring of products, ensuring that, when setting up a new product, the following are considered:

- the interests, objectives and characteristics of customers;
- the inherent risks of products that could be detrimental to customers;
- possible conflicts of interest, to ensure that they are controlled and, where possible, limited.

[S4-4 DP 34]

The correct marketing of the Group's products also takes place through a sales network that is suitably trained in sustainability regulatory compliance and related risks; where sales are conducted through digital channels, customer dialogue is also developed in accordance with sustainability regulatory principles. In addition, the Credit Support, ESG & Monitoring function receives continuous training to adapt to regulatory developments in the ESG area and to integrate the Group's strategy on these issues into its work.

[S4-4 DP 30,31a,32a,b,c,33b]

At the same time, the Group provides special safeguards to ensure the fairness and transparency of communications. In particular, an organisational procedure has been adopted for the management of marketing communications to customers that governs the macro-process adopted, placing the utmost importance on the decision-making flow, the methods for selecting the target customers to be reached, the privacy and transparency safeguards, the controls envisaged in each activity and the relevant players involved. In defining the target market, specific exclusions are considered, which may be determined by various factors, such as, but not limited to, the presence of complaints, litigation and particular customer requests. For the purposes of completeness and appropriateness of process, the Compliance department and, for data processing aspects, the Privacy structures are involved.

The illimity Group is also committed to transparent communications, avoiding practices that could compromise its corporate reputation or undermine the trust of its various stakeholders. To this end, illimity verifies and monitors, through its communication and marketing and compliance functions, compliance with consumer protection requirements in advertisements and all commercial communications, preventing unfair commercial behaviour.

[S4-4 DP 30,31c,d]

Finally, the Banca Ifis Group aims to improve customer satisfaction through the timely and effective handling of complaints. More specifically, the goal of the complaints handling process is to handle in an appropriate and timely manner any grievance received from customers unsatisfied with the products and services provided or offered, taking corrective and preventive actions to prevent any problem from recurring in the future. These actions can consist in specific initiatives addressing the individual complaint or the implementation of general solutions to address the causes underlying the individual complaint or multiple complaints concerning the same area. In this regard, all staff involved in the handling of complaints have received specific directives regarding the advisability of facilitating the search for a personalised solution aimed at the granting of support measures on a voluntary basis by the institution. In addition, again with a view to helping customers resolve problems linked to access to credit, particular importance is given in the training process for staff responsible for handling complaints and in the complaint management process to the issue of reporting to credit databases (Central Risk Office and

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private databases). On this front, the Group Claims function has developed specialist skills that make it a point of reference, together with the Supervisory Reporting Service, for the other corporate functions.

Resources allocated to manage impacts, risks and opportunities

[S4-4 DP 37]

In the area of consumer and end-user management, the Banca Ifis Group involves different business functions, adopting a holistic and efficient approach to address and manage the impacts generated. In particular:

- Privacy & Security and Security Operation are responsible for the analysis, evaluation and resolution of events that qualify as security incidents;
- Innovation & Business Development, in cooperation with Brand, Corporate Communications & Sustainability and Digital Innovation & Advertising, aims to constantly innovate portals, offering customers increasingly intuitive, simple and understandable solutions. It also identifies opportunities for improvement arising from the market and business;
- Npl deals with the financial re-inclusion of households through the management and restructuring of impaired loans. Through targeted solutions, it helps restore economic stability and facilitates new access to credit, thus contributing to a fairer and more inclusive financial system;
- Communications, Marketing, Public Affairs & Sustainability, together with the Human Resources Department, Ifis Npl Servicing and Ifis Npl Investing for financial education initiatives towards customers;
- Strategic Marketing & Research, in cooperation with strategic partners, conducts in-depth research and analysis on group customers, integrating ESG factors to ensure a responsible and sustainable approach.

[S4-4 DP 35]

The policies and actions adopted reflect Banca Ifis's focus on fair, ethical and sustainable management of customer relations, including the prevention of human rights violations. In particular, the control system did not record any reports or cases of threats against customers.

In 2025, in the context of managing the privacy of its customers, the Banca Ifis Group registered a complaint submitted by a customer to the Italian Data Protection Authority regarding alleged privacy violations. After examining the defences provided, the Authority concluded its investigation by ordering the complaint to be closed. In addition to the aforementioned complaint, during the year the Group handled 54 instances of the exercise of data subject rights recognised by the GDPR under Articles 15 to 22, as well as 98 incidents involving the loss, access or unauthorised disclosure of personal data. Most of these events are related to the loss or theft of company devices, the incorrect sending of documentation by regular mail or e-mail, and the loss or theft of paper documentation. No incident required communication to the Supervisory Authority or the persons concerned.

In addition, the Banca Ifis Group handled complaints lodged with the intermediary for breach of privacy, detecting three violations in the area of sending communications to customers and the use of contact details not expressly authorised.

3.4.5 Engagement processes

[S4-2 DP 20a]

The Banca Ifis Group has implemented various different tools to receive feedback and grievances from key stakeholders, including employees, collaborators and professionals that work with the Group on a regular basis, as well as through complaints from customers or debtors.

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[S4-2 DP 20,b]

Although there is no specific time for direct stakeholder engagement, the network of sales, management and sales support maintains continuous contact with customers, constantly gathering their feedback to improve the offer.

In the Npl context, the periodic involvement of debtors is an indispensable element for the definition of a sustainable agreement aimed at their financial reinclusion. Communication takes place through direct contact or through appropriately delegated professionals, based on the actual availability of customer-debtors.

Consistently, the illimity Group adopts marketing controls, centralised in the Parent company Banca Ifis, and its own development, management and customer care activities to improve customer satisfaction and encourage the attraction of new customers. In particular, experienced contact centre personnel are available to assist and support customers, from the onboarding phase to the operational management of services, via telephone appointments, chat and e-mail. In addition, illimity adopts tools to monitor its reputation profile, such as sentiment analysis indicators, and promptly handle any complaints received through the specially established Complaints Department.

[S4-2 DP 20c]

These mechanisms help management identify potential inefficiencies, anomalies or issues concerning business processes. Therefore, along with the controls, they are key tools with which to evaluate the effectiveness of the management approach to the various topics.

[S4-2 DP 20d]

In order to assess its relationship with customers and the level of engagement, the Banca Ifis Group carries out surveys to collect feedback on the platforms available to customers. These include surveys conducted among users registered on mylfis to measure their level of satisfaction. In addition, through the administration of Welcome Calls in the Npl area, Banca Ifis monitors customer satisfaction with respect to the agreement defined and the behaviour of the appointed recovery agent, as well as the effectiveness of the engagement.

[S4-2 DP 21]

The measures taken by the Bank to better understand the views of consumers and end-users, particularly those who may be vulnerable to impacts or marginalised, are based on an integrated approach involving several internal structures. The Bank employs corporate and communication functions to ensure that information is transparent, effective and understandable. Controlling structures, such as Compliance, deal with regulatory aspects and transparency, while the Marketing & Business Strategy and Communications, Marketing, Public Affairs & Sustainability Departments seek to make these easily understandable for all customers. Through survey and feedback-gathering activities, the Bank strives to continuously improve its digital platforms in order to optimise the customer experience and the accessibility of its services. For customers in disadvantaged situations, like those in difficult due to the digital divide, the Bank offers telephone and physical support, promoting inclusion. In addition, it promotes local initiatives for SMEs and local realities, contributing to the dissemination of managerial culture and raising awareness on issues related to innovation and digitalisation.

As mentioned above, in the event of the presence of vulnerable persons or persons in difficulty, a pathway of psychological support and re-placement in the world of work is evaluated.

3.4.6 Channels

[S4-3 DP 25a,b,c,d]

In terms of internal governance and processes, the Group Claims Department plays a strategic role in claims management, working to mitigate the negative impact on customers resulting from negligence, inefficiency or errors in business processes. In addition to ensuring the appropriate handling of individual cases and the adoption

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of corrective measures, the function deals with the identification of critical issues of a systemic nature, which can potentially be replicated on a broader customer base.

To ensure a structured approach, the Group Claims Department uses an advanced IT system that associates each claim with a potential operational risk report. This tool makes it possible to analyse the level of risk and the possible impact on a significant portion of customers, triggering remediation actions on a larger scale where necessary. Such a tool ensures direct alignment with the Risk Management function, facilitating continuous improvement of internal processes and enabling effective monitoring of anomalies as well as integrated operational risk management. This approach makes it possible to prevent and correct recurring malfunctions, ensuring greater customer protection and an overall improvement in service quality.

In addition, on a six-monthly basis, the Group Claims Department processes statistical data on claims and other types of out-of-court disputes handled and draws up a summary report presenting the situation for the six-month period of reference for each individual company. The report also contains additional activities carried out by the Group Claims Department during the reporting period, such as training activities, inspections, and similar.

Finally, the Compliance Department periodically monitors the reports registered by the Group Claims Department through the complaints register, in order to ensure a systematic check on the effectiveness of the resolution of reported issues. This mechanism makes it possible not only to assess the work of the Group Claims Department, but also to identify any critical issues that might require the Compliance Department to take corrective or preventive measures. This approach ensures a continuous improvement of the complaint handling system and a more timely identification and resolution of structural anomalies.

At the same time, the Privacy & Security Department is responsible for handling reports of any incidents, using problem management activities aimed at identifying the underlying causes of anomalies and assessing their impact. As part of this process, the department systematically analyses and classifies the problems encountered, carrying out a quarterly in-depth screening of critical issues, organised by cluster. This approach allows corrective solutions to be identified and implemented at process level, e.g. by revising or optimising company procedures, with the aim of preventing the recurrence of anomalies and ensuring continuous improvement in the management of privacy and information security.

The Banca Ifis Group has set up various channels for the collection of complaints, which are accessible via the corporate website in the Complaints and Transparency sections, in pre-contractual disclosures and in contracts. In particular, customers can submit reports via:

- the Complaints form accessible from the Complaints section of the Banca Ifis Group's corporate website;
- Certified Electronic Mail reclami.pec@bancaifis.legalmail.it;
- E-mail reclami@bancaifis.it;
- Registered letter sent to Via Terraglio 63, 30174 Venezia-Mestre;
- Fax to +39 0415027577.

Documents explaining how to file a complaint, the expected response time and the customer-triggered procedures for arbitration in the event of an unsatisfactory response are available on the company website.

In particular, with regard to the right to privacy, a specific e-mail reference privacy@bancaifis.it has been set up. For any queries on the processing of their personal data or to express concerns, customers have the possibility to contact the Group Data Protection Officer (DPO) at rpd@bancaifis.it, alternatively they can write to privacy@bancaifis.it.

Customers also have at their disposal the Pagachiaro portal, a simple and free digital platform offered by Ifis Npl, designed to help debtors manage their financial situation on-line and return to profitability in a sustainable way. Through Pagachiaro, it is possible to make payments, download payment slips to be used at the post office or in Mooney ticket offices and apps, monitor repayment plans and consult related documentation. With these

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functionalities, Pagachiaro is a useful and transparent tool for managing debt positions with Ifis Npl, providing customers with a simple and effective digital experience.

Data on the quality of cooperation with Group Claims is forwarded to the Risk Management function for continuous monitoring, in order to identify any critical issues and activate corrective measures when necessary. At the same time, information on operators' behaviour towards customers is included in specific reports, intended for both the control functions and the Business Units and Governance Bodies.

Responses to complaints, in any case, provide clear and transparent details: if the complaint is judged to be well-founded, the actions that the Group undertakes to take in favour of the customer are specified, with a time-frame for their implementation. If, on the other hand, the complaint is deemed unfounded, a full explanation of the reasons for the rejection is provided, together with information on the options of bank arbitration with the competent body or other modes of out-of-court dispute resolution.

The information collected is included in half-yearly reports that, as mentioned, are sent by the Group Claims Manager to the Corporate Affairs Department and presented to the Group's Boards of Directors, highlighting claims data, main reasons and legal and reputational impacts.

Otherwise, reports and requests from data subjects, on the privacy side, are handled by a dedicated structure, adequately trained and instructed to handle such cases appropriately.

The management process is supported by an IT system that tracks each step, ensuring that deadlines are met and documents are retained. In relation to privacy, the channels provided are also indicated in the information notices that are provided to all interested parties at the time of their first contact with a Group company.

[S4-3 DP 25a,b,c,d,26]

At the same time, illimity adopted the Complaints Management Policy to define methods and responsibilities to ensure timely responses, resolution of critical issues and protection of the quality of customer relations. In particular, customers can submit complaints via various channels such as mail, e-mail, certified e-mail and digital forms on the illimity website and app.

The availability of these channels is communicated in the contractual documentation and in the Complaints section of the website, where the out-of-court settlement of disputes is also explained. Consistent with its focus on customer protection, illimity has also adopted a Privacy Policy that defines principles, roles and processes for processing personal data in compliance with the criteria of lawfulness, fairness and transparency.

Reports, including any specific concerns or needs, are entrusted to the Complaints Department, which tracks them, provides feedback to customers and analyses recurring issues, helping to identify possible improvements. The system provides for continuous monitoring, the maintenance of a complaints register, the preparation of an annual report to the Board of Directors and periodic audits by the Internal Audit function of illimity on the effectiveness of the process.

[S4-3 DP 25a,b,c,d]

In order to remedy any situations of digital divide due to the progressive digitisation of the Bank's processes, the Banca Ifis Group is committed to improving the accessibility of its portals, making them accessible to people with disabilities.

The Group is committed to meeting the needs of its various stakeholders in accordance with its policies and Code of Ethics, based on principles such as dignity, fairness, equal opportunities and inclusion.

To counteract unfair marketing practices, opaque, misleading or aggressive communication, including greenwashing or social washing with respect to the products offered, customer communications are approved by control structures (such as Privacy and Compliance). In addition, customers have dedicated tools at their disposal to report any irregularities, accompanied by a listening approach by the Bank through the figures who interact most with customers, such as branches, agents and dealers, who can offer support in the process.

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[S4-3 DP 26]

The Banca Ifis Group informs its stakeholders of the possibility of using its systems to report any irregularities, thanks to structured and easily accessible procedures. In particular, the person in charge of the internal reporting system provides clear information on the channel, procedures and prerequisites for making internal and external reports, and ensures that such information is easily accessible by publishing it in a dedicated section of the institutional websites of the Group companies that have it and on the corporate intranet, as well as for the mechanisms available on privacy and whistleblowing.

In addition, clients can refer to the support of the Group Claims and Privacy & Security Departments, both of which are third party and impartial, which ensure that rights are respected and that the necessary actions are taken in response to the reports submitted, ensuring that negative impacts are addressed. Subsequently, the Group Claims and Privacy & Security Departments, each within the scope of their competences, supervise the fulfilment of the corrective measures taken to protect customers.

[S4-3 DP 26]

The reporting system, which is made known and available through publication on the Banca Ifis Group's website, guarantees the safeguards of confidentiality, data processing and retaliation. With reference to the protection of whistleblowers, as defined in the Whistleblowing Policy, Banca Ifis has put in place specific procedures aimed at ensuring the protection of individuals from any form of retaliation when they use these processes to report irregularities. The pre-contractual and contractual documentation provided to customers also indicates how to express concerns and receive assistance from the Bank. For more details on policies to protect individuals from retaliation when using such procedures, see the Governance section.

3.4.7 Targets

[ESRS 2 MDR-T DP 72,81,a,b,bii]

[S4-5 DP 41,a,b,c]

By implementing the actions described, the Banca Ifis Group proactively manages the impacts, risks and opportunities related to its customers, promoting a relationship based on transparency, accessibility, innovation and mutual trust.

Consequently, no specific targets have been set for customers and end consumers at present, nor have any monitoring processes been implemented or areas for improvement identified.

In the coming years, the Bank will consider setting specific targets on this topic, taking into account the strategic priorities and the needs of the operating environment, also in view of the future Business Plan to be presented to the market.

By contrast, the illimity Group has set targets in its Sustainability Plan 2023-2025 that focus on the development of the sustainable finance product offering and framework; the development of ESG advisory services to SMEs; and the growth of sustainable finance volumes to be achieved by 2025.

Their definition and implementation involved, over the three-year period, the Bank's main business and control functions, through discussions aimed at identifying priorities and operational actions to achieve the targets. The targets were developed taking into account qualitative and quantitative elements, including the Bank of Italy's 'Supervisory Expectations on Climate and Environmental Risks', market trends in sustainable finance and green investments, and assessments by leading ESG rating agencies.

Implementation, monitoring and reporting were coordinated by the Sustainability function of illimity in cooperation with the relevant structures, with regular reporting to the Board of Directors. The monitoring carried out over the three-year period also made it possible to identify some areas for improvement, in particular the strengthening of customer satisfaction, through tools for listening to and analysing the needs of customers, and support for SMEs

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through the offer of investment and financing products to facilitate access to credit and the adoption of social and environmental impact practices.

Scope	Targets realised by 2025[1]	Target status
Green finance and sustainable finance	Development of the offer and framework of sustainable finance products (green / sustainability-linked)	Objective realised
	Development of ESG support / advisory services to SMEs	Objective realised
	Achievement of 15% 2023-2025 cumulative origination volumes (disbursed/invested) for sustainable finance (Sustainability-linked loans, Green Loans/Investments, Taxonomy-eligible)	Target partially achieved (with a value of 13%)

(1) The targets, referring to the three-year period 2023- 2025 with a base year of 2022 and a deadline set by the Board of Directors on 31 December 2025, do not include a base value.

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4. Governance

4.1 G1 – Business conduct

4.1.1 Corporate culture and the protection of whistleblowers

[G1-1 DP 9]

Fairness, professional ethics and the dissemination of corporate culture and values are the foundations that define the Group's integrity. Promoting virtuous conduct means not only ensuring the quality of credit, but also preventing corruption, strengthening a working environment based on transparency and mutual trust. The responsibility for the ethical principles that guide the Group's actions is also reflected in the attention paid to the protection of whistleblowers.

[G1.SBM-3 DP 48a]

IRO description	IRO category	Connection with value chain	Time horizon
Corporate culture and the protection of whistleblowers			
Dissemination of a culture of fairness and ethics among employees	Actual positive impact	Own operations	Medium-term
Adoption of a structured governance model that includes internal sustainability committees that define strategic guidelines for the promotion of initiatives supporting corporate culture	Opportunity	Own operations	Medium-term
Strengthening the corporate reputation by taking measures to protect whistleblowers, highlighting the Bank's transparency and sense of responsibility	Opportunity	Own operations	Medium-term

Group approach and policies

[G1-1 DP 7]

As part of its commitment to ethical and transparent business conduct, the Banca Ifis Group has developed an articulated system of governance policies and tools aimed at promoting integrity, legality and accountability in every sphere of operations (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview).

Among these, the Group's Code of Ethics represents the fundamental reference for all those who work with or for the Bank, outlining the guiding values of fairness, professionalism, collaboration, inclusiveness and protection of people. It guides behaviour, processes and relations with stakeholders, supporting the creation of sustainable value and the development of a transparent and respectful working environment. In addition, the Organisational, Management and Control Model as per Italian Legislative Decree no. 231/2001 promotes a culture of legality within the company, preventing the commission of offences related to company activities. The system provides for binding rules of conduct and organisational measures for all recipients of the Model, accompanied by monitoring by the Supervisory Board, in cooperation with the internal control functions. In this context, the Whistleblowing Policy further reinforces the commitment to transparency and regulatory compliance by setting out principles and modalities to ensure the protection of whistleblowers. It governs the processes for receiving and handling reports, the flow of information, the responsibilities of the persons involved and communications to corporate bodies, promoting a culture based on integrity and legality.

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Consistent with these principles, the Sensitive Sectors Policy constitutes a further tool to steer the Group's banking activities towards responsible choices, limiting exposure to sectors with potential sustainability risks. Similarly, the Group Anti-Money Laundering Policy defines principles aimed at preventing money laundering and terrorist financing, ensuring effective controls and cooperation with the competent authorities.

Finally, the illimity Group addresses responsible investment through the adoption of the ESG Investment Policy (see Other sustainability information, section 5.3 Minimum disclosure requirements: MDR-P Policy overview), which integrates ESG criteria into analysis and investment decisions, reducing exposure to issuers not aligned with the Group's principles and objectives.

Management of reports: the Whistleblowing System

[ESRS 2 MDR-A DP 68a,b,c]

[G1-1 DP 7, 10a]

In order to promote a corporate culture of ethics and compliance, the Banca Ifis Group has set up a structured whistleblowing system governed by formalised procedures. The system is accessible not only to internal stakeholders, such as shareholders, directors and employees employed on a subordinate basis (on a permanent, fixed-term or apprenticeship basis), but also to external stakeholders, such as self-employed workers, collaborators, suppliers, consultants, trainees and volunteers, including those whose relationship with the Group has not yet started or has already ended.

The system makes it possible to report acts, facts or omissions constituting violations of the law or internal procedures of Group companies, while at the same time ensuring adequate protection for whistleblowers, consistent with the Bank's commitment to transparency and corporate responsibility.

[G1-1 DP 10c,ci]

The Banca Ifis Group Whistleblowing system consists of the following channels:

- a dedicated application, accessible via the intranet or institutional websites, which allows for anonymous reporting. The system provides for the opening of a confidential 'Inbox' in order to be contacted if necessary in order to process the report. Each report also generates a notice sent to the dedicated e-mail address, accessible only to the Head of Internal Audit;
- a voice messaging system available within the application, which sends an alert to the same confidential e-mail address accessible to the Head of Internal Audit;
- an internal or external mail service, allowing written reports to be sent in a sealed envelope, addressed to the Head of Internal Audit, marked 'strictly confidential';
- a direct report to the Head of Internal Audit, by contacting a dedicated telephone number.

The Head of the internal reporting system, as required by the relevant legislation, provides clear information on the channels, procedures and requirements for submitting internal and external reports. In particular, in the presence of the conditions laid down in Italian Legislative Decree no. 24/2023, such as inactivity of the internal channel, well-founded risk of retaliation or imminent danger to the interest, are also provided for:

- external reporting to the National Anti-Corruption Authority (ANAC);
- public dissemination through the press or electronic media or otherwise through means of dissemination capable of reaching a large number of people.

[G1-1 DP 10cii]

Privacy is guaranteed at every stage of the reporting process, protecting the identity of the whistleblower, the reported person and the persons involved, as well as the content and documentation of the report itself, ensuring complete confidentiality with respect to the information received through the report. Privacy obligations are

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balanced against the need for investigations and disciplinary action and, in the case of legal proceedings, identity may only be disclosed where necessary for the purposes of investigations or investigative proceedings.

The whistleblower is protected from retaliation for reasons related to the report, even when the report turns out to be unfounded, unless malicious or grossly negligent. The protection also applies to reports made before the commencement of the employment relationship, during the selection or pre-contractual stages, during the probationary period and after the end of the relationship, if the information was acquired during it. The following are also protected:

- facilitators;
- persons in the same work environment as the Whistleblower and who are linked to them by a stable emotional or family relationship up to the fourth degree;
- employees of the Whistleblower who work in the same work environment as the Whistleblower and who have a regular and current relationship with that person;
- entities owned by the Whistleblower or for which those persons work, as well as entities operating in the same work environment as those persons.

In addition, specific modalities have been defined to ensure the secure management of the dedicated software.

[G1-1 DP 10e]

To manage the reports received through the Whistleblowing system, the Head of Internal Audit constantly monitors the dedicated channels: the e-mail address for notifications of new voice messages or reports on the dedicated application and the incoming paper mail.

Receipt of each report is acknowledged to the Whistleblower within seven working days, using the channel indicated by the Whistleblower; in the event of inadmissibility, this is justified in the communication. The person in charge of the internal reporting channel has a maximum of three months within which to conclude the investigation.

Upon completion of the checks, the Head of Internal Audit formalises his assessments (see 3.1 ESRS S1 - Own Workforce, section 3.1.8 Channels, DP 32a, 32c), which are forwarded to the Chief Executive Officer of the Parent company and, if applicable, to the Supervisory Body (SB) of the Parent company or of the Italian-registered Subsidiary concerned, except in situations of potential incompatibility. The Human Resources Department is involved in order to define any consequential measures.

[G1-1 DP 11]

The reporting management system described above was developed in accordance with Legislative Decree no. 24/2023, which transposes EU Directive 1937/2019 on the protection of whistleblowers who report European and national regulatory violations, ensuring the functioning of reporting channels and the protection of all stakeholders.

Actions

[ESRS 2 MDR-A DP 68a,b,c]

As mentioned above, the Banca Ifis Group is actively dedicated to promoting a culture of fairness and ethics among its employees, fostering positive impacts through the dissemination of corporate principles and values and supporting initiatives aimed at strengthening a solid corporate culture.

To this end, in 2024, the Group strengthened the process of awareness and acceptance of internal regulations, including rules of conduct, rules on the use of company equipment and organisational safeguards to monitor compliance with them. The documents concerned include the Code of Ethics, the Policy for the Prevention of Corruption and the Organisational, Management and Control Models adopted pursuant to Italian Legislative Decree no. 231/2001 of each Group company.

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Full acknowledgement and acceptance of the documents is required whenever they are updated or uploaded to the company intranet. In support of this obligation, a system of reminders and escalation has been put in place which, in the event of non-compliance, provides for the partial blocking of access to the intranet.

Consultation of regulations and participation in training courses, which are compulsory for the entire company population, help to spread responsible behaviour and a shared culture of legality. This approach represents an effective safeguard in the prevention of unlawful conduct and offences related to the company's activities, which could result in liability for the Group or its companies.

This is flanked by internal awareness and communication initiatives through the dissemination and publication of dedicated news items on the company intranet, with the aim of keeping employees up-to-date on regulatory developments, both within the Group and in the broader context. In 2024, particular attention was paid to the contents of the Organisation, Management and Control Model pursuant to Legislative Decree no. 231/2001, and on-line training courses on 'Risk Prevention and Crime Governance'. In 2025, a news item was published on the company intranet announcing developments in the Whistleblowing application, dedicated to the collection of oral reports.

To further strengthen the dissemination of corporate values, the Group organises compulsory courses on the Group's Code of Ethics and on the Administrative Responsibility of Entities pursuant to Italian Legislative Decree no. 231/2001. The Learning & Development Department monitors course participation, sending reminders if necessary to ensure completion of the training.

Similarly, the illimity Group has a mandatory course on the illimity Way, the illimity Code of Ethics, which elaborates on the values and commitment to customers, shareholders, suppliers and business partners, to the Supervisory Authority and the Public Administration as well as to the media and the country, and describes the corporate culture of responsibility, legality, transparency, value creation and respect for the environment promoted by the illimity Group. Training is provided at all levels of the organisation, with a focus on all functions at risk, and is intended for all personnel, with a final knowledge test.

Corporate culture also takes the form of raising awareness among the corporate population on sustainability issues and commitment to these areas, in particular in 2025, several sharing events were organised to promote awareness and participation, including:

- seven on-line and/or in-person events to discuss the regional economic context as part of the Innovation Days project in collaboration with Il Sole 24 Ore;
- study days organised at Villa Fürstenberg in Mestre in collaboration with the Contemporary Creativity Directorate General of the Ministry of Culture with the aim of enhancing the soft power of Made in Italy, discussing the excellence of the Italian restoration sector and stimulating debate around the topic of social commitment intertwined with the world of art and the promotion of cultural activities;
- participation in the Forum Automotive, a project that brings together all the major players in the automotive supply chain (manufacturers, distributors, media) in one day in round-table discussions;
- participation in the “RCS Bike Business Forum”, a B2B event aimed at the entire Italian cycling industry: sports teams, sponsoring companies, bike and component manufacturers;
- participation in the business talk “Sport Industry Talk- L'economia dello Sport” organised by RCS Academy in collaboration with Corriere della Sera and RCS Sport & Events;
- support for the organisation of the Bancor Prize for Economics, set up by the Guido Carli Association for Economic and Political Culture at Palazzo Brancaccio in Rome to celebrate each year a personality of world renown who has distinguished himself or herself in demonstrating that he or she has addressed economic issues with wisdom and integrity.

In order to strengthen the corporate culture on sustainability issues, the illimity Group has had an ESG Ambassador programme since 2021, assigning around one hundred employees a specific organisational role to oversee and promote sustainability issues. It is a structural programme, offering ESG training activities dedicated to specific

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topics, such as ESG risks, in particular in 2025 climate risks, the Group's sustainability profile and commitments, Diversity, Equity & Inclusion and good business conduct practices, as well as internal and external inspirational and cross-cutting sustainability awareness workshops.

The prevention of money laundering risk represents a further fundamental pillar in ensuring the Group's financial soundness, proper corporate culture and corporate reputation, through an active cooperation with the supervisory authorities. The Group refrains from maintaining direct or indirect relations with individuals or companies sanctioned, suspected of belonging to criminal organisations, or involved in illegal activities. In such cases, Group companies promptly initiate activities related to the reporting of suspicious transactions, cooperating fully with the authorities.

These principles are translated into specific procedures and controls in the various business areas, aimed at assigning risk to client counterparts and establishing appropriate approval levels in the corporate hierarchy. In the presence of a high risk, reinforced checks are activated and the authorisation of the Senior Management is requested. In addition, for customers classified as high-risk, stringent and frequent periodic reviews on the monitoring and updating of information are foreseen, with possible decision escalation to the maintenance of existing relationships.

The Group's Anti-Money Laundering (AML) function plays a crucial role in the prevention of money laundering and terrorist financing. Annually, it performs a risk self-assessment for all Group companies, analysing the inherent risk, the vulnerability of implemented controls and the overall residual risk, from which corrective or improvement actions are derived.

AML controls are specific to each business area and integrated into the information systems adopted by the various companies:

- Leasing: automated processes verify check-lists and negative reports, blocking practices with risk elements for enhanced verification, which may also include the involvement of the AML Department;
- Commercial credit and account products: the Cedacri registry procedures verify check-lists and negative reports while the KYC GIANOS process determines the level of money laundering risk by activating any authorisation workflows routed for approval to the appropriate hierarchical levels;
- Cap.Ital.Fin.: in GENIO, screenings are carried out on lists to identify Politically Exposed Persons (PEPs) and persons at risk of terrorism, while the CHELEO procedure calculates the risk level of customer counterparties;
- Banca Credifarma: uses the Fastcheck procedure, integrated in the AMLET customer profiling applications, to identify PEPs or risk subjects;
- Npls (non-performing loans): initial checks on the acquired portfolios and subsequent checks in SICRAT are envisaged during the definition of repayment plans or settlement agreements.

Specific Level I controls are defined within the relevant organisational procedures.

The Parent company's AML Department constantly supervises the effectiveness of the processes through an annual plan of second-level controls, the results of which are shared with the operating units involved and the Boards of Directors of the respective companies. Any shortcomings are managed through the CAR.SCI application, which assigns precise responsibilities and deadlines for action.

The AML Department actively contributes to mandatory anti-money laundering training, with programmes aimed both at employees in contact with customers and at the external network used by Group companies to place products. Training is delivered through classroom courses, both in presence and virtual mode, and through an e-learning module, 'The Anti-Money Laundering Discipline', made available in Adaptive Learning mode on the Ifis Talent platform.

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In the course of the year, specific training sessions were organised for the different Group companies, focusing on the topic of quality in the reporting of suspicious transactions. In particular, 65 sessions were organised for a total of 163 hours of training, involving a total of 1.016 participants.

Further initiatives include:

- the participation of the AML function in the training sessions under the Professional Programme, organised by the Human Resources function;
- general anti-money laundering training for new agents in financial activities, recovery agents and recovery companies used by the Leasing BU, Cap.Ital.Fin. and the Npl segment companies.

This structured approach strengthens the system of internal controls, ensuring compliance with regulatory standards and promoting a corporate culture focused on legality and ethics.

The illimity Group is also active in the area of corporate culture and whistleblower protection, in fact, illimity Bank, ARECneprix and Abilio still maintain their own whistleblowing systems at the end of 2025, organised through:

- the continued availability of the @Whistleblowing digital platform for the secure and anonymous handling of reports, through a reliable channel for communicating any issues and ensuring timely and corrective responses;
- the continuation of training activities dedicated to employees on the correct use of the platform and the protection of whistleblowers;
- accessibility of the platform for everyone, from employees to stakeholders of the illimity Group.

Whistleblowing training was intended for the entire company population in 2024, with compulsory participation, so that in 2025 it was only provided to new employees.

Finally, Fürstenberg SGR makes use of Banca Ifis's Whistleblowing policies and system.

4.1.2 Management of relations with suppliers

Suppliers play a key role for Banca Ifis, as spending decisions are guided by the principles of cost-effectiveness and efficiency in the allocation of resources. Relations with suppliers are characterised by transparency, fairness and loyalty, always in accordance with the principles laid down in the Code of Ethics adopted by the Group, in order to ensure that all collaboration develops in a fair and responsible manner.

[G1.SBM-3 DP 48a]

IRO description	IRO category	Connection with value chain	Time horizon
Management of relations with suppliers			
Compliance with the average payment times to suppliers defined within the Group's guidelines	Actual positive impact	Own operations Upstream value chain	Medium-term
Operational risk due to interruption of services rendered by suppliers due to disputes with suppliers (i.e. late/failed payments)	Risk	Upstream value chain	Long-term

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Group approach and policies

[G1-2 DP 7, 14]

The Banca Ifis Group regulates the management of relations with suppliers through a structured set of policies and procedures governing each stage of the procurement process (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview). Among these, the Group Policy for the management of the purchasing cycle reaffirms the principles guiding the management of purchases of goods, services and real estate for the Parent company and subsidiaries, ensuring efficient use of resources and full compliance with current regulations.

The illimity Group also has the Sustainable Supply Chain Policy (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview), which aims to mitigate operational, reputational and environmental risks by promoting suppliers with sustainable practices and reducing social and environmental impacts along their supply chain.

Actions

[ESRS 2 MDR-A DP 68a,b,c]

[G1-2 DP 15a,b]

The Banca Ifis Group, through the implementation of the Group Policy for the management of the purchasing cycle and the Organisational Procedure for the purchase of corporate goods and services, updated in 2025, manages relations with suppliers according to the principles of transparency, sustainability and full regulatory compliance. As part of these processes, contracts provide for adherence to the values of the Group's Code of Ethics, violation of which may lead to contract termination and claims for damages.

The selection of suppliers is managed by the Procurement & Cost Management Department, which deals with the selection, appointment and commercial relations, using appropriately trained staff to ensure effective monitoring and relationship management based on transparency, dialogue and collaboration.

The Group promotes equal opportunities in the selection of suppliers, preventing potential conflicts of interest and encouraging compliance with ethical and regulatory standards, including the Organisational, Management and Control Model pursuant to Italian Legislative Decree no. 231/2001 and the provisions on outsourcing.

Following the double materiality process, the Group identified priority areas along the supply chain, including the integration of social and environmental criteria and the definition of joint paths with suppliers to improve their ESG performance. These initiatives are realised through the 'Sustainable Procurement' project, implemented by the Procurement & Cost Management function in compliance with the exclusions provided for by the relevant internal regulations. The project, described in the chapter on Workers in the Value Chain (see ESRS S2 - Workers in the Value Chain, section 3.2.1 Workers' Rights in the Value Chain), has as its main objective the monitoring of the ESG performance of the most relevant suppliers through the administration of a dedicated questionnaire. Like Banca Ifis, the illimity Group has been using ESG questionnaires to assess relevant suppliers since 2022 and has also introduced a clustering of sustainability risks, with the aim of reducing potential negative impacts along the value chain.

In addition, the management of risks associated with major contracts of Banca Ifis involves the Risk Management function and the Operational Risks unit, which perform targeted audits and submit annual reports to strategic management, enabling timely corrective action to be taken where necessary.

[G1-2 DP 15b]

With regard to the appointment of suppliers to Banca Ifis, this selection takes place through a rigorous process, which assesses criteria such as honourableness, fairness, business loyalty and the ability to comply with the obligations set out in the Code of Ethics and confidentiality rules. The supplier's sensitivity to social, environmental

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and corporate responsibility issues, in relation to the nature of the service offered, is also taken into account. The main evaluation factors include competitiveness, quality, utility, price, integrity, economic soundness and the ability to provide effective and continuous assistance.

Consistent with these principles, Banca Ifis has adopted the Operating Note - Management of the Invoice Recording and Payment Process (expenditure cycle), in line with the Group's Policy for the Management of the expenditure cycle, which governs the methods and timing of payments to suppliers. In particular, the expenditure cycle management process, applicable to Banca Ifis, Ifis Npl Investing and Npl Servicing, consists of two main phases:

1. invoice solvency verification: the manager or contact person of the organisational unit that received the good or service (often coinciding with the Centre of Responsibility for Expenditure) manages the verification of the invoices provided. These can be consulted directly in the system, if it has the relevant access rights, or received by e-mail from the Invoices Payments Department. If the invoice conforms to the good or service received and the cost is in line with what was agreed, the manager approves the invoice in the system, authorising payment. Otherwise, the person responsible may take the following actions:
    a) not approve the invoice, reporting the error to the Invoices Payments Department and entering a note with the reasons for rejection in the system;
    b) approve it for prepayments, at the instruction of the Invoices Payments Department, to conclude the authorisation cycle without generating a new payment. In that case, the authorisation is filed in the accounting record;
    c) contact the supplier to obtain any amending documents (e.g. credit notes), and then authorise the payment after informing the Invoices Payments Department and archiving the supporting documentation in the system.
2. payment of supplier invoices: the Invoices Payments Department, at least twice a week, extracts the list of authorised and due invoices from the system, and proceeds to generate the payment flow. Invoices for which a credit note from the supplier is still pending are excluded from the flow. From time to time, the department monitors overdue invoices that have not yet been paid, checking their causes (e.g. waiting for a credit note or lack of approval). In the case of overdue invoices without approval, the department urges the applicant to complete the authorisation process promptly.

The payment flow generated by the SAP management system is audited by the Head of the Invoices Payments Department or the Head of the Procurement & Cost Management Department the day after execution. During this phase, the amount of payments is checked against the data recorded in the FEU management system. Any discrepancies are corrected and the flow is subsequently validated, generating a payment order. This provision, once approved by the Operations structure, authorises the execution of transfers to suppliers, in accordance with the amounts indicated in the invoices.

At the end of the process, the Operations department archives the payment orders and the documentation relating to the execution of transfers (e.g. payment accounts). This process of recording and paying invoices is applied uniformly to all suppliers of Banca Ifis.

In addition to this, through the “Guidelines for supplier payment arrangements”, Banca Ifis defines an outline of principles and operating guidelines to ensure timely and effective payment management, with the aim of strengthening supplier relations and promoting responsible marketing practices. The approach adopted is based on fairness, transparency, sustainability and ethical responsibility in the management of payments to suppliers, recognising their importance in building relationships of trust and ensuring lasting collaboration.

Timeliness of payments is ensured through clear standards, monitoring procedures and transparent communication of payment terms in each contract. In addition, the Bank promotes an ongoing dialogue with suppliers to resolve any doubts and improve processes. This commitment is part of a broader corporate social

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responsibility, considering compliance with payment terms not just an operational issue, but a core value to support ethical and responsible business practices.

[G1-2 DP 15]

The illimity Group's procurement processes are managed in a sustainable manner through the selection of suppliers who comply with specific requirements including: acknowledgement and acceptance of the Code of Ethics and the Sustainable Supply Chain Policy (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview), the absence of convictions for one or more of the offences provided for in Legislative Decree. No. 231/2001, the commitment to operate in line with its provisions and the Code of Ethics.

Regarding the management of relations with its suppliers, illimity ensures business continuity and adequate governance risk management through a set of structured practices aimed at reducing the risk of service interruptions due to disputes or non-payment.

Firstly, the Bank ensures transparent and timely payments through clear processes, adherence to deadlines and timely communication, so as to prevent friction and foster stable business relationships. In addition, suppliers must read and accept illimity's Code of Ethics at the qualification stage. Such an approach sets ethical, operational and quality standards, clarifies mutual responsibilities and reduces the likelihood of opportunistic or conflicting behaviour.

In addition, illimity applies a robust risk management and business continuity system, assessing ex ante and monitoring the reliability of suppliers over time (e.g. on the basis of credit rating, history of damaging events and reputation from public sources). In support, it prepares recovery plans and alternative solutions, including possible exit strategies for the most relevant suppliers and outsourcers, also assessing the concentration of dependencies and ensuring that any disruptions are manageable without critical impacts on business services.

Finally, illimity adopts supplier engagement strategies that take sustainability topics into account, not only through the administration of an ESG questionnaire at the qualification stage, but also through annual campaigns to update it.

Overall, the measures taken make it possible to maintain sound relations, prevent disputes and ensure business continuity.

4.1.3 Corruption and bribery

Preventing the risk of corruption and bribery is a key priority for the Banca Ifis Group. In order to effectively combat the perpetration of bribery and corruption offences, the Group companies that have appointed a Supervisory Body have adopted the Organisation, Management and Control Model pursuant to Legislative Decree No. 231/2001, together with the guidelines outlined in the Code of Ethics and the Group Policy for the Prevention of Corruption. These tools are essential to ensure the integrity of business operations and promote a culture of transparency and accountability within the Group.

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[G1.SBM-3 DP 48a]

IRO description	IRO category	Connection with value chain	Time horizon
Corruption and bribery			
Contribution to the dissemination of a culture of fairness and ethics among employees through the provision of training programmes for employees and partners and the communication of company policies	Actual positive impact	Own operations	Medium-term
Occurrence of corruption and money laundering incidents to the detriment of the market and the community	Potential negative impact	Own operations Downstream value chain	Medium-term
Reputational and compliance risk deriving from sanctions for convictions related to financial crime activities (e.g. money laundering, sanctions violations, corruption and bribery)	Risk	Own operations	Medium-term
Improving reputation by investing in the development of innovative tools to manage, monitor and prevent corruption and bribery	Opportunity	Own operations	Medium-term

Group approach and policies

[G1-1 DP 7]

As evidence of its commitment to corruption prevention, the Banca Ifis Group has adopted a set of policies and tools (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview) aimed at ensuring maximum transparency and fairness in the conduct of business activities. The Organisational, Management and Control Model pursuant the Legislative Decree No. 231/2001 defines the principles, rules and structures aimed at preventing unlawful conduct, protecting stakeholders and ensuring the monitoring of sensitive activities within the Group. This is complemented by the Policy for the Prevention of Corruption, which identifies risk areas and establishes organisational measures to ensure responsible and correct operations for each Group company.

[G1-1 DP 10g]

To guarantee the effective implementation of the Organisational, Management and Control Model of Banca Ifis and the Group's companies, the rules and safeguards required by the Bank are adequately disseminated and shared with all recipients, since knowledge of the Model is an essential prerequisite for its correct application and for the accountability of all those who work or collaborate with the Group. This prevents improper or unlawful conduct, whether intentional or negligent, from being justified due to ignorance or misinterpretation of the Model itself or of internal regulations. For the proper functioning of the Organisational, Management and Control Model, communication and staff training are essential requirements, which must be adapted to the different categories of recipients: from general employees to those working in risk areas or sensitive activities, up to members of corporate bodies. This ensures that each individual fully understands his or her responsibilities and actively contributes to the proper application of the Organisational, Management and Control Model.

This commitment takes the form of a structured training plan, which includes courses and in-depth studies on various topics relevant to corporate culture. In order to ensure constant updating also in terms of training, the Compliance Department, as part of its regulatory monitoring activities, informs the structures concerned of

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relevant regulatory developments, initiating the process of monitoring and implementing changes as governed by the relevant internal regulations.

The training provided, in addition to being a regulatory obligation, is a fundamental tool for increasing staff awareness and culture, strengthening their ability to prevent the risk of the Bank's unwitting involvement in inappropriate or unlawful behaviour.

[G1-1 DP 10h]

In this context, the areas of the Banca Ifis Group identified as most exposed to potential corruption events include:

- Chief Commercial Officer (CCO) Department, with reference to the departments involved in the credit disbursement process;
- Human Resources Department, involved in the management of human resources and staff policies;
- General Counsel Department;
- control departments, involved in monitoring regulatory compliance and risks (i.e. AML, Compliance, Risk Management and Large Risk & Monitoring Department);
- Procurement & Cost Management Department, in charge of managing the company's procurement and costs;
- Privacy & Security Department, responsible for legal, privacy and security aspects;
- functions dedicated to the purchase and sale of Npl portfolios, dealing with non-performing credit transactions;
- functions involved in the Npl debt collection process, which are essential for the management of impaired loans;
- Sustainability Committee, involved in overseeing corporate sustainability initiatives.

Actions

[ESRS 2 MDR-A DP 68a,b,c]

Banca Ifis adopts a structured approach to the prevention of corruption, aimed at reducing the potential negative impacts on the market and the community, by promoting a culture of fairness and ethics through the provision of dedicated training programmes for employees and partners, coupled with transparent and constant communication of corporate policies. To mitigate the risks associated with sanctions from financial crime-related activities, such as money laundering, violations of sanctions regulations and corruption, the Group invests in the development of innovative tools to manage, monitor and prevent these phenomena. It also aims to enhance its reputation through concrete initiatives that strengthen corporate integrity.

The Group provides specific training programmes aimed at raising awareness of ethical principles and corporate values, helping to strengthen awareness and a sense of responsibility at all levels. In a parallel fashion, it ensures clear and accessible communication of its policies, ensuring that all stakeholders, internal and external, are informed and aligned with the highest standards of ethical behaviour.

[G1-3 DP 20,21a]

In particular, the Group ensures that all employees receive adequate training on anti-corruption policies and procedures through the provision of two mandatory e-learning courses accessible through the Ifis Talent platform: "The Banca Ifis Code of Ethics" and "Prevention and governance of crime risk". The first illustrates the principles, rules of conduct and supervisory tools provided for in the Code of Ethics; the second, aimed at employees of Italian companies, delves into the general principles set out in Legislative Decree no. 231/2001. Both courses include a final test, the passing of which is binding for the successful completion of the course. The following is a brief description of its contents and delivery methods.

The Code of Ethics course provides an overview of the principles of conduct in relations with employees, collaborators and other stakeholders and consists of four sections:

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- an introductory section on principles, values and responsibilities, including addressees;
- the principles of conduct in relations with employees and collaborators;
- the principles of conduct in relations with other stakeholders, i.e. with customers, suppliers, debtors and in particular with the Public Administration, including the organisational safeguards adopted;
- the tools for monitoring compliance with the Code of Ethics, including the internal reporting system for violations (whistleblowing).

The course on "Prevention and governance of the risk of crime (Legislative Decree No. 231/2001) illustrates the salient features of administrative liability of entities, including:

- the nature of the liability of entities for offences;
- the recipients of the framework;
- Organisational, Management and Control Model as per Italian Legislative Decree no. 231/2001;
- the Supervisory Body;
- the sanction system.

The Training Module also covers all offences under the Organisational, Management and Control Model matrix, with a special focus on those with the greatest relevance for the banking-financial sector, and also offers an in-depth look at Whistleblowing.

The course is based on Adaptive Learning technology that enables faster and more focused learning, maximising results. The user is initially given an initial test that assesses the level of knowledge of each topic. The results of the test determine which modules each user will have to use, based on the areas found to be less well covered, without prejudice to the mandatory use of content affected by regulatory changes. The training concludes with a final test on all topics covered, with a minimum threshold for passing.

[G1-3 DP 21b]

In line with this, 100% of the corporate functions at risk are involved in training activities, including those dedicated to preventing and combating corruption.

[G1-3 DP 21c]

As far as administrative and supervisory bodies are concerned, no specific training modules on corrupt offences have been delivered to date. However, the members of the Board of Directors of the Parent company and its subsidiaries become aware of the anti-corruption procedures adopted when approving or transposing the OMMs and the Code of Ethics.

The illimity Group also attaches particular importance to the role of training in the area of anti-corruption. During 2025, the illimity Group delivered specific web-based (e-learning) courses dedicated to the in-depth understanding of the risk of corruption and the safeguards to be adopted within the most exposed operational activities. The compulsory training programme on the management system for the prevention of corruption is aimed at all staff of the illimity Group.

[G1-3 DP 20]

In a parallel fashion, all employees are required to know and comply with the rules of conduct set forth in the Organisational, Management and Control Model and dedicated Group Policy on the fight against corruption, potential sensitive activities as well as the main structures and safeguards put into place in terms of policies, internal rules, and control structures. Internal regulations and, in particular, the relevant protocols and procedures, the Code of Ethics and the Organisational, Management and Control Model, are available via the company intranet, ensuring full accessibility.

In addition to the awareness-raising and training activities described above, the Banca Ifis Group has an internal governance system aimed at anti-corruption management structured in accordance with Legislative Decree no. 231/2001.

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[G1-3 DP 18a]

The Parent company's Organisational, Management and Control Model, adopted for the prevention of the risk of perpetration of bribery and corruption offences, provides for the following offences of a corrupt nature:

- concussion;
- bribery of office;
- corruption for an act contrary to official duties;
- corruption in judicial proceedings;
- undue inducement to give or promise money or other advantages and corruption;
- incitement to corruption;
- corruption between private individuals;
- solicitation to commit corruption between private individuals;
- embezzlement;
- embezzlement by means of profiting from a third party error;
- trafficking of unlawful influences.

[G1-3 DP 18b]

In particular, the Organisational, Management and Control Model specifies that the control structures are the second and third level control functions and the Board of Statutory Auditors. Together with these structures, the figure of the Supervisory Body with autonomous powers of initiative and control is also identified.

The Banca Ifis Group's internal control system consists of rules, procedures and organisational structures aimed at ensuring, among other things, adherence to the business strategies, the effectiveness and efficiency of processes, and compliance of operations with the law, supervisory regulations, and the policies, procedures and codes of conduct adopted by the Group. All business operations, where envisaged, are subject to audits by the functions or business Areas that own the various processes and operations (line controls or first line of defence), as well as by second line of defence functions (Risk Management, Compliance and Anti-Money Laundering) and third line of defence functions (Internal Audit).

The Risk Management function identifies the risks the Parent and the Group companies are exposed to and measures and monitors them on a regular basis through specific risk indicators, planning potential actions to mitigate material risks. Risk Management regularly reports to corporate bodies on its operations through the Dashboard - as well as, if required, to the Bank of Italy and Consob (Italy's stock market watchdog). The Group's overall risk governance and management structure is governed by the Risk Appetite Framework (RAF) and the relevant documents, which are constantly updated based on the evolution of the Group's strategic framework. Specifically, the Group has prepared a Taxonomy of Risks describing how it identifies the existing and/or potential risks the Group could be exposed to in pursuing its strategic goals as well as the tools for preventing and mitigating each type of risk.

The audit work performed by the Compliance Department seeks to evaluate the effectiveness of the required, proposed or implemented organisational measures intended to manage the risk of non-compliance. Therefore, these audits apply to all areas for which said risk exists. The audit findings are formally presented in reports shared with the relevant business structures, which must provide feedback on the remedial actions identified and the relevant implementation timeline. The function monitors compliance with these requirements and regularly reports to the corporate bodies through the Dashboard - as well as, if required, to the Bank of Italy and Consob. It operates with an ex-ante approach, advising the business on identified regulatory areas, and ex-post, conducting compliance audits.

The Anti-Money Laundering Department performs systematic second line of defence audits concerning the risk of money-laundering and terrorist financing to ensure the relevant procedures are properly applied to operational processes, and develops Key Risk Indicators representing the most significant risk factors to be monitored. It also performs a self-assessment of the risk of money laundering and terrorist financing once a year. The function

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shares the audit findings and the action plan with the relevant Management. These audits and indicators are also displayed in the Dashboard on a quarterly basis and reported to the Board of Directors as well as, if required, to the Bank of Italy.

Finally, Internal Audit controls, with a view to assuring level three audits, the regular performance of operations and the evolution of business risks and assesses the completeness, adequacy, function and reliability of the organisational structure and the various components of the Internal Control System. The review carried out by the Internal Audit function is transversal to all corporate processes. In order to identify any abnormal performance or breach of internal regulations and assess the function of the Internal Control System as a whole, the function is assigned responsibility for verifying the correct application of internal provisions. The Internal Audit Department operates on the schedule approved by the Board of Directors; in addition to this, it also performs unplanned audits as specifically necessary and/or required by the main corporate bodies or external supervisory bodies. The results of the audits are shared with the reference organisational unit and with the level two audit functions and then sent to the Board of Statutory Auditors and the Control and Risks Committee. The Internal Audit function also reports back regularly to the corporate bodies, also by presenting specific summary reports (Annual reports and Quarterly Dashboards) that, if required, are also submitted to the Bank of Italy or Consob. The audit cycle, as required by the supervisory regulations, is three years and includes audits of all major business processes.

The Supervisory Board (SB) established pursuant to Legislative Decree No. 231/2001 concerning the administrative liability of Entities, operates as an autonomous body responsible for supervising the effectiveness, observance and updating of Organisational, Management and Control Model suitable for preventing the offences considered in Italian Legislative Decree no. 231/2001.

[G1-3 DP 18c]

The process of reporting results to the administrative, management and supervisory bodies is divided into several stages and provides that:

- the Chairman of the Supervisory Body, or a designated member, reports to the Board of Directors at the first useful meeting on the activities carried out and on any use of financial autonomy. At least once a year, the Supervisory Body submits a detailed report on its activities and a plan of activities;
- the Chairman of the Supervisory Body, if necessary, assesses whether to provide extraordinary updates;
- the second- and third-level control functions transmit to the Supervisory Body, once they have been shared with the Board of Directors, extracts of the annual plans and reports on the activities carried out, for matters of interest to the Body. The Supervisory Body may also promote coordination meetings with the Supervisory Bodies of the subsidiaries.

The Organisational, Management and Control Model and the relevant internal rules describe the information flows to the Supervisory Body, which are essential to facilitate supervision of the effectiveness and application of the Model by the body itself, as well as to be informed of conduct contrary to the behavioural principles set out in the Organisational, Management and Control Model, the Code of Ethics and the Group Policy for the prevention of corruption.

Heads of structures must ensure the concrete implementation of the controls and rules of conduct of the Organisational, Management and Control Model. In addition, all recipients of the Model must report any unlawful conduct to the Supervisory Body or to Internal Audit, in line with the Group Policy for the Management of Reports of Violations (Whistleblowing), even if not directly attributable to predicate offences under Legislative Decree No. 231/2001.

The processes and controls adopted by Banca Ifis are designed to promote relationships based on trust and integrity, consolidating a corporate culture oriented towards sustainability and respect for shared values.

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4.1.4 Political influence and lobbying activities

[G1.SBM-3 DP 48a]

IRO description	IRO category	Connection with value chain	Time horizon
Political influence and lobbying activities			
Reputational and compliance risk arising from conduct that does not comply with the principles of fairness, honesty and transparency in relations with the regulatory authorities with which the Group has institutional relations	Risk	Own operations	Short-term

Group approach and policies

[G1-1 DP 7]

The Banca Ifis Group defines a structured system for managing and overseeing communications to and between corporate bodies through the adoption of the Group Policy for the Management of Information Flows (see Other Sustainability Information, section 5.3 Minimum Disclosure Requirements: MDR-P Policies overview). This system is based on the principles of completeness, timeliness and accuracy of information, in order to ensure the proper functioning of the governing and supervisory bodies, to facilitate decision-making processes and to strengthen the effectiveness of the internal control system. Moreover, in keeping with its principles of integrity, the Banca Ifis Group is committed to not making political contributions, either directly or indirectly, in line with the ESG Policy (see 2.2 ESRS E1 - Climate Change, section 2.2.2 Energy, Climate Change Adaptation and Mitigation, DP 25).

Actions

[ESRS 2 MDR-A DP 68a,b,c]

With reference to institutional relations, the Banca Ifis Group adopts an organisational structure dedicated to managing relations with regulatory authorities. In this context, the Bank adopts the Group's Technical Operating Manual for handling requests from supervisory authorities, which regulates the methods, channels and responsibilities for interaction with them. All requests are monitored and managed through official and traceable channels; if they are received through non-routine or informal channels (e.g. telephone contacts), the recipient functions are required to promptly register them on a dedicated portal accessible through the corporate intranet, ensuring the correct mapping of requests and the activation of internal information flows towards the competent structures, including, where applicable, the CEO and the Internal Audit function.

The Group participates in the work of industry associations in which it is active in order to promote efficient and sustainable development. In particular, it adheres, among others: to the Italian Banking Association (ABI), which promotes the culture of legality and sound and prudent banking management; to the Italian Factoring Association (Assifact), which represents the factoring industry in Italy and Europe to monitor and accompany major market and regulatory changes; and to the Italian Leasing Association (Assilea), which represents leasing companies at industry organisations operating in various institutional, national and international fora. In carrying out these activities, appropriate safeguards are identified to ensure consistency with the Group's defined sustainability values and principles, with particular reference to climate change issues. The activities described above do not in any way correspond to lobbying activities nor are they intended to exert political influence.

It is also specified that with regard to political contributions, including donations and other handouts, these are prohibited in any tangible or intangible form. In particular, political parties and movements and their organisational branches, trade unions and patronage organisations, clubs, associations and recreational groups, private, officially

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recognised and/or legally recognised schools cannot be recipients of disbursements, except for specific initiatives of particular social, cultural or scientific importance, which must in any case be approved.

4.1.5 Targets

[ESRS 2 MDR-T DP 72, 81,a,b,bii]

At present, there are no measurable, outcome-oriented targets set in relation to the impacts, risks and opportunities associated with business conduct-related areas. In the coming years, the Bank will consider setting specific targets on this topic, taking into account the strategic priorities and the needs of the operating environment, also in view of the future Business Plan to be presented to the market.

Despite the absence of such targets, Banca Ifis monitors the effectiveness of its sustainability policies and actions. This monitoring takes place through structured processes, including the Whistleblowing system available to Banca Ifis's internal and external stakeholders. This system makes it possible to report and assess any conduct that does not comply with the values and principles of business conduct, ensuring transparency, integrity and effective control over adherence to the company's ethical and regulatory standards.

4.1.6 Metrics

[ESRS 2 MDR-M DP 75, 77a]

In the governance metrics reporting process, Banca Ifis actively collaborated with the relevant corporate departments, ensuring a specialised and targeted contribution in their respective fields. The methodologies and assumptions adopted underlying the calculation of the reported quantitative data comply with the European Sustainability Reporting Standards (ESRS) and applicable regulations.

[G1-4 DP 24a]

In 2025, there were no cases of corruption or legal proceedings brought against the employees of the Group or the external networks. In addition, no convictions or fines were reported for violations of regulations against corruption and bribery. This result testifies to the effectiveness of the management system adopted by the Banca Ifis Group, which has not even been subject to legal action for anti-competitive behaviour, antitrust violations or monopolistic practices.

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[G1-4 DP 24b]

Number and percentage of employees who received training on the fight against corruption, divided up by category	UoM	2025	2024
Senior managers	No.	90	57
	%	54	58
Middle managers	No.	588	511
	%	60	78
Clerical staff	No.	849	987
	%	55	78
Total	**No.**	**1.527**	**1.555**
	%	**57**	**77**

In 2024, the high level of participation in anti-corruption training courses was boosted by the updating of training content. In 2025, the content remained unchanged, requiring no training updates for the functions already involved; therefore, the courses were intended for newly recruited resources and those who had not yet participated in the training in 2024. In addition, in 2025, employees of the illimity Group were also included in the count.

[G1-4 DP 25d]

As in the previous year, during 2025 there were no incidents of corruption or legal cases brought against the employees of the Group or the external networks.

[G1-5 DP 29b,bi,bii]

As described above and in line with previous years, the Group reaffirms its commitment not to make political contributions in any form, whether tangible or intangible. No political contributions were made in 2025, neither financial nor in kind.

[G1-5 DP 29a,c,d]

Therefore, there are no representatives of the administration, management and supervisory bodies in charge of supervising political influence activities, as these activities are not implemented by Banca Ifis on any topic. Furthermore, it should be noted that the Group is not registered in any transparency register.

[G1-6 DP 33a,b,c]

The Banca Ifis Group stands out with regard to the average invoice payment time (27 days), calculated from the start of the legal or contractual deadline of the invoice.

The standard terms adopted are 30 days from the end of the month in which the invoice is issued, a practice applied to most contracts as well as further customised terms with individual suppliers.

However, some of the bureaucratic and accounting formalities required to register individual transactions on digital application systems generate a slight payment delay in many cases, which negatively affects the result of the alignment of payments to payment deadlines (compliance with deadlines in 50% of cases).

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The approach adopted by Banca Ifis, characterised by transparency and accountability, is reflected in the absence of pending legal proceedings related to late payments, confirming a timely and reliable management of financial commitments.

[G1-6 DP 33a]

Average number of days to pay an invoice from the date when the contractual or statutory term of payment starts to be calculated	UoM	2025	2024
	No.	27	25

[G1-6 DP 33b]

Percentage of payments aligned with standard payment terms	UoM	2025	2024
	%	50	46

[G1-6 DP 33c]

Number of legal proceedings outstanding for late payments	UoM	2025	2024
	No.	0	0

[G1-6 DP 33d]

For the calculation of the Banca Ifis Group's payment practices, performed at the consolidated level for the reporting year 2025 (1 January - 31 December), the sampling used includes:

- all invoices paid to suppliers by each Ifis Group company during the reporting period;
- invoices paid to Italian, EU and non-EU suppliers.

The following were excluded from the sample:

- invoices and payments between companies belonging to the Banca Ifis Group;
- invoices issued by suppliers corresponding to natural persons and issued by suppliers operating under the flat-rate scheme or subject to withholding tax, as they do not fall into the category of SMEs;
- transfers and credit notes.

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5. Other sustainability information

5.1 Disclosures pursuant to Article 8 of Delegated Regulation (EU) 2020/852 (Taxonomy Regulation)

5.1.1 Annex VI to Delegated Regulation (EU) 2021/2178

All amounts published within the Templates provided for in Annex VI of Delegated Regulation 2021/2178 are expressed in million Euro and in percentage values. In the event that the data for a specific exposure category is equal to 0, the corresponding cell within the Reference Template is filled with a dash ('-'). If, on the other hand, a value greater than 0 is associated with a particular cell, but is not visible in percentage terms or in million Euro (because it is a small percentage/amount), the corresponding cell in the templates below is set to '0,0'.

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Template 1. Assets for the calculation of GAR - Capex based (Stock) [FY 2025]

Disclosure reference date 31.12.2025

	Stock In million Euro	a	b	c	d	e	f	g	h	i	j	k	l
		Total (gross) carrying amount	Of which taxonomy eligible	Of which taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling
					Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)			
1	**GAR – Covered assets in both numerator and denominator**	**3.945,5**	**782,4**	**278,5**	**260,5**	**13,5**	**2,2**	**2,2**	**0,0**	**0,0**	**-**	**4,1**	**163,3**
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**3.853,3**	**758,7**	**271,2**	**255,0**	**13,5**	**2,2**	**0,5**	**0,0**	**0,0**	**-**	**4,1**	**161,0**
3	**Financial undertakings**	**685,5**	**142,7**	**15,7**	**15,5**	**0,2**	**0,0**	**0,0**	**0,0**	**0,0**	**-**	**0,9**	**3,6**
4	Loans and advances	228,4	26,2	3,1	3,1	0,0	0,0	0,0	-	0,0	-	0,2	1,6
5	Debt securities, including UoP	391,2	94,2	10,2	10,0	0,2	0,0	0,0	0,0	0,0	-	0,5	1,6
6	Equity instruments	65,9	22,4	2,4	2,4	0,0	0,0	-	-	-		0,1	0,3
7	**Non-financial undertakings**	**692,8**	**415,4**	**241,2**	**225,2**	**13,3**	**2,1**	**0,5**	**0,0**	**0,0**	**-**	**3,2**	**157,5**
8	Loans and advances	566,6	353,5	205,8	190,1	13,3	2,1	0,3	0,0	0,0	-	2,7	140,9
9	Debt securities, including UoP	63,6	33,5	15,1	15,1	0,0	-	0,0	-	-	-	0,4	2,4
10	Equity instruments	62,7	28,3	20,3	20,0	0,0	0,0	0,2	0,0	-		0,0	14,2
11	**Households**	**2.475,0**	**200,6**	**14,3**	**14,3**	**-**		**-**			**-**	**-**	**-**
12	of which loans collateralised by residential immovable property	150,3	150,3	14,3	14,3	-		-			-	-	-
13	of which building renovation loans	-	-	-	-	-		-			-	-	-
14	of which motor vehicles loans	50,3	50,3	-	-						-	-	-
15	Local government financing	-	-	-	-	-	-	-	-	-	-	-	-
16	Housing financing	-	-	-	-	-		-			-	-	-
17	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	**-**	**-**	**-**	**-**	**-**		**-**			**-**	**-**	**-**
19	**Exposures included on a voluntary basis[58]**	**92,1**	**23,7**	**7,3**	**5,6**	**0,0**		**1,7**			**-**	**-**	**2,3**
20	**Total GAR assets**	**3.945,5**											
21	**Assets not covered for GAR calculation**	**18.500,5**											
22	**Central governments and Supranational issuers**	**3.951,6**											
23	**Central Banks exposure**	**404,3**											
24	**Trading book**	**27,5**											
25	**Undertakings and entities not subject to CSRD**	**8.801,9**											
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	8.541,3											
27	Loans and advances	8.198,3											
28	of which loans collateralised by commercial immovable property	452,3											
29	of which building renovation loans	-											
30	Debt securities	205,6											
31	Equity instruments	137,4											
32	Non-EU country counterparties not subject to CSRD disclosure obligations	260,6											
33	Loans and advances	257,5											
34	Debt securities	1,0											
35	Equity instruments	2,1											
36	**Derivatives**	**60,9**											
37	**On demand interbank loans**	**479,3**											
38	**Cash and cash-related assets**	**0,0**											
39	**Other categories of assets (e.g. goodwill, commodities, etc.)**	**4.774,9**											
40	**Total assets**	**22.445,9**											
	Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments												
41	Financial guarantees	-	-	-	-	-	-	-	-	-	-	-	-
42	Assets under management	83,2	28,7	8,0	7,2	0,5	0,0	0,2	0,1	0,0	-	0,6	3,4
43	Of which debt securities	52,1	19,3	5,8	5,1	0,5	0,0	0,1	0,1	0,0	-	0,5	2,4
44	Of which equity instruments	19,7	8,1	2,1	2,1	0,0	0,0	0,0	0,0	0,0	-	0,1	1,1

[58] *In accordance with Article 7(3) of Delegated Regulation 2021/2178.*

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Disclosure reference date 31.12.2025

	Stock In million Euro	m	n	o	p
		Non-assessed exposures	Of which financing of non-material activities of counterparties[59]	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed, considered not material by the credit institution[60]
1	**GAR – Covered assets in both numerator and denominator**	-	-	-	-
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	-	-	-	-
3	**Financial undertakings**	-	-	-	-
4	Loans and advances	-	-	-	-
5	Debt securities, including UoP	-	-	-	-
6	Equity instruments	-	-	-	-
7	**Non-financial undertakings**	-	-		-
8	Loans and advances	-	-		-
9	Debt securities, including UoP	-	-		-
10	Equity instruments	-	-		-
11	**Households**	-	-		-
12	of which loans collateralised by residential immovable property	-	-		-
13	of which building renovation loans	-	-		-
14	of which motor vehicles loans	-	-		-
15	Local government financing	-	-		-
16	Housing financing	-	-		-
17	Other local government financing	-	-		-
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-		-
19	**Exposures included on a voluntary basis[61]**	-	-		
20	**Total GAR assets**	-	-	-	-
21	**Assets not covered for GAR calculation**				
22	**Central governments and Supranational issuers**				
23	**Central Banks exposure**				
24	**Trading book**				
25	**Undertakings and entities not subject to CSRD**				
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations				
27	Loans and advances				
28	of which loans collateralised by commercial immovable property				
29	of which building renovation loans				
30	Debt securities				
31	Equity instruments				
32	Non-EU country counterparties not subject to CSRD disclosure obligations				
33	Loans and advances				
34	Debt securities				
35	Equity instruments				
36	**Derivatives**				
37	**On demand interbank loans**				
38	**Cash and cash-related assets**				
39	**Other categories of assets (e.g. goodwill, commodities, etc.)**				
40	**Total assets**				
	Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments				
41	Financial guarantees	-	-	-	-
42	Assets under management	-	-	-	-
43	Of which debt securities	-	-	-	-
44	Of which equity instruments	-	-	-	-

[59] In accordance with Article 7(8)(a) and (b) of Delegated Regulation 2021/2178.
[60] In accordance with Article 4(1a) of Delegated Regulation 2021/2178.
[61] In accordance with Article 7(3) of Delegated Regulation 2021/2178.

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Template 1. Assets for the calculation of GAR - Turnover based (Stock) [FY 2025]

Disclosure reference date 31.12.2025

	Stock In million Euro	a	b	c	d	e	f	g	h	i	j	k	l
		Total (gross) carrying amount	Of which taxonomy eligible	Of which taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling
					Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)			
1	**GAR – Covered assets in both numerator and denominator**	**3.945,5**	**730,2**	**188,7**	**185,8**	**0,1**	**1,2**	**1,4**	**0,1**	**-**	**-**	**7,4**	**48,4**
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**3.853,3**	**704,8**	**183,9**	**181,4**	**0,1**	**1,2**	**1,2**	**0,1**	**-**	**-**	**7,4**	**46,8**
3	**Financial undertakings**	**685,5**	**141,3**	**13,3**	**13,2**	**0,1**	**0,0**	**0,0**	**0,0**	**-**	**-**	**0,9**	**1,9**
4	Loans and advances	228,4	26,3	2,1	2,1	0,0	0,0	0,0	0,0	-	-	0,2	0,6
5	Debt securities, including UoP	391,2	92,9	9,0	9,0	0,0	0,0	0,0	0,0	-	-	0,5	1,1
6	Equity instruments	65,9	22,1	2,1	2,1	0,0	-	-	-	-		0,1	0,2
7	**Non-financial undertakings**	**692,8**	**363,0**	**156,4**	**153,9**	**0,0**	**1,2**	**1,2**	**0,1**	**-**	**-**	**6,5**	**44,9**
8	Loans and advances	566,6	311,2	134,3	132,3	0,0	1,2	0,7	0,1	-	-	6,4	31,4
9	Debt securities, including UoP	63,6	30,2	8,6	8,3	-	-	0,3	-	-	-	0,1	1,4
10	Equity instruments	62,7	21,5	13,6	13,4	-	-	0,2	0,0	-		0,0	12,1
11	**Households**	**2.475,0**	**200,6**	**14,3**	**14,3**	**-**		**-**			**-**	**-**	**-**
12	of which loans collateralised by residential immovable property	150,3	150,3	14,3	14,3	-		-			-	-	-
13	of which building renovation loans	-	-	-	-	-		-			-	-	-
14	of which motor vehicles loans	50,3	50,3	-	-						-	-	-
15	Local government financing	-	-	-	-	-	-	-	-	-	-	-	-
16	Housing financing	-	-	-	-	-		-			-	-	-
17	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-		-			-	-	-
19	**Exposures included on a voluntary basis[62]**	**92,1**	**25,4**	**4,7**	**4,5**	**0,0**		**0,3**			**-**	**-**	**1,7**
20	**Total GAR assets**	**3.945,5**											
21	**Assets not covered for GAR calculation**	**18.500,5**											
22	**Central governments and Supranational issuers**	**3.951,6**											
23	**Central Banks exposure**	**404,3**											
24	**Trading book**	**27,5**											
25	**Undertakings and entities not subject to CSRD**	**8.801,9**											
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	8.541,3											
27	Loans and advances	8.198,3											
28	of which loans collateralised by commercial immovable property	452,3											
29	of which building renovation loans	0,0											
30	Debt securities	205,6											
31	Equity instruments	137,4											
32	Non-EU country counterparties not subject to CSRD disclosure obligations	260,6											
33	Loans and advances	257,5											
34	Debt securities	1,0											
35	Equity instruments	2,1											
36	**Derivatives**	**60,9**											
37	**On demand interbank loans**	**479,3**											
38	**Cash and cash-related assets**	**0,0**											
39	**Other categories of assets (e.g. goodwill, commodities, etc.)**	**4.774,9**											
40	**Total assets**	**22.445,9**											
	Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments												
41	Financial guarantees	-	-	-	-	-	-	-	-	-	-	-	-
42	Assets under management	83,2	24,9	5,1	4,7	0,1	0,0	0,2	0,1	-	-	0,4	2,3
43	Of which debt securities	52,1	16,5	3,7	3,4	0,1	0,0	0,1	0,1	-	-	0,4	1,6
44	Of which equity instruments	19,7	7,6	1,4	1,3	0,0	0,0	0,1	0,0	-	-	0,1	0,7

[62] *In accordance with Article 7(3) of Delegated Regulation 2021/2178.*

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Disclosure reference date 31.12.2025

	Stock In million Euro	m	n	o	p
		Non-assessed exposures	Of which financing of non-material activities of counterparties[63]	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed, considered not material by the credit institution[64]
1	**GAR – Covered assets in both numerator and denominator**	-	-	-	-
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	-	-	-	-
3	**Financial undertakings**	-	-	-	-
4	Loans and advances	-	-	-	-
5	Debt securities, including UoP	-	-	-	-
6	Equity instruments	-	-	-	-
7	**Non-financial undertakings**	-	-		-
8	Loans and advances	-	-		-
9	Debt securities, including UoP	-	-		-
10	Equity instruments	-	-		-
11	**Households**	-	-		-
12	of which loans collateralised by residential immovable property	-	-		-
13	of which building renovation loans	-	-		-
14	of which motor vehicles loans	-	-		-
15	Local government financing	-	-		-
16	Housing financing	-	-		-
17	Other local government financing	-	-		-
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-		-
19	**Exposures included on a voluntary basis[65]**	-	-		
20	**Total GAR assets**	-	-	-	-
21	**Assets not covered for GAR calculation**				
22	**Central governments and Supranational issuers**				
23	**Central Banks exposure**				
24	**Trading book**				
25	**Undertakings and entities not subject to CSRD**				
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations				
27	Loans and advances				
28	of which loans collateralised by commercial immovable property				
29	of which building renovation loans				
30	Debt securities				
31	Equity instruments				
32	Non-EU country counterparties not subject to CSRD disclosure obligations				
33	Loans and advances				
34	Debt securities				
35	Equity instruments				
36	**Derivatives**				
37	**On demand interbank loans**				
38	**Cash and cash-related assets**				
39	**Other categories of assets (e.g. goodwill, commodities, etc.)**				
40	**Total assets**				
	Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments				
41	Financial guarantees	-	-	-	-
42	Assets under management	-	-	-	-
43	Of which debt securities	-	-	-	-
44	Of which equity instruments	-	-	-	-

63 In accordance with Article 7(8)(a) and (b) of Delegated Regulation 2021/2178.
64 In accordance with Article 4(1a) of Delegated Regulation 2021/2178.
65 In accordance with Article 7(3) of Delegated Regulation 2021/2178.

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Template 1. Assets for the calculation of GAR - Capex based (Flow) [FY 2025]

Disclosure reference date 31.12.2025

	Flow In million Euro	a	b	c	d	e	f	g	h	i	j	k	l
		Total (gross) carrying amount	Of which taxonomy eligible	Of which taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling
					Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)			
1	**GAR – Covered assets in both numerator and denominator**	**32.183,0**	**5.395,6**	**781,1**	**763,3**	**3,8**	**7,8**	**6,1**	**0,1**	**0,1**	**-**	**23,4**	**253,3**
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**31.574,7**	**5.309,9**	**765,2**	**752,6**	**3,8**	**7,8**	**0,9**	**0,1**	**0,1**	**-**	**23,4**	**251,3**
3	**Financial undertakings**	**28.814,6**	**4.565,9**	**561,7**	**559,0**	**1,4**	**1,3**	**0,0**	**0,0**	**0,1**	**-**	**22,0**	**187,5**
4	Loans and advances	28.378,3	4.446,1	549,1	546,5	1,3	1,2	0,0	0,0	0,0	-	21,1	185,3
5	Debt securities, including UoP	140,8	37,5	3,5	3,5	0,0	0,0	0,0	0,0	0,0	-	0,3	0,8
6	Equity instruments	295,5	82,4	9,0	9,0	0,0	0,0	0,0	0,0	0,0		0,6	1,4
7	**Non-financial undertakings**	**1.094,3**	**711,5**	**202,0**	**192,1**	**2,4**	**6,5**	**0,9**	**0,1**	**-**	**-**	**1,4**	**63,8**
8	Loans and advances	939,6	641,4	158,6	149,8	2,4	5,9	0,4	0,1	-	-	1,1	38,4
9	Debt securities, including UoP	12,8	1,8	0,3	0,3	-	-	0,0	-	-	-	0,0	0,2
10	Equity instruments	142,0	68,3	43,1	41,9	0,1	0,6	0,5	0,0	-		0,3	25,2
11	**Households**	**1.665,8**	**32,5**	**1,5**	**1,5**	**-**		**-**			**-**	**-**	**-**
12	of which loans collateralised by residential immovable property	7,7	7,7	1,5	1,5	-		-			-	-	-
13	of which building renovation loans	-	-	-	-	-		-			-	-	-
14	of which motor vehicles loans	24,8	24,8	-	-						-	-	-
15	Local government financing	-	-	-	-	-	-	-	-	-	-	-	-
16	Housing financing	-	-	-	-	-		-			-	-	-
17	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	**-**	**-**	**-**	**-**	**-**		**-**			**-**	**-**	**-**
19	**Exposures included on a voluntary basis[66]**	**608,3**	**85,7**	**15,9**	**10,7**	**-**		**5,2**			**-**	**-**	**2,0**
20	**Total GAR assets**	**32.183,0**											
21	**Assets not covered for GAR calculation**	**19.071,4**											
22	**Central governments and Supranational issuers**	**2.221,4**											
23	**Central Banks exposure**	**0,0**											
24	**Trading book**	**0,0**											
25	**Undertakings and entities not subject to CSRD**	**14.276,1**											
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	12.636,4											
27	Loans and advances	12.510,5											
28	of which loans collateralised by commercial immovable property	4,1											
29	of which building renovation loans	-											
30	Debt securities	39,7											
31	Equity instruments	86,3											
32	Non-EU country counterparties not subject to CSRD disclosure obligations	1.639,6											
33	Loans and advances	1.632,2											
34	Debt securities	0,0											
35	Equity instruments	7,5											
36	**Derivatives**	**0,0**											
37	**On demand interbank loans**	**0,0**											
38	**Cash and cash-related assets**	**0,0**											
39	**Other categories of assets (e.g. goodwill, commodities, etc.)**	**2.573,9**											
40	**Total assets**	**51.254,4**											

Off-balance sheet exposures (flow) to Undertakings subject to CSRD disclosure obligations and local governments

41	Financial guarantees	-	-	-	-	-	-	-	-	-	-	-	-
42	Assets under management	11,2	2,8	0,5	0,5	0,0	0,0	0,0	0,0	0,0	-	0,0	0,3
43	Of which debt securities	1,1	0,4	0,2	0,1	0,0	0,0	0,0	0,0	0,0	-	0,0	0,1
44	Of which equity instruments	2,2	1,1	0,4	0,3	0,0	0,0	0,0	0,0	0,0	-	0,0	0,2

66 In accordance with Article 7(3) of Delegated Regulation 2021/2178.

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Disclosure reference date 31.12.2025

	Flow In million Euro	m	n	o	p
		Non-assessed exposures	Of which financing of non-material activities of counterparties[67]	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed, considered not material by the credit institution[68]
1	**GAR – Covered assets in both numerator and denominator**	-	-	-	-
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	-	-	-	-
3	**Financial undertakings**	-	-	-	-
4	Loans and advances	-	-	-	-
5	Debt securities, including UoP	-	-	-	-
6	Equity instruments	-	-	-	-
7	**Non-financial undertakings**	-	-		-
8	Loans and advances	-	-		-
9	Debt securities, including UoP	-	-		-
10	Equity instruments	-	-		-
11	**Households**	-	-		-
12	of which loans collateralised by residential immovable property	-	-		-
13	of which building renovation loans	-	-		-
14	of which motor vehicles loans	-	-		-
15	Local government financing	-	-		-
16	Housing financing	-	-		-
17	Other local government financing	-	-		-
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-		-
19	**Exposures included on a voluntary basis[69]**	-	-		
20	**Total GAR assets**	-	-	-	-
21	**Assets not covered for GAR calculation**				
22	**Central governments and Supranational issuers**				
23	**Central Banks exposure**				
24	**Trading book**				
25	**Undertakings and entities not subject to CSRD**				
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations				
27	Loans and advances				
28	of which loans collateralised by commercial immovable property				
29	of which building renovation loans				
30	Debt securities				
31	Equity instruments				
32	Non-EU country counterparties not subject to CSRD disclosure obligations				
33	Loans and advances				
34	Debt securities				
35	Equity instruments				
36	**Derivatives**				
37	**On demand interbank loans**				
38	**Cash and cash-related assets**				
39	**Other categories of assets (e.g. goodwill, commodities, etc.)**				
40	**Total assets**				
	Off-balance sheet exposures (flow) to companies subject to CSRD reporting requirements and local governments				
41	Financial guarantees	-	-	-	-
42	Assets under management	-	-	-	-
43	Of which debt securities	-	-	-	-
44	Of which equity instruments	-	-	-	-

67 In accordance with Article 7(8)(a) and (b) of Delegated Regulation 2021/2178.
68 In accordance with Article 4(1a) of Delegated Regulation 2021/2178.
69 In accordance with Article 7(3) of Delegated Regulation 2021/2178.

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Template 1. Assets for the calculation of GAR - Turnover based (Flow) [FY 2025]

Disclosure reference date 31.12.2025

	Flow In million Euro	a	b	c	d	e	f	g	h	i	j	k	l
		Total (gross) carrying amount	Of which taxonomy eligible	Of which taxonomy aligned	Breakdown per environmental objective								
					Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Of which Use of Proceeds	Of which transitional	Of which enabling
1	**GAR – Covered assets in both numerator and denominator**	**32.183,0**	**5.102,2**	**534,5**	**524,9**	**3,6**	**3,8**	**1,9**	**0,3**	**-**	**-**	**12,7**	**118,7**
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**31.574,7**	**5.058,9**	**526,6**	**517,5**	**3,6**	**3,8**	**1,4**	**0,3**	**-**	**-**	**12,7**	**116,9**
3	**Financial undertakings**	**28.814,6**	**4.533,9**	**441,3**	**437,5**	**3,6**	**0,0**	**0,1**	**0,0**	**-**	**-**	**11,2**	**80,9**
4	Loans and advances	28.378,3	4.415,8	430,3	426,7	3,6	0,0	0,0	0,0	-	-	10,3	79,6
5	Debt securities, including UoP	140,8	36,9	3,0	3,0	0,0	0,0	0,0	0,0	-	-	0,3	0,4
6	Equity instruments	295,5	81,3	7,9	7,9	0,0	0,0	0,0	0,0	-		0,6	0,9
7	**Non-financial undertakings**	**1.094,3**	**492,4**	**83,8**	**78,4**	**0,0**	**3,7**	**1,3**	**0,3**	**-**	**-**	**1,5**	**35,9**
8	Loans and advances	939,6	434,5	58,9	54,3	0,0	3,4	1,0	0,3	-	-	1,3	16,0
9	Debt securities, including UoP	12,8	2,6	0,3	0,3	-	-	0,0	-	-	-	0,0	0,1
10	Equity instruments	142,0	55,3	24,5	23,8	-	0,4	0,3	0,0	-		0,2	19,8
11	**Households**	**1.665,8**	**32,5**	**1,5**	**1,5**	-		-			-	-	-
12	of which loans collateralised by residential immovable property	7,7	7,7	1,5	1,5	-		-			-	-	-
13	of which building renovation loans	-	-	-	-	-		-			-	-	-
14	of which motor vehicles loans	24,8	24,8	-	-						-	-	-
15	Local government financing	-	-	-	-	-	-	-	-	-	-	-	-
16	Housing financing	-	-	-	-	-		-			-	-	-
17	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-		-			-	-	-
19	**Exposures included on a voluntary basis[70]**	**608,3**	**43,3**	**8,0**	**7,4**	-		**0,5**			-	-	**1,9**
20	**Total GAR assets**	**32.183,0**											
21	**Assets not covered for GAR calculation**	**19.071,4**											
22	**Central governments and Supranational issuers**	**2.221,4**											
23	**Central Banks exposure**	**0,0**											
24	**Trading book**	**0,0**											
25	**Undertakings and entities not subject to CSRD**	**14.276,1**											
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	12.636,4											
27	Loans and advances	12.510,5											
28	of which loans collateralised by commercial immovable property	4,1											
29	of which building renovation loans	0,0											
30	Debt securities	39,7											
31	Equity instruments	86,3											
32	Non-EU country counterparties not subject to CSRD disclosure obligations	1.639,6											
33	Loans and advances	1.632,2											
34	Debt securities	0,0											
35	Equity instruments	7,5											
36	**Derivatives**	**0,0**											
37	**On demand interbank loans**	**0,0**											
38	**Cash and cash-related assets**	**0,0**											
39	**Other categories of assets (e.g. goodwill, commodities, etc.)**	**2.573,9**											
40	**Total assets**	**51.254,4**											
	Off-balance sheet exposures (flow) to Undertakings subject to CSRD disclosure obligations and local governments												
41	Financial guarantees	-	-	-	-	-	-	-	-	-	-	-	-
42	Assets under management	**11,2**	2,1	0,4	0,4	0,0	0,0	0,0	0,0	**-**	**-**	0,0	0,2
43	Of which debt securities	1,1	0,3	0,1	0,1	0,0	0,0	0,0	0,0	-	-	0,0	0,1
44	Of which equity instruments	2,2	1,0	0,3	0,3	0,0	0,0	0,0	0,0	-	-	0,0	0,2

70 In accordance with Article 7(3) of Delegated Regulation 2021/2178.

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Disclosure reference date 31.12.2025					
		m	n	o	p
	Flow In million Euro	Non-assessed exposures	Of which financing of non-material activities of counterparties[71]	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed, considered not material by the credit institution[72]
1	**GAR – Covered assets in both numerator and denominator**	-	-	-	-
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	-	-	-	-
3	**Financial undertakings**	-	-	-	-
4	Loans and advances	-	-	-	-
5	Debt securities, including UoP	-	-	-	-
6	Equity instruments	-	-	-	-
7	**Non-financial undertakings**	-	-		-
8	Loans and advances	-	-		-
9	Debt securities, including UoP	-	-		-
10	Equity instruments	-	-		-
11	**Households**	-	-		-
12	of which loans collateralised by residential immovable property	-	-		-
13	of which building renovation loans	-	-		-
14	of which motor vehicles loans	-	-		-
15	Local government financing	-	-		-
16	Housing financing	-	-		-
17	Other local government financing	-	-		-
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-		-
19	**Exposures included on a voluntary basis[73]**	-	-		
20	**Total GAR assets**	-	-	-	-
21	**Assets not covered for GAR calculation**				
22	**Central governments and Supranational issuers**				
23	**Central Banks exposure**				
24	**Trading book**				
25	**Undertakings and entities not subject to CSRD**				
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations				
27	Loans and advances				
28	of which loans collateralised by commercial immovable property				
29	of which building renovation loans				
30	Debt securities				
31	Equity instruments				
32	Non-EU country counterparties not subject to CSRD disclosure obligations				
33	Loans and advances				
34	Debt securities				
35	Equity instruments				
36	**Derivatives**				
37	**On demand interbank loans**				
38	**Cash and cash-related assets**				
39	**Other categories of assets (e.g. goodwill, commodities, etc.)**				
40	**Total assets**				
	Off-balance sheet exposures (flow) to companies subject to CSRD reporting requirements and local governments				
41	Financial guarantees	-	-	-	-
42	Assets under management	-	-	-	-
43	Of which debt securities	-	-	-	-
44	Of which equity instruments	-	-	-	-

71 In accordance with Article 7(8)(a) and (b) of Delegated Regulation 2021/2178.
72 In accordance with Article 4(1a) of Delegated Regulation 2021/2178.
73 In accordance with Article 7(3) of Delegated Regulation 2021/2178.

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Template 2. GAR - Sector Information - Capex based [FY 2025]

Disclosure reference date 31.12.2025

a		b	c	d	e	f	g	h	i	j
Breakdown by sector – NACE 4 digits level (code and label) (In million Euro)		Total (gross) carrying amount	Of which taxonomy eligible	Of which taxonomy aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)
1	G47.73 Retail sale of pharmaceutical products	767,5	-	-	-	-	-	-	-	-
2	H49.41 Freight transport by road	385,4	-	-	-	-	-	-	-	-
3	F42.11 Construction of roads and motorways	247,2	95,7	88,0	81,3	6,8	-	-	-	-
4	F41.20 Construction of residential and non-residential buildings	194,7	0,0	0,0	0,0	-	-	0,0	0,0	-
5	G47.11 Non-specialised retail sale of predominately food, beverages or tobacco	157,3	1,0	-	-	-	-	-	-	-
6	C25.62 Machining	133,7	-	-	-	-	-	-	-	-
7	J62.01 Computer programming activities	132,4	0,9	0,0	0,0	-	-	-	-	-
8	C29.10 Manufacture of motor vehicles	111,2	58,5	19,4	19,4	-	-	-	-	-
9	F43.21 Electrical installation	104,5	-	-	-	-	-	-	-	-
10	L68.20 Renting and operating of own or leased real estate	97,0	0,4	0,0	0,0	-	-	-	-	-
11	Nuclear activities[74]	1.000,6	0,2	0,2						
12	Fossil gas activities[75]	1.079,4	1,6	0,0						
13	Of which non-assessed exposures[76]	-								

Template 2. GAR - Sector Information - Turnover based [FY 2025]

Disclosure reference date 31.12.2025

a		b	c	d	e	f	g	h	i	j
Breakdown by sector – NACE 4 digits level (code and label) (In million Euro)		Total (gross) carrying amount	Of which taxonomy eligible	Of which taxonomy aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)
1	G47.73 Retail sale of pharmaceutical products	767,5	-	-	-	-	-	-	-	-
2	H49.41 Freight transport by road	385,4	-	-	-	-	-	-	-	-
3	F42.11 Construction of roads and motorways	247,2	72,0	60,4	60,4	-	-	-	-	-
4	F41.20 Construction of residential and non-residential buildings	194,7	0,0	0,0	0,0	-	-	0,0	0,0	-
5	G47.11 Non-specialised retail sale of predominately food, beverages or tobacco	157,3	-	-	-	-	-	-	-	-
6	C25.62 Machining	133,7	-	-	-	-	-	-	-	-
7	J62.01 Computer programming activities	132,4	1,6	0,0	0,0	-	-	-	-	-
8	C29.10 Manufacture of motor vehicles	111,2	60,2	5,7	5,2	-	-	0,5	-	-
9	F43.21 Electrical installation	104,5	-	-	-	-	-	-	-	-
10	L68.20 Renting and operating of own or leased real estate	97,0	0,4	0,0	0,0	-	-	-	-	-
11	Nuclear activities[77]	1.000,6	0,4	0,3						
12	Fossil gas activities[78]	1.079,4	2,0	0,0						
13	Of which non-assessed exposures[79]	-								

74 Referred to in Sections 4.26, 4.27 and 4.28 of Annexes I and II of Delegated Regulation 2021/2139.
75 Referred to in Sections 4.29, 4.30 and 4.31 of Annexes I and II of Delegated Regulation 2021/2139.
76 In accordance with Article 7(8) of Delegated Regulation 2021/2178.
77 Referred to in Sections 4.26, 4.27 and 4.28 of Annexes I and II of Delegated Regulation 2021/2139.
78 Referred to in Sections 4.29, 4.30 and 4.31 of Annexes I and II of Delegated Regulation 2021/2139.
79 In accordance with Article 7(8) of Delegated Regulation 2021/2178.

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Template 3. GAR KPI stock - Capex based [FY 2025]

Disclosure reference date 31.12.2025

% (compared to corresponding total covered assets in the denominator)		a	b	c	d	e	f	g	h	i	j	k	l	m
		Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures[80]
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)					
1	**GAR – Covered assets in both numerator and denominator**	**19,8%**	**7,1%**	**6,6%**	**0,3%**	**0,1%**	**0,1%**	**0,0%**	**0,0%**	**-**	**0,1%**	**4,1%**	**35,6%**	**-**
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**19,2%**	**6,9%**	**6,5%**	**0,3%**	**0,1%**	**0,0%**	**0,0%**	**0,0%**	**-**	**0,1%**	**4,1%**	**35,7%**	**-**
3	**Financial undertakings**	**3,6%**	**0,4%**	**0,4%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	-	**0,0%**	**0,1%**	**11,0%**	-
4	Loans and advances	0,7%	0,1%	0,1%	0,0%	0,0%	0,0%	-	0,0%	-	0,0%	0,0%	12,0%	-
5	Debt securities, including UoP	2,4%	0,3%	0,3%	0,0%	0,0%	0,0%	0,0%	0,0%	-	0,0%	0,0%	10,8%	-
6	Equity instruments	0,6%	0,1%	0,1%	0,0%	0,0%	-	-	-		0,0%	0,0%	10,6%	-
7	**Non-financial undertakings**	**10,5%**	**6,1%**	**5,7%**	**0,3%**	**0,1%**	**0,0%**	**0,0%**	**0,0%**	**-**	**0,1%**	**4,0%**	**58,1%**	**-**
8	Loans and advances	9,0%	5,2%	4,8%	0,3%	0,1%	0,0%	0,0%	0,0%	-	0,1%	3,6%	58,2%	-
9	Debt securities, including UoP	0,9%	0,4%	0,4%	0,0%	-	0,0%	-	-	-	0,0%	0,1%	45,1%	-
10	Equity instruments	0,7%	0,5%	0,5%	0,0%	0,0%	0,0%	0,0%	-		0,0%	0,4%	71,7%	-
11	**Households**	**5,1%**	**0,4%**	**0,4%**	-		-			-	-	-	**7,1%**	-
12	of which loans collateralised by residential immovable property	3,8%	0,4%	0,4%	-		-			-	-	-	9,5%	-
13	of which building renovation loans	-	-	-	-		-			-	-	-	-	-
14	of which motor vehicles loans	1,3%	-	-						-	-	-	-	-
15	**Local government financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
16	Housing financing	-	-	-	-		-			-	-	-	-	-
17	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
19	**Exposures included on a voluntary basis[81]**	**0,6%**	**0,2%**	**0,1%**	**0,0%**		**0,0%**			**-**	**-**	**0,1%**	**30,8%**	
20	**Total GAR assets**	**19,8%**	**7,1%**	**6,6%**	**0,3%**	**0,1%**	**0,1%**	**0,0%**	**0,0%**	**-**	**0,1%**	**4,1%**	**35,6%**	**-**

80 In accordance with Article 7(8) of Delegated Regulation 2021/2178.
81 In accordance with Article 7(3) of Delegated Regulation 2021/2178.

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Template 3. GAR KPI stock - Turnover based [FY 2025]

Disclosure reference date 31.12.2025

	% (compared to corresponding total covered assets in the denominator)	a	b	c	d	e	f	g	h	i	j	k	l	m
		Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures[82]
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)					
1	**GAR – Covered assets in both numerator and denominator**	**18,5%**	**4,8%**	**4,7%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**-**	**-**	**0,2%**	**1,2%**	**25,8%**	**-**
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**17,9%**	**4,7%**	**4,6%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**-**	**-**	**0,2%**	**1,2%**	**26,1%**	**-**
3	**Financial undertakings**	**3,6%**	**0,3%**	**0,3%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**-**	**-**	**0,0%**	**0,0%**	**9,4%**	**-**
4	Loans and advances	0,7%	0,1%	0,1%	0,0%	0,0%	0,0%	0,0%	-	-	0,0%	0,0%	7,9%	-
5	Debt securities, including UoP	2,4%	0,2%	0,2%	0,0%	0,0%	0,0%	0,0%	-	-	0,0%	0,0%	9,7%	-
6	Equity instruments	0,6%	0,1%	0,1%	0,0%	-	-	-	-		0,0%	0,0%	9,7%	-
7	**Non-financial undertakings**	**9,2%**	**4,0%**	**3,9%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**-**	**-**	**0,2%**	**1,1%**	**43,1%**	**-**
8	Loans and advances	7,9%	3,4%	3,4%	0,0%	0,0%	0,0%	0,0%	-	-	0,2%	0,8%	43,1%	-
9	Debt securities, including UoP	0,8%	0,2%	0,2%	-	-	0,0%	-	-	-	0,0%	0,0%	28,5%	-
10	Equity instruments	0,5%	0,3%	0,3%	-	-	0,0%	0,0%	-		0,0%	0,3%	63,1%	-
11	**Households**	**5,1%**	**0,4%**	**0,4%**	**-**		**-**			**-**	**-**	**-**	**7,1%**	**-**
12	of which loans collateralised by residential immovable property	3,8%	0,4%	0,4%	-		-			-	-	-	9,5%	-
13	of which building renovation loans	-	-	-	-		-			-	-	-	-	-
14	of which motor vehicles loans	1,3%	-	-						-	-	-	-	-
15	**Local government financing**	**-**	-	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
16	Housing financing	-	-	-	-		-			-	-	-	-	-
17	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	**-**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	**-**
19	**Exposures included on a voluntary basis[83]**	**0,6%**	**0,1%**	**0,1%**	**0,0%**		**0,0%**			**-**	**-**	**0,0%**	**18,6%**	
20	**Total GAR assets**	**18,5%**	**4,8%**	**4,7%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**-**	**-**	**0,2%**	**1,2%**	**25,8%**	**-**

82 In accordance with Article 7(8) of Delegated Regulation 2021/2178.
83 In accordance with Article 7(3) of Delegated Regulation 2021/2178.

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Template 4. GAR KPI flow - Capex based [FY 2025]

Disclosure reference date 31.12.2025

	% (compared to corresponding total covered assets in the denominator)	a	b	c	d	e	f	g	h	i	j	k	l	m
		Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures[84]
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)					
1	**GAR – Covered assets in both numerator and denominator**	**16,8%**	**2,4%**	**2,4%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**-**	**0,1%**	**0,8%**	**14,5%**	**-**
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**16,5%**	**2,4%**	**2,3%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**-**	**0,1%**	**0,8%**	**14,4%**	**-**
3	**Financial undertakings**	**14,2%**	**1,7%**	**1,7%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**-**	**0,1%**	**0,6%**	**12,3%**	**-**
4	Loans and advances	13,8%	1,7%	1,7%	0,0%	0,0%	0,0%	0,0%	0,0%	-	0,1%	0,6%	12,4%	-
5	Debt securities, including UoP	0,1%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	-	0,0%	0,0%	9,5%	-
6	Equity instruments	0,3%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%		0,0%	0,0%	11,0%	-
7	**Non-financial undertakings**	**2,2%**	**0,6%**	**0,6%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**-**	**-**	**0,0%**	**0,2%**	**28,4%**	**-**
8	Loans and advances	2,0%	0,5%	0,5%	0,0%	0,0%	0,0%	0,0%	-	-	0,0%	0,1%	24,7%	-
9	Debt securities, including UoP	0,0%	0,0%	0,0%	-	-	0,0%	-	-	-	0,0%	0,0%	17,9%	-
10	Equity instruments	0,2%	0,1%	0,1%	0,0%	0,0%	0,0%	0,0%	-		0,0%	0,1%	63,0%	-
11	**Households**	**0,1%**	**0,0%**	**0,0%**	**-**		**-**			**-**	**-**	**-**	**4,7%**	**-**
12	of which loans collateralised by residential immovable property	0,0%	0,0%	0,0%	-		-			-	-	-	19,8%	-
13	of which building renovation loans	-	-	-	-		-			-	-	-	-	-
14	of which motor vehicles loans	0,1%	-	-						-	-	-	-	-
15	**Local government financing**	**-**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	**-**
16	Housing financing	-	-	-	-		-			-	-	-	-	-
17	Other local government financing	-	-	-	-		-			-	-	-	-	-
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	**-**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	**-**
19	**Exposures included on a voluntary basis[85]**	**0,3%**	**0,0%**	**0,0%**	**-**		**0,0%**			**-**	**-**	**0,0%**	**18,5%**	
20	**Total GAR assets**	**16,8%**	**2,4%**	**2,4%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**-**	**0,1%**	**0,8%**	**14,5%**	**-**

84 In accordance with Article 7(8) of Delegated Regulation 2021/2178.
85 In accordance with Article 7(3) of Delegated Regulation 2021/2178.

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Template 4. GAR KPI flow - Turnover based [FY 2025]

Disclosure reference date 31.12.2025

% (compared to corresponding total covered assets in the denominator)		a	b	c	d	e	f	g	h	i	j	k	l	m
		Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures[86]
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)					
1	**GAR – Covered assets in both numerator and denominator**	**15,9%**	**1,7%**	**1,6%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**-**	**-**	**0,0%**	**0,4%**	**10,5%**	**-**
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**15,7%**	**1,6%**	**1,6%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**-**	**-**	**0,0%**	**0,4%**	**10,4%**	**-**
3	**Financial undertakings**	**14,1%**	**1,4%**	**1,4%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**-**	**-**	**0,0%**	**0,3%**	**9,7%**	**-**
4	Loans and advances	13,7%	1,3%	1,3%	0,0%	0,0%	0,0%	0,0%	-	-	0,0%	0,2%	9,7%	-
5	Debt securities, including UoP	0,1%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	-	-	0,0%	0,0%	8,2%	-
6	Equity instruments	0,3%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	-		0,0%	0,0%	9,8%	-
7	**Non-financial undertakings**	**1,5%**	**0,3%**	**0,2%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**-**	**-**	**0,0%**	**0,1%**	**17,0%**	**-**
8	Loans and advances	1,4%	0,2%	0,2%	0,0%	0,0%	0,0%	0,0%	-	-	0,0%	0,0%	13,6%	-
9	Debt securities, including UoP	0,0%	0,0%	0,0%	-	-	0,0%	-	-	-	-	0,0%	12,3%	-
10	Equity instruments	0,2%	0,1%	0,1%	-	0,0%	0,0%	0,0%	-		0,0%	0,1%	44,3%	-
11	**Households**	**0,1%**	**0,0%**	**0,0%**	**-**		**-**			**-**	**-**	**-**	**4,7%**	**-**
12	of which loans collateralised by residential immovable property	0,0%	0,0%	0,0%	-		-			-	-	-	19,8%	-
13	of which building renovation loans	-	-	-	-		-			-	-	-	-	-
14	of which motor vehicles loans	0,1%	-	-						-	-	-	-	-
15	**Local government financing**	**-**	**-**	**-**	**-**		**-**		**-**	**-**	**-**	**-**	**-**	**-**
16	Housing financing	-	-	-	-		-			-	-	-	-	-
17	Other local government financing	-	-	-	-		-		-	-	-	-	-	-
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	**-**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	**-**
19	**Exposures included on a voluntary basis[87]**	**0,1%**	**0,0%**	**0,0%**	**-**		**0,0%**			-	-	**0,0%**	**18,3%**	
20	**Total GAR assets**	**15,9%**	**1,7%**	**1,6%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**-**	**-**	**0,0%**	**0,4%**	**10,5%**	**-**

86 In accordance with Article 7(8) of Delegated Regulation 2021/2178.
87 In accordance with Article 7(3) of Delegated Regulation 2021/2178.

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Template 5. KPI off-balance sheet exposures - Capex based (Stock) [FY 2025]

Disclosure reference date 31.12.2025		a	b	c	d	e	f	g	h	i	j	k	j
% (compared to corresponding total off-balance sheet assets)		Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures[88]
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)				
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI).	34,5%	9,6%	8,7%	0,6%	0,0%	0,2%	0,1%	0,0%	-	0,8%	4,1%	-

Template 5. KPI off-balance sheet exposures – Turnover based (Stock) [FY 2025]

Disclosure reference date 31.12.2025		a	b	c	d	e	f	g	h	i	j	k	j
% (of corresponding total off-balance sheet assets)		Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures[89]
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)				
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI).	29,9%	6,2%	5,6%	0,1%	0,0%	0,3%	0,1%	-	-	0,5%	2,8%	-

Template 5. KPI off-balance sheet exposures – Capex based (Flow) [FY 2025]

Disclosure reference date 31.12.2025		a	b	c	d	e	f	g	h	i	j	k	j
% (of corresponding total off-balance sheet assets)		Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures[90]
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)				
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI).	24,6%	4,6%	4,3%	0,1%	0,0%	0,1%	0,0%	0,0%	-	0,2%	2,6%	-

Template 5. KPI off-balance sheet exposures – Turnover based (Flow) [FY 2025]

Disclosure reference date 31.12.2025		a	b	c	d	e	f	g	h	i	j	k	j
% (of corresponding total off-balance sheet assets)		Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures[91]
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)				
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI).	18,9%	3,5%	3,2%	0,0%	0,0%	0,1%	0,0%	-	-	0,1%	2,1%	-

[88] *In accordance with Article 7(8) of Delegated Regulation 2021/2178.*
[89] *In accordance with Article 7(8) of Delegated Regulation 2021/2178.*
[90] *In accordance with Article 7(8) of Delegated Regulation 2021/2178.*
[91] *In accordance with Article 7(8) of Delegated Regulation 2021/2178.*

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5.2 Disclosure requirements in ESRS covered by the undertaking's Sustainability Statement

[IRO-2 DP 56]

The table below provides details of the regulatory obligations reported within the Consolidated Sustainability Statement, indicating their reference within the document.

Disclosure requirement		Sections in the Consolidated Sustainability Statement
ESRS 2 – General disclosures		
BP-1	General basis for preparation of sustainability statements	1.1.1 Basis for preparation
BP-2	Disclosure in relation to specific circumstances	1.1.1 Basis for preparation
GOV-1	Role of the administrative, management and supervisory bodies	1.1.3 Governance
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	1.1.3 Governance
GOV-3	Integration of sustainability-related performance in incentive schemes	1.1.3 Governance
GOV-4	Statement on due diligence	1.1.3 Governance
GOV-5	Risk management and internal controls over the Sustainability Statement	1.1.3 Governance
SBM-1	Strategy, business model and value chain	1.1.2 Strategy
SBM-2	Interests and views of stakeholders	1.1.2 Strategy
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	1.1.4 Impact, risk and opportunity management: Double materiality assessment
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	1.1.4 Impact, risk and opportunity management: Double materiality assessment
IRO-2	Disclosure requirements in ESRS covered by the undertaking's Sustainability Statement	5.2 Disclosure requirements in ESRS covered by the undertaking's Sustainability Statement
ESRS E1 - Climate change		
ESRS 2, GOV-3	Integration of sustainability-related performance in incentive schemes	1.1.3 Governance
E1-1	Transition plan for climate change mitigation	2.2.1 Transition Plan
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	2.2.2 Energy, Adaptation and Mitigation of Climate Change

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Disclosure requirement		Sections in the Consolidated Sustainability Statement
		(Material impacts, risks and opportunities)
ESRS 2, IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	1.1.4 Impact, risk and opportunity management: Double materiality assessment
E1-2	Policies related to climate change mitigation and adaptation	2.2.2 Energy, Adaptation and Mitigation of Climate Change (The approach and reference policies)
E1-3	Actions and resources in relation to climate change policies	2.2.2 Energy, adaptation and mitigation of climate change (Actions)
E1-4	Targets related to climate change mitigation and adaptation	2.2.3 Targets
E1-5	Energy consumption and mix	2.2.4 Metrics
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	2.2.4 Metrics
ESRS E4 - Biodiversity and ecosystems		
E4-2	Policies related to biodiversity and ecosystems	2.3 E4 - Biodiversity and ecosystems (The approach and reference policies)
ESRS S1 - Own workforce		
ESRS 2, SBM-2	Interests and views of stakeholders	1.1.2 Strategy
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	3.1 S1 - Own workforce (Material impacts, risks and opportunities)
S1-1	Policies related to own workforce	3.1.1 Health and safety; 3.1.2 Work-life balance; 3.1.3 Training and skills development; 3.1.4 Equal treatment and opportunities for all; 3.1.5 Working conditions; 3.1.6 Other work-related rights (privacy) (The Group's approach and policies)
S1-2	Processes for engaging with own workers and workers' representatives about impacts	3.1.7 Engagement processes
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	3.1.8 Channels
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material	3.1.1 Health and safety; 3.1.2 Work-life balance; 3.1.3 Training and skills development; 3.1.4 Equal treatment

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Disclosure requirement		Sections in the Consolidated Sustainability Statement
	opportunities related to own workforce, and effectiveness of those actions	and opportunities for all; 3.1.5 Working conditions; 3.1.6 Other work-related rights (privacy) (Actions)
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	3.1.9 Targets
S1-6	Characteristics of the company's employees	3.1.10 Metrics
S1-7	Characteristics of non- employee workers in the undertaking's own workforce	3.1.10 Metrics
S1-8	Collective bargaining coverage and social dialogue	3.1.10 Metrics
S1-9	Diversity metrics	3.1.10 Metrics
S1-10	Adequate wages	3.1.10 Metrics
S1-11	Social protection	3.1.10 Metrics
S1-12	People with disabilities	3.1.10 Metrics
S1-13	Training and skills development metrics	3.1.10 Metrics
S1-14	Health and safety metrics	3.1.10 Metrics
S1-15	Work-life balance metrics	3.1.10 Metrics
S1-16	Compensation metrics (pay gap and total compensation)	3.1.10 Metrics
S1-17	Incidents, complaints and severe human rights impacts	3.1.10 Metrics
ESRS S2 - Workers in the value chain		
ESRS 2, SBM-2	Interests and views of stakeholders	1.1.2 Strategy
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	3.2 S2 - Workers in the value chain (Material impacts, risks and opportunities)
S2-1	Policies related to value chain workers	3.2.1 Worker-related rights in the value chain (Group approach and policies)
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	3.2.2 Channels
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material	3.2.1 Worker-related rights in the value chain (Actions)

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Disclosure requirement		Sections in the Consolidated Sustainability Statement
	opportunities related to value chain workers, and effectiveness of those actions	
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	3.2.3 Targets
ESRS S3 - Affected communities		
ESRS 2, SBM-2	Interests and views of stakeholders	1.1.2 Strategy
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	3.1 S3 - Affected communities (Material impacts, risks and opportunities)
S3-1	Policies on affected communities	3.3.1 Commitment to affected communities (Approach and reference policies)
S3-2	Processes for engaging with affected communities about impacts	3.3.2 Engagement processes
S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	3.3.1 Commitment to affected communities (Actions)
S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	3.3.3 Targets
ESRS S4 - Consumers and end-users		
ESRS 2, SBM-2	Interests and views of stakeholders	1.1.2 Strategy
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	3.1 S4 - Consumers and end-users (Material impacts, risks and opportunities)
S4-1	Policies related to consumers and end-users	3.4.1 Digitalisation and access to (quality) information; 3.4.2 Privacy; 3.4.3 Access to products and services; 3.4.4 Responsible marketing practices (Approach and reference policies)
S4-2	Processes for engaging with consumers and end- users about impacts	3.4.5 Engagement processes
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	3.4.6 Channels

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Disclosure requirement		Sections in the Consolidated Sustainability Statement
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	3.4.1 Digitalisation and access to (quality) information; 3.4.2 Privacy; 3.4.3 Access to products and services; 3.4.4 Responsible marketing practices (Actions)
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	3.4.7 Targets
ESRS G1 - Business conduct		
ESRS 2, GOV-1	Role of the administrative, management and supervisory bodies	1.1.3 Governance
ESRS 2, IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	1.1.4 Impact, risk and opportunity management: Double materiality assessment
G1-1	Business conduct policies and corporate culture	4.1.1 Corporate Culture and Protection of Whistleblowers; 4.1.3 Corruption and bribery; 4.1.4 Political influence and lobbying activities (Approach and reference policies)
G1-2	Management of relations with suppliers	4.1.2 Management of relations with suppliers
G1-3	Prevention and detection of corruption and bribery	4.1.3 Corruption and bribery
G1-4	Established cases of corruption or bribery	4.1.6 Metrics
G1-5	Political influence and lobbying activities	4.1.6 Metrics
G1-6	Payment practices	4.1.6 Metrics

[IRO-2 DP 56]

Disclosure Requirement and corresponding information	SFDR reference (1)	Third pillar reference (2)	Benchmark regulation reference (3)	EU climate law reference (4)	Sections in the Consolidated Sustainability Statement
ESRS 2 GOV-1 Gender diversity in the board, paragraph 21, letter d)	X		X		1.1.3 Governance
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21, letter e)			X		1.1.3 Governance
ESRS 2 GOV-4 Statement on due diligence paragraph 30	X				1.1.3 Governance

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Disclosure Requirement and corresponding information	SFDR reference (1)	Third pillar reference (2)	Benchmark regulation reference (3)	EU climate law reference (4)	Sections in the Consolidated Sustainability Statement
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities, paragraph 40, letter d), point i)	X	X	X		Not material
ESRS 2 SBM-1 Involvement in activities related to the production of chemicals, paragraph 40, letter d), point ii)	X		X		Not material
ESRS 2 SBM-1 Participation in activities related to controversial weapons, paragraph 40, letter d), point iii)	X		X		Not material
ESRS 2 SBM-1 Involvement in activities related to tobacco cultivation and production, paragraph 40, letter d), point iv)			X		Not material
ESRS E1-1 Transition Plan to achieve climate neutrality by 2050, paragraph 14				X	2.2.1 Transition Plan
ESRS E1-1 Enterprises excluded from benchmarks aligned with the Paris Agreement, paragraph 16, letter g)		X	X		2.2.1 Transition Plan
ESRS E1-4 GHG emission reduction targets, paragraph 34	X	X	X		2.2.3 Targets
ESRS E1-5 Energy consumption from fossil fuels disaggregated by source (high climate impact sectors only), paragraph 38	X				Not material
ESRS E1-5 Energy consumption and mix, paragraph 37	X				2.2.4 Metrics
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors, paragraphs 40 to 43	X				Not material
ESRS E1-6 Gross scopes 1, 2, 3 and total GHG emissions, paragraph 44	X	X	X		2.2.4 Metrics
ESRS E1-6 Gross GHG emissions intensity, paragraphs 53 to 55	X	X	X		2.2.4 Metrics Paragraph
ESRS E1-7 GHG absorption and carbon credits, paragraph 56				X	Not material
ESRS E1-9 Exposure of the benchmark index portfolio to physical climate-related risks, paragraph 66			X		Phase-in
ESRS E1-9 Breakdown of monetary amounts by acute and chronic physical risk, paragraph 66, letter a) ESRS E1-9 Location of significant physical risk assets, paragraph 66, letter c)		X			Phase-in

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Disclosure Requirement and corresponding information	SFDR reference (1)	Third pillar reference (2)	Benchmark regulation reference (3)	EU climate law reference (4)	Sections in the Consolidated Sustainability Statement
ESRS E1-9 Breakdown of the carrying amount of its real estate assets by energy efficiency classes, paragraph 67, letter c)		X			Phase-in
ESRS E1-9 Degree of portfolio exposure to climate-related opportunities, paragraph 69			X		Phase-in
ESRS E2-4 Amount of each pollutant listed in Annex II of E-PRTR (European Pollutant Release and Transfer Register) emitted to air, water and land, paragraph 28	X				Not material
ESRS E3-1 Water and marine resources, paragraph 9	X				Not material
ESRS E3-1 Dedicated policy, paragraph 13	X				Not material
ESRS E3-1 Sustainability of the oceans and seas paragraph 14	X				Not material
ESRS E3-4 Total recycled and reused water, paragraph 28, letter c)	X				Not material
ESRS E3-4 Total water consumption in m3 compared to net revenues from own operations, paragraph 29	X				Not material
ESRS 2 SBM-3 - E4 paragraph 16, letter a), point i)	X				Not material
ESRS 2 SBM-3 - E4 paragraph 16, letter b)	X				Not material
ESRS 2 SBM-3 - E4 paragraph 16, letter c)	X				Not material
ESRS E4-2 Sustainable agricultural/land-use policies or practices, paragraph 24, letter b)	X				Not material
ESRS E4-2 Sustainable sea/ocean use practices or policies, paragraph 24, letter c)	X				Not material
ESRS E4-2 Policies to address deforestation, paragraph 24, letter d)	X				Not material
ESRS E5-5 Non-recycled waste, paragraph 37, letter d)	X				Not material
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	X				Not material
ESRS 2 – SBM3 – S1 Risk of forced labour, paragraph 14, letter f)	X				Not material
ESRS 2 – SBM3 – S1 Risk of child labour, paragraph 14, letter g)	X				Not material

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Disclosure Requirement and corresponding information	SFDR reference (1)	Third pillar reference (2)	Benchmark regulation reference (3)	EU climate law reference (4)	Sections in the Consolidated Sustainability Statement
ESRS S1-1 Political commitments to human rights, paragraph 20	X				3.1.5 Working conditions (Approach and reference policies)
ESRS S1-1 Due diligence policies on matters covered by Core Conventions 1 to 8 of the International Labour Organisation, paragraph 21			X		3.1.5 Working conditions (Approach and reference policies)
ESRS S1-1 Procedures and measures to prevent trafficking in human beings, paragraph 22	X				3.1.5 Working conditions (Approach and reference policies)
ESRS S1-1 Occupational accident prevention policy or management system, paragraph 23	X				3.1.1 Health and safety (Approach and reference policies)
ESRS S1-3 Mechanisms for handling complaints/reports, paragraph 32, letter c)	X				3.1.8 Channels
ESRS S1-14 Number of deaths and number and rate of work-related injuries, paragraph 88, letters b) and c)	X		X		3.1.10 Metrics
ESRS S1-14 Number of days lost due to injury, accident, fatality or illness, paragraph 88, letter e)	X				3.1.10 Metrics
ESRS S1-16 Unadjusted gender pay gap, paragraph 97, letter a)	X		X		3.1.10 Metrics
ESRS S1-16 Excessive pay gap in favour of the CEO, paragraph 97, letter b)	X				3.1.10 Metrics
ESRS S1-17 Discrimination-related incidents, paragraph 103, letter a)	X				3.1.10 Metrics
ESRS S1-17 Non-compliance with the UN Guiding Principles on Business and Human Rights and OECD, paragraph 104, letter a)	X		X		3.1.10 Metrics
ESRS 2 SBM-3 – S2 Serious risk of child labour or forced labour in the labour chain, paragraph 11, letter b)	X				Not material
ESRS S2-1 Political commitments to human rights, paragraph 17	X				3.2.1 Worker-related rights in the value chain (Approach and reference policies)
Policies related to value chain workers, paragraph 18	X				Not material
ESRS S2-1 Failure to comply with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 19	X		X		3.2.1 Worker-related rights in the value chain (Approach and reference policies)

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Disclosure Requirement and corresponding information	SFDR reference (1)	Third pillar reference (2)	Benchmark regulation reference (3)	EU climate law reference (4)	Sections in the Consolidated Sustainability Statement
ESRS S2-1 Due diligence policies on matters covered by Core Conventions 1 to 8 of the International Labour Organisation, paragraph 19			X		3.2.1 Worker-related rights in the value chain (Approach and reference policies)
ESRS S2-4 Human rights issues and incidents in its upstream and downstream value chain, paragraph 36	X				3.2.1 Worker-related rights in the value chain (Actions)
ESRS S3-1 Political commitments to human rights, paragraph 16	X				3.3.1 Commitment to affected communities (Approach and reference policies)
ESRS S3-1 Failure to comply with the UN Guiding Principles on Business and Human Rights, the ILO Principles or the OECD Guidelines, paragraph 17	X		X		3.3.1 Commitment to affected communities (Approach and reference policies)
ESRS S3-4 Human rights issues and incidents, paragraph 36	X				3.3.1 Commitment to affected communities (Actions)
ESRS S4-1 Policies related to consumers and end-users, paragraph 16	X				3.4.2 Privacy (Approach and reference policies)
ESRS S4-1 Failure to comply with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 17	X		X		3.4.2 Privacy (Approach and reference policies)
ESRS S4-4 Human rights issues and incidents, paragraph 35	X				3.4.4 Responsible marketing practices (Actions)
ESRS G1-1 United Nations Convention against Corruption, paragraph 10, letter b)	X				Not material
ESRS G1-1 Protection of whistleblowers, paragraph 10, letter d)	X				Not material
ESRS G1-4 Fines imposed for violations of laws against corruption and bribery, paragraph 24, letter a)	X		X		4.1.6 Metrics
ESRS G1-4 Rules for combating corruption and bribery, paragraph 24, letter b)	X				4.1.6 Metrics

(1) Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability reporting in the financial services sector (SFDR) (OJ L 317, 09 December 2019, p. 1).
(2) Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (regulation on capital requirements) (OJ L 176, 27 June 2013, p. 1).
(3) Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29 June 2016, p. 1).
(4) Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulation (EC) No 401/2009 and Regulation (EU) 2018/1999 ('European Climate Regulation') (OJ L 243, 9 July 2021, p. 1).

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5.3 Minimum disclosure requirements: MDR-P Policies overview

ESG Policy

Reference topic: E1 - E4 - S1 - S2 - S3 - S4 - G1

[MDR-P DP 65a,b,c,d,e,f, AR 14]

ESG Policy
Description of contents
The Banca Ifis Group's ESG Policy defines strategic sustainability guidelines, promoting the integration of ESG factors into its strategies and operations, actively involving suppliers, customers and stakeholders along the entire upstream and downstream value chain. The policy emphasises the focus on respect for universally recognised human rights, which the Group protects and promotes by incorporating them in the management of its activities and in its relations with employees and stakeholders. It also aims to foster the dissemination of a culture of sustainability, encouraging responsible behaviour among Group employees with the aim of generating value for all stakeholders. The policy promotes a safe, healthy and discrimination-free working environment for all Group employees, ensuring equal opportunities and combating forced labour. The application of the policy is monitored by the Board of Directors and is periodically updated to ensure that it is always in line with the Group's values, good practices and the context in which it operates.
Scope of reference
The policy is applied to all stakeholders and companies in the Banca Ifis Group and has also been formally adopted by the illimity Group; it actively involves suppliers, customers and stakeholders along the entire upstream and downstream value chain.
Validation of Senior Bodies
The policy is shared in advance with the Group Sustainability Committee and the Compliance Department, which is responsible for assessing its compliance with the framework, and is then finally approved by the Board of Directors.
Reference to recognised third-party initiatives and/or standards
The policy was developed in close connection with the main international standards, reflecting a global commitment to sustainability and social responsibility. In particular, the policy refers to the UN Universal Declaration of Human Rights and the 2030 Agenda for Sustainable Development with its 17 promoted global development goals (SDGs).
Stakeholder engagement
The Parent company is committed to maintaining, under the guidance of the Chair, a dialogue with relevant stakeholders in order to understand the needs of the various stakeholders and develop response strategies consistent with the pursuit of the Group's objectives in the field of sustainability, also in relation to external stakeholders, including its customers.
Availability modes
The policy is disseminated through its publication on the company intranet and website.

Teleborsa: distribution and commercial use strictly prohibited

Environmental Policy

Reference topic: E1

[MDR-P DP 65a,b,c,d,e,f]

Environmental Policy
Description of contents
The policy outlines the Group's commitments to manage its direct and indirect environmental impacts. The Group aims to reduce the environmental impact of its operations by taking effective measures to improve energy efficiency, manage resources responsibly and reduce emissions. The policy defines the Group's commitments to energy efficiency in the locations, promotion of sustainable mobility, circular economy and protection of biodiversity. The Group periodically reviews the policy, adapting it to new needs and changes in its activities. To support it, an organisational model for managing environmental aspects is implemented, also aimed at preventing risks related to possible environmental crimes. Finally, Banca Ifis has actions in place to monitor, measure and verify compliance with legal obligations and commitments in the area of pollution reduction.
Scope of reference
The policy applies to all Group companies and has been formally implemented by Fürstenberg SIM (formerly Euclidea SIM). The illimity Group has its own Environmental and Climate Policy, well aligned with that of the Parent company, which defines the approach adopted to prevent, manage and reduce the environmental and climate impacts generated and/or suffered, directly or indirectly, related to its activities.
Validation of Senior Bodies
The policy is approved by the Board of Directors.
Reference to recognised third-party initiatives and/or standards
In implementing its banking activities and organisation from an ESG perspective, the Bank takes into account various regulations and third-party initiatives such as the UN Universal Declaration of Human Rights and Agenda 2030, the UN Global Compact, the recommendations of the TCFD and Directive (EU) 2022/2464.
Stakeholder engagement
The Group actively promotes a culture of sustainability among all its employees, encouraging their engagement through training, information and the clear definition of environmental responsibilities.
Availability modes
The policy is publicly available on the company website and intranet.

Teleborsa: distribution and commercial use strictly prohibited

Credit Policy

Reference topic: E1 – E4

[MDR-P DP 65a,b,c,d,e,f]

Credit Policy
Description of contents
The policy aims to establish the principles and guidelines for the granting of credit, ensuring that the Banca Ifis Group's overall exposure to each counterparty complies with the document. With reference to ESG topics and in particular to sustainability analyses, which complement the client's credit assessment, the Banca Ifis Group has identified sectors classified as more risky to which it has associated enhanced underwriting mechanisms. Banca Ifis is committed to promoting financial solutions that support the balanced growth of customers and the stability of the economic system, with a direct impact on its own business and downstream customers. The monitoring of the ESG elements included in the policy envisages the updating, once a year, of the ESG risk analysis of the various economic sectors and the assignment of the corresponding risk class to any adjustments of the framework from an ESG perspective, justified by regulatory changes or managerial choices.
Scope of reference
The policy applies to all organisational units involved in the process. illimity Bank has a similar Single Credit Procedure, which is designed to define and regulate processes relating to lending activities. The procedure also integrates the consideration of ESG factors in the creditworthiness assessment for financing or investment opportunities for SMEs and large companies, regulating the processes for granting and monitoring credit in sectors with high greenhouse gas emissions and financing linked to ESG objectives of corporate clients.
Validation of Senior Bodies
The policy is approved by the Group's Board of Directors.
Reference to recognised third-party initiatives and/or standards
The policy is inspired by the regulations issued by the Bank of Italy, in particular Circular 285/13, which defines the guidelines for the internal control system and the management of risk appetite, through the Risk Appetite Framework (RAF). In addition, Bank of Italy Circular 288/15 regulates the prudential aspects applicable to financial intermediaries. The policy was subsequently updated in accordance with the 'Guidelines on Loan Origination and Monitoring' published by the European Banking Authority in May 2020, which regulate credit operations for the Banca Ifis Group's legal entities.
Stakeholder engagement
The drafting of the Credit Policy took place under the guidance of the Lending Department, with the support of the other internal functions, including Commercial & Corporate Banking Underwriting, Risk Management and Organisation.
Availability modes
The policy is made available on the company intranet.

Teleborsa: distribution and commercial use strictly prohibited

Facility Management Procedure

Reference topic: E1 - S1

[MDR-P DP 65a,b,c,d,e,f, AR 14]

Facility Management Procedure
Description of contents
The Facility Management Procedure aims to regulate the proper management and maintenance of the buildings used by the illimity Group, the facilities and any attached equipment, with particular attention to environmental impacts and the management of natural resources. It also aims to promote concrete attention and individual behaviour consistent with the principles of good corporate governance and sustainable development.
Scope of reference
The procedure applies to the main entities of the illimity Group (illimity Bank, Fürstenberg SGR, ARECneprix and Abilio), for the parts falling under their responsibility and depending on the nature of the activity carried out by each subsidiary.
Validation of Senior Bodies
The procedure is approved by the CEO.
Reference to recognised third-party initiatives and/or standards
The procedure refers to national norms and international standards, including: • Italian Legislative Decree 231/2001, as amended, with regard to environmental offences and offences related to health and safety in the workplace; • Italian Legislative Decree 192/2005, as amended, concerning the improvement of the energy performance of buildings; • Italian Legislative Decree 81/2008 as amended and supplemented - Consolidation Act on the protection of health and safety in the workplace; • Environmental Consolidation Act, pursuant to Legislative Decree no. 152/2006 as amended.
Stakeholder engagement
In drafting the procedure, illimity's internal structures were involved and requests from investors, rating agencies and the expectations of supervisors and regulators were taken into account.
Availability modes
The procedure can be found in the 'Company regulations' portal within the company intranet and published, in Italian and English, on the illimity corporate website.

Teleborsa: distribution and commercial use strictly prohibited

Company Health and Safety Policy

Reference topic: S1

[MDR-P DP 65a,b,c,d,e,f, AR 14]

Company Health and Safety Policy
Description of contents
The policy defines principles and guidelines for decisions on occupational health and safety, ensuring the appropriate use of up-to-date technology, identifying hazards related to activities, assessing them through analysis and audits, and adopting prevention and protection measures. The Bank operates in accordance with ergonomic principles and promotes training activities to make staff aware of their responsibilities. Banca Ifis periodically reviews the policy, updating the management and surveillance procedures to ensure their effectiveness and continuous improvement. The Group also has a specific procedure within the Integrated Safety and Environment Manual to manage incidents and accidents, with responsibilities, operating methods and analysis of events, taking improvement actions and adequate resources to maintain high health and safety standards.
Scope of reference
The policy, also incorporated by Fürstenberg SIM, applies to the entire company structure, which participates, according to its attributions and competences, in the achievement of the company's health and safety objectives, developing a culture of prevention and a safe working environment. The main operating companies of the illimity Group adopt specific procedures similar to the Banca Ifis policy, aimed at preventing occupational risks and ensuring a safe and welfare-oriented working environment for employees.
Validation of Senior Bodies
The policy, approved by the Board of Directors, establishes that responsibility is entrusted to the Prevention and Protection Service Manager (RSPP), the Prevention and Protection Service Manager (ASPP) and the Human Resources and General Services departments, each for the areas of their competence, under the delegation of the Employer.
Reference to recognised third-party initiatives and/or standards
The Integrated Safety and Environment Manual developed in the context of the policy, is drafted in compliance with current regulations, including Legislative Decree 81/08 (Safety Consolidation Act) and Legislative Decree 231/2001 (Administrative Liability of Entities) on occupational health and safety.
Stakeholder engagement
In defining its corporate health and safety policy, the Banca Ifis Group considers the interests of its main stakeholders, promoting the active participation of staff and the dissemination of a corporate culture based on prevention and safety at work.
Availability modes
The policy is made known and disseminated to all employees and is accessible to all interested parties on the Banca Ifis website.

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Group Policy to promote diversity and inclusiveness

Reference topic: S1

[MDR-P DP 65a,b,c,d,e,f, AR 14]

Group Policy to promote diversity and inclusiveness
Description of contents
The policy formalises the principles on diversity and inclusion adopted by the Group, which guarantees equal opportunities to all Ifis People, promoting the inclusion of people with disabilities and enhancing their skills and talent. It supports interculturalism and respect for all religions, including in selection processes, by adopting an open and inclusive social model. Negative impacts on the workforce with regard to inclusiveness are prevented or mitigated through a management system, ensuring fair treatment for all employees and collaborators, without discrimination related to any condition, element or diversity characterising the person. Banca Ifis monitors the implementation of the policy and compliance with key national and international regulations through annual audits.
Scope of reference
The policy applies to all organisational units within the Group and has been formally implemented by Fürstenberg SIM and the illimity Group. The latter also has a Diversity, Equity & Inclusion Policy, similar to Banca Ifis's policy, which aims to promote an inclusive and meritocratic environment, where diversity is valued, equal opportunities are guaranteed, and leadership that fosters well-being and a sense of belonging for the workforce is encouraged.
Validation of Senior Bodies
The policy is approved by the Board of Directors on the recommendation of the Sustainability Committee and the Remuneration Committee.
Reference to recognised third-party initiatives and/or standards
The Banca Ifis Group has developed the policy considering the main national and international regulations, including the Universal Declaration of Human Rights, the SDGs of Agenda 2030, Bank of Italy Circular No. 285/2013 and Legislative Decree no. 58/1998, art. 147-ter.
Stakeholder engagement
The drafting of the Policy for the Promotion of Diversity and Inclusiveness involved the Human Resources function, with the support of Communications, Marketing, Public Affairs and Sustainability.
Availability modes
The policy is made available and accessible via the company website.

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Group employee management policy

Reference topic: S1

[MDR-P DP 65a,b,c,d,e,f, AR 14]

Group employee management policy
Description of contents
The policy formalises the process of managing employees and collaborators (including administrative management) with particular reference to recruitment, evaluation and continuous training activities. These are necessary to ensure that staff are equipped with the skills and professionalism to carry out their responsibilities, as well as to define guidelines for work-life balance. The Policy is monitored several times during the year, at discussion and evaluation meetings within the Human Resources Department. In addition, with specific reference to gender equality aspects, application of the policy is also monitored through specific audits, as required by current legislation.
Scope of reference
The policy applies to all Group companies with registered offices in Italy and has been formally implemented by the illimity Group and Fürstenberg SIM. The application is also extended, where compatible with local and domestic regulations, to subsidiaries with registered offices abroad. From a subjective point of view, it is addressed to all employees and, as far as gender equality is concerned, also to all Group employees.
Validation of Senior Bodies
The policy is approved by the Board of Directors on the proposal of the Human Resources Department.
Reference to recognised third-party initiatives and/or standards
The policy is inspired by the principles enshrined in the Supervisory Provisions for Banks - Bank of Italy Circular No. 285/2013 and subsequent updates, in particular Part I, Title IV, Chapter 3, Section I, Paragraph 6.
Stakeholder engagement
The Human Resources Department drew up the Group Policy for the management of employees, with the support of the Organisation Department.
Availability modes
The policy is made available and accessible through the company intranet.

Teleborsa: distribution and commercial use strictly prohibited

Policy to combat violence and harassment in the workplace

Reference topic: S1

[MDR-P DP 65a,b,c,d,e,f, AR 14]

Policy to combat violence and harassment in the workplace
Description of contents
The policy defines the ways in which Banca Ifis prevents and counteracts all forms of discrimination, harassment and violence, identifying appropriate prevention measures to promote a culture of respect and gender-sensitive language. The Bank adopts a zero-tolerance approach to unacceptable behaviour that may offend people's dignity: these are clearly defined, for better prevention and counteraction, and may result in disciplinary sanctions. For monitoring compliance with the policy, there is an external reporting channel managed by the Trust Adviser, an expert figure on issues of discrimination, violence and harassment at work, with psychological and legal expertise. This figure supports the reporting person in analysing the situation, protects his or her privacy and provides guidance on possible courses of action. Furthermore, upon request, it formulates opinions and recommendations to support the Human Resources function or internal bodies, in order to foster an organisational climate that respects people's dignity.
Scope of reference
The policy applies to all levels of the organisation, and has been formally implemented by Fürstenberg SIM and the illimity Group. The latter also operates consistently with the policy through the application of the specific Anti-Harassment Policy, which aims to prevent harassment at work by adopting zero tolerance towards inappropriate behaviour and monitoring compliance through anonymous surveys and reporting channels.
Validation of Senior Bodies
The policy is approved by the Board of Directors on the recommendation of the Sustainability Committee and the Remuneration Committee.
Reference to recognised third-party initiatives and/or standards
Banca Ifis follows the guidelines set out in various European and international legislation addressing equal treatment and the prevention of harassment in the workplace, including ILO Convention No. 190 and the EU Directives on Equal Treatment and Prevention of Harassment in the Workplace, ensuring a safe and respectful environment in line with international and EU regulations.
Stakeholder engagement
The drafting of the Policy for Combating Violence and Harassment in the Workplace was handled by the Human Resources function with the engagement of Communications, Marketing, Public Affairs and Sustainability.
Availability modes
The policy is made available and accessible via the company website.

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Remuneration and incentive policy

Reference topic: S1

[MDR-P DP 65a,b,c,d,e,f, AR 14]

Remuneration and incentive policy
Description of contents
The policy aims to align the behaviour of management and staff with the interests of all stakeholders. It is inspired by the principles of gender neutrality and contributes to the pursuit of complete equality in the economic and regulatory treatment of staff, promoting fair remuneration for equal work. It also promotes sound risk management, encourages competitiveness in compliance with legal provisions and avoids conflicts of interest.
Scope of reference
The policy applies to all Banca Ifis stakeholders. The illimity Group, through its similar Remuneration Policy, aligns the interests of management and employees with those of stakeholders, maintaining a high focus on Gender Equity and employee engagement. Similarly, Fürstenberg SIM has a Remuneration and Incentive Policy that defines the criteria to be followed for the payment of variable remuneration to the different categories of employees. The Board of Directors adopts and reviews the policy at least annually and is responsible for its proper implementation.
Validation of Senior Bodies
The Board of Directors submits the policy to the Shareholders' Meeting, with the favourable opinion of the Sustainability Committee and the Remuneration Committee. The Board reviews these policies at least once a year and is responsible for their proper implementation.
Reference to recognised third-party initiatives and/or standards
The Remuneration Policy complies with the applicable statutory and regulatory provisions, including Regulation (EU) No. 575/2013, Implementing Regulation (EU) No. 637/2021, Bank of Italy Circular No. 285/2013, Article 123-ter of Legislative Decree no. 58/1998, Article 84-quater of the Regulation on Issuers and the Corporate Governance Code (2020).
Stakeholder engagement
The policy is prepared by the Human Resources Department with the support of Compliance and Risk Management. This Policy was defined by the Parent company with the aim of aligning the behaviour of management and staff with the interests of all stakeholders.
Availability modes
The Remuneration and Incentive Policy is published in the document 'Remuneration and Compensation Policy Report 2025' available on the company website.

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Privacy regulatory manual

Reference topic: S1 – S4

[MDR-P DP 65a,b,c,d,e,f, AR 14]

Privacy regulatory manual
Description of contents
The manual defines the organisational model of privacy management and describes the set of guidelines and rules of conduct regarding the processing and protection of personal data in ordinary and extraordinary company operations. Through the application of the Manual, the Group aims to protect personal data processed by Banca Ifis and the Italian-registered companies it controls, including through appropriate technical and organisational measures. There is no periodic review process of the policy, while the process of monitoring its correct application is the responsibility of the control functions.
Scope of reference
The policy applies to all actors inside and outside the Group and is implemented not only by the Parent company, but also by its Italian-registered subsidiaries, including Fürstenberg SIM. For foreign subsidiaries, Banca Ifis provides guidelines consistent with what is set out in the Manual, as part of the exercise of its management and coordination powers. The illimity Group has a Privacy Policy aligned with the Manual, confirming the uniformity and consistency in the management of personal data protection in the Group.
Validation of Senior Bodies
The manual is approved by the Board of Directors.
Reference to recognised third-party initiatives and/or standards
Banca Ifis has developed the manual in full compliance with the principles of the General Data Protection Regulation (GDPR). Furthermore, the Bank undertakes to comply with all industry regulations, including codes of conduct promoted by trade associations (e.g. Unirec Code of Conduct in Credit Recovery Activities).
Stakeholder engagement
Banca Ifis considers respect of the principles of data protection to be essential, which is why it attaches great importance to the interests of its many stakeholders, both internal and external, and defines specific roles and responsibilities for each.
Availability modes
Banca Ifis has published an abstract of the manual on its corporate website.

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Group Information Security management policy

Reference topic: S1 – S4

[MDR-P DP 65a,b,c,d,e,f, AR 14]

Group Information Security management policy
Description of contents
The Group Policy for IT Security Management defines the governance and oversight model for IT security, establishing principles, responsibilities and operating rules for the protection of the Group's information and IT assets. The policy governs the main requirements for ICT risk protection and control, the security processes and measures to be applied throughout the life cycle of IT resources, roles and responsibilities, and guidelines for communication, training and user awareness. Finally, the policy is reviewed and updated whenever new threats or significant changes in the ICT risk profile emerge, significant incidents occur, regulatory developments take place, or a cost-benefit analysis highlights the need to adjust the effectiveness and efficiency of security measures.
Scope of reference
The policy is applicable and disseminated, as far as it is applicable, to all organisational units of the Parent company and Group companies and has been formally implemented by Fürstenberg SIM. The illimity Group has an Information Security Policy, aligned with the Parent company's policy of safeguarding data privacy, integrity and availability. The IT security set-up and related protection procedures are subject to periodic checks and updates.
Validation of Senior Bodies
The policy is approved, on the proposal of the Chief Executive Officer, by the Parent company’s Board of Directors.
Reference to recognised third-party initiatives and/or standards
The IT Security Policy was developed in compliance with the main regulatory references in the sector, including the General Data Protection Regulation (GDPR), the Privacy Code and the Bank of Italy's supervisory provisions. In addition, the Bank implements the European Banking Authority (EBA) guidelines on ICT risk management and security and adopts the most relevant international standards, such as ISO/IEC 27001 and ISO/IEC 27002, as best practices to ensure an adequate level of protection of corporate information and information systems.
Stakeholder engagement
The policy was drafted by the Privacy & Security function. In addition, the same function, with the support of Organisation and in cooperation with Risk Management and Compliance, reports to the CEO of the Parent company any update requirements resulting from regulatory or organisational changes. The policy was drafted by the Privacy & Security function. In addition, the same function, with the support of Organisation and in cooperation with Risk Management and Compliance, reports to the CEO of the Parent company any update requirements resulting from regulatory or organisational changes.
Availability modes
The procedure is made available and accessible via the company intranet.

Teleborsa: distribution and commercial use strictly prohibited

Organisational Procedure for the Transparency of banking and financial operations and services

Reference topic: S4

[MDR-P DP 65a,b,c,d,e,f]

Organisational Procedure for the Transparency of banking and financial operations and services
Description of contents
The procedure is designed to ensure compliance with current regulations on the transparency of banking transactions and services, identifying the main regulatory requirements and defining the operating methods by which each Group company fulfils these obligations. The Compliance department monitors compliance with applicable regulations through ongoing checks and audits, with the aim of assessing the effectiveness of the organisational measures prepared, proposed and implemented to manage the risk of non-compliance in every area where such risk is present.
Scope of reference
The procedure is applicable to all Banca Ifis Group companies offering banking products and services, as well as to all types of customers, including consumers, with whom the Group has dealings. illimity Bank has adopted a Policy on Transparency in Banking and Financial Transactions and Services aligned with the Parent company's procedure, by which it is committed to ensuring transparency in the offer of products and services to its customers, as well as to ensuring correct, clear and transparent management of relations with them.
Validation of Senior Bodies
The procedure is approved by the Joint Chief Operating Officer (COO).
Reference to recognised third-party initiatives and/or standards
The procedure is designed to ensure compliance with current regulations on the transparency of banking operations and services.
Stakeholder engagement
Banca Ifis requires the relevant corporate structures to provide feedback on the implementation of the identified corrective actions in the face of compliance findings or audits and on the timing of their implementation.
Availability modes
The procedure is made available and accessible via the company intranet.

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Group Policy for approving new products and services, starting new operations, and entering new markets

Reference topic: S4

[MDR-P DP 65a,b,c,d,e,f]

Group Policy for approving new products and services, starting new operations, and entering new markets
Description of contents
The policy defines the principles governing the approval of new products and services, changes to existing products and services, whether proprietary or third-party, the launch of new activities, and the entry into new markets: The policy also regulates the principles governing its development, distribution and monitoring.
Scope of reference
The policy is applicable to all companies belonging to the Group and to all types of customers with whom the Group has relations, including consumers, and has been formally implemented by the illimity Group.
Validation of Senior Bodies
The policy is approved by the Board of Directors.
Reference to recognised third-party initiatives and/or standards
The policy is drawn up in accordance with the supervisory regulations on transparency.
Stakeholder engagement
The drafting of the Group Policy for the approval of new products and services, the start-up of new activities, and the entry into new markets was handled by the POG Contact Person.
Availability modes
The policy is made available and accessible through the company intranet.

Teleborsa: distribution and commercial use strictly prohibited

Group Organisational Procedure - Management of marketing communications to customers

Reference topic: S4

[MDR-P DP 65a,b,c,d,e,f]

Group Organisational Procedure - Management of marketing communications to customers
Description of contents
The procedure governs the macro-process for the management of marketing communications to customers, giving the utmost importance to the decision-making flow, to the methods for selecting the target customers to be reached, to the privacy and transparency safeguards, to the controls envisaged in each activity and to the relevant actors involved.
Scope of reference
The procedure applies to Banca Ifis Group companies offering products and services and is extended to all types of customers, including consumers. All structures involved must comply with the requirements set out in the procedure.
Validation of Senior Bodies
The procedure is approved by the Joint Chief Operating Officer (COO).
Reference to recognised third-party initiatives and/or standards
The procedure is drawn up in compliance with the Supervisory Provisions on transparency and consumer protection, as well as in line with the regulations on the processing of personal data.
Stakeholder engagement
The procedure was prepared by the Digital Innovation & Advertising and Marketing & Business Strategy functions.
Availability modes
The procedure is made available and accessible via the company intranet.

Teleborsa: distribution and commercial use strictly prohibited

Complaint Management Policy

Reference topic: S4

[MDR-P DP 65a,b,c,d,e,f]

Complaint Management Policy
Description of contents
illimity Bank adopts a policy on the management of customer complaints, which defines the principles and operating methods for receiving and handling reports from customers, with the aim of guaranteeing rapid and exhaustive responses, helping to overcome the critical issues encountered and safeguarding the quality of customer relations. This approach makes it possible to manage highlighted issues in a timely manner, preventing risks of non-compliance or operational malfunctions, and at the same time represents an opportunity to consolidate solid relationships based on trust over time, avoiding the recurrence of similar situations in the future.
Scope of reference
The policy applies to illimity Bank depending on its operations with corporate and retail customers to whom the Bank offers products and services.
Validation of Senior Bodies
The policy was issued by the Board of Directors of illimity and its latest update was approved by the CEO.
Reference to recognised third-party initiatives and/or standards
The Policy is aligned with current regulations on the handling of customer complaints.
Stakeholder engagement
The policy was developed through a collaborative process by illimity's internal compliance, human resources and organisational functions.
Availability modes
The policy is available on the illimity website and the company intranet portal.

Teleborsa: distribution and commercial use strictly prohibited

Code of Ethics

Reference topic: G1 – S1 – S2 – S3 – S4 – G1

[MDR-P DP 65a,b,c,d,e,f, AR 14]

Code of Ethics
Description of contents
The Code of Ethics enhances working conditions, promoting an environment based on integrity, fairness, respect and enhancing of people and ensuring the protection of fundamental human and workers' rights, in accordance with current regulations. Through periodic discussions with the stakeholders concerned, the Group ensures that any negative impacts are identified at an early stage and that the most appropriate processes are identified to effectively remedy them through the Whistleblowing mechanism and the listening and dialogue tools put in place. The Group Code of Ethics in force today was approved on 22 December 2016 and updated constantly, most recently on 19 December 2024. Specifically, the revision aimed to update the document against the introduction of the Sensitive Sectors Policy.
Scope of reference
The rules and principles of the Code of Ethics apply to all those who work with the companies of the Banca Ifis Group, including directors, auditors, employees, suppliers, collaborators and contractual counterparties, even if they are involved on an occasional or non-continuous basis, such as secondees, interns and collaborators in various capacities. The Code of Ethics has also been formally adopted by Fürstenberg SIM and the illimity Group; the latter also has its own Code of Ethics, known as the illimity Way, through which its commitment to fundamental labour rights is reaffirmed, promoting a corporate culture based on integrity, sustainability, legality and long-term value.
Validation of Senior Bodies
The Code of Ethics is approved by the Board of Directors at the proposal of the CEO and implemented in the subsidiaries through internal instruments.
Reference to recognised third-party initiatives and/or standards
The Code is an integral part of the Organisational, Management and Control Models adopted pursuant to Italian Legislative Decree no. 231/2001.
Stakeholder engagement
The Code of Ethics aims at the active engagement of all workers, facilitated by continuous dialogue with trade union representatives.
Availability modes
The Code of Ethics is made available on the company intranet, in the "Regulations and Forms" section and on the company website.

Teleborsa: distribution and commercial use strictly prohibited

Sensitive segments policy

Reference topic: E1 - G1

[MDR-P DP 65a,b,c,d,e,f]

Sensitive segments policy
Description of contents
The policy guides the proper orientation of the Group's banking activities in relation to areas that may involve ESG risks. The Bank has defined a rigorous approach to sectors considered sensitive, promoting responsible management of investments and operations towards activities potentially harmful to the environment, society and people. Specifically, sectors are identified as excluded if they are incompatible with the guidelines of the Group's Code of Ethics or if they present a high risk from an ESG perspective. Through this Policy, Banca Ifis aims to ensure that its operational choices are consistent with the principles of sustainability, while minimising exposure to risks from high-impact sectors. The policy is managed by the Process Owner, Communication, Marketing, Public Affairs & Sustainability, in collaboration with the Chief Commercial Officer (COO), the Chief Lending Officer (CLO) and Risk Management, who promotes its updating whenever the need arises.
Scope of reference
The latest version of the policy, approved in February 2025, applies to all Group companies and has been formally implemented by the illimity Group.
Validation of Senior Bodies
The policy is approved by the Board of Directors, with validation by the CEO.
Reference to recognised third-party initiatives and/or standards
The policy operates in line with the Group's Code of Ethics, complementing what is already regulated therein.
Stakeholder engagement
The policy provisions are addressed to all organisational units involved, which must comply with the contents according to their respective competences.
Availability modes
The Group actively promotes the knowledge and application of the Policy, making it accessible on the corporate intranet, in the "Regulations and Forms" section, and on the corporate website.

Teleborsa: distribution and commercial use strictly prohibited

ESG Investment Policy (proprietary finance)

Reference topic: E1 - G1

[MDR-P DP 65a,b,c,d,e,f]

ESG Investment Policy (proprietary finance)
Description of contents
The ESG Investment Policy defines the strategic guidelines for the integration of ESG aspects into investment analysis and responsible investment decision-making processes of proprietary finance. This policy aims to reduce exposure to issuers whose behaviour is not aligned with illimity Bank's investment principles and strategy.
Scope of reference
The content of the Policy applies to investments in financial instruments such as, but not limited to, public and private debt and equity securities pertaining to the Investment Banking and Treasury business of illimity Bank as defined annually in the Investment Policy & Limits approved by the Board of Directors of illimity.
Validation of Senior Bodies
The policy is approved by the Board of Directors of illimity Bank.
Reference to recognised third-party initiatives and/or standards
The policy refers to international norms and standards, including: • Principles for Responsible Investments (PRI); • Principles for Responsible Banking (PRB); • Regulation (EU) 2020/852 (Taxonomy of Environmentally Friendly Economic Activities in the European Union); • Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability reporting in the financial services sector (the "Sustainable Finance Disclosure Regulation"); • Regulation (EU) 2023/2631 on European Green Bonds and Voluntary Disclosure for Bonds Marketed as Green Bonds and Sustainability Bonds; • Bank of Italy Supervisory Expectations on climate-related and environmental risks.
Stakeholder engagement
In drafting the Policy, the Bank's internal structures were involved, requests from investors and rating agencies were gathered, and supervisory and regulatory expectations were considered.
Availability modes
The policy can be found in the 'Company regulations' portal within the company intranet and published, in Italian and English, on the illimity corporate website.

Similarly, Fürstenberg SIM, as part of the implementation of its Sustainability Policy, aims to integrate environmental, social and governance criteria into its investment decision-making processes and advisory activities.

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Anti-Money Laundering Policy

Reference topic: G1

MDR-P DP 65a,b,c,d,e,f]

Anti-Money Laundering Policy
Description of contents
The policy aims to define effective safeguards, processes and procedures to contribute to the fight against money laundering and terrorist financing, ensuring adequate active cooperation with the Supervisory Authorities. It sets out the organisational model and processes implemented by the Banca Ifis Group to manage and mitigate these risks, in accordance with current regulations. In particular, the Policy governs: organisational structures, procedures and internal controls, due diligence processes, the reporting of suspicious transactions the retention of data and the overall AML/CFT risk management process. The body with strategic supervisory functions of the Parent company and each subsidiary transposes the policy and ensures its effective implementation. The policy is updated by the Anti-Money Laundering Department according to changes in regulations, operational processes or reference information systems.
Scope of reference
The policy applies to all Group companies and has also been formally incorporated by Fürstenberg SIM, with exceptions subject to the prior approval of the body with strategic supervisory functions of the Parent company. The application of the policy follows the principle of proportionality, taking into account factors such as the volume of business by geographic area, Group membership, types of activities performed, business model and strategies adopted, ownership structures and distribution channels.
Validation of Senior Bodies
The Parent company and each subsidiary are responsible for the concrete implementation of the Policy, under the supervision of the CEO or, in his absence, the Board of Directors, with the support of the Anti-Money Laundering Officer.
Reference to recognised third-party initiatives and/or standards
The Policy is prepared in implementation of the Bank of Italy Provisions of March 2019 and subsequent amendments and additions.
Stakeholder engagement
In order to promote its dissemination and understanding, all employees receive special communications and updates on the policy.
Availability modes
The policy is published on the company intranet.

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Whistleblowing Policy

Reference topic: G1

[MDR-P DP 65a,b,c,d,e,f]

Whistleblowing Policy
Description of contents

The policy is a tool to ensure transparency, ethics and regulatory compliance within the organisation. The document describes in detail the methods and channels of communication available to whistleblowers, the procedure activated following a report and the roles and responsibilities of the players involved. Specifically, the policy governs:

- the steps involved in the process and how to confirm, where possible, receipt of the report to the whistleblower;
- the information flow on the development of the proceedings addressed to the whistleblower and the reported subject;
- the whistleblower's obligation to declare any private interests linked to the report;
- communication to the corporate bodies by the person in charge of the internal system in case of detected irregularities.

The Head of Internal Audit constantly monitors the dedicated channels, conducts investigations and formalises his assessments, transmitting them to the CEO and, if applicable, to the Supervisory Board of the Parent company or the Italian-registered Subsidiary concerned.

Scope of reference

The policy is applicable to all Group companies and all legal entities, regardless of the type of contractual relationship, and has also been formally incorporated by Fürstenberg SIM, ensuring a uniform implementation of the provisions.

illimity has its own Whistleblowing Policy, similar to that of the Parent company, with the aim of promoting legality and business ethics, protecting whistleblowers from retaliation and preventing risks of wrongdoing. The Head of illimity's internal reporting system constantly monitors the reporting channels and reports periodically to the companies' respective control and supervisory bodies.

Validation of Senior Bodies

Approved by the Board of Directors of the Parent company on the proposal of the CEO, the policy is implemented by the Boards of Directors of the subsidiaries and disseminated to all Group staff. Any updates, proposed by the Chief Executive Officer on the instructions of the Parent company's Internal Audit, Organisation and Compliance Department, take into account regulatory and organisational changes, in order to monitor their correct application.

Reference to recognised third-party initiatives and/or standards

Banca Ifis has developed the Whistleblowing tool in compliance with Legislative Decree no. 24/2023, which transposes EU Directive 1937/2019 on the protection of whistleblowers reporting European and national regulatory infringements.

Stakeholder engagement

The policy ensures confidentiality at every stage of the whistleblowing process, protecting the identity of the whistleblower, the whistleblower and the persons involved (facilitators and the whistleblower's colleagues/employees/owned entities), as well as the content and documentation of the whistleblowing. The whistleblower is protected from retaliation for reasons related to the report, even when the report turns out to be unfounded, unless malicious or grossly negligent. The protection also applies to reports made before the commencement of the employment relationship, during the selection or pre-contractual stages, during the probationary period and after the end of the relationship, if the information was acquired during it.

Availability modes

The document is disseminated widely to all Group personnel.

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Group Expenditure Cycle Management Policy

Reference topic: S2 – G1

[MDR-P DP 65a,b,c,d,e,f]

Group Expenditure Cycle Management Policy
Description of contents
The policy describes the principles and guidelines for defining the process for the management of the expenditure cycle by the Parent company and its subsidiaries. In particular, it regulates purchases of goods and services and purchases of real estate. The Parent company's Chief Executive Officer submits a proposal to the Board of Directors, on the recommendation of the Co-General Manager Chief Operating Officer (COO), for any update requirements that become necessary due to changes in the regulatory and organisational environment.
Scope of reference
The policy is applicable, to the extent applicable, to all organisational units of the Parent company and its subsidiaries and has also been formally implemented by Fürstenberg SIM.
Validation of Senior Bodies
The policy is approved, on the proposal of the Chief Executive Officer, by the Board of Directors of the Parent company and subsequently implemented by the Board of Directors of the subsidiaries.
Reference to recognised third-party initiatives and/or standards
The policy fully complies with the regulations in force, in particular structuring processes and controls aimed at preventing the offences set out in Legislative Decree No. 231 of 8 June 2001, the supervisory provisions for banks set out in Bank of Italy Circular 285 of 17 December 2013, as well as the supervisory provisions for financial intermediaries set out in Bank of Italy Circular No. 288 of 3 April 2015.
Stakeholder engagement
The drafting of the Group Policy for Expenditure Cycle Management was handled by the Procurement & Cost Management function.
Availability modes
The policy is disseminated, to the extent applicable, to all the organisational units of the Parent company and its subsidiaries.

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Sustainable Supply Chain Policy

Reference topic: G1

[MDR-P DP 65a,b,c,d,e,f]

Sustainable Supply Chain Policy
Description of contents
The illimity Group's Sustainable Supply Chain Policy aims to minimise indirect environmental impact, integrate ESG principles into supplier selection and management processes and periodically monitor indirect GHG emissions (Scope 3) related to suppliers. The Cost Management & Procurement function of illimity, in cooperation with Sustainability, annually monitors the ESG score of suppliers and implements remedial actions to improve the overall sustainability profile of the illimity Group's supplier list.
Scope of reference
The policy applies to all entities of the illimity Group and suppliers involved in the supply chain, without territorial limitation, thus extending globally.
Validation of Senior Bodies
The Sustainable Supply Chain Policy is approved by the Board of Directors of illimity Bank.
Reference to recognised third-party initiatives and/or standards
The policy is inspired by: • Universal Declaration of Human Rights (UN); • ILO (International Labour Organisation) Declaration on Fundamental Principles and Rights at Work and its Follow-up; • Principles of the UN Global Compact; • OECD recommendation of the council on OECD legal instruments artificial intelligence; • OECD AI Principles; • EU Ethics guidelines for trustworthy AI; • Regulation (EU) 2024/1689 of the European Parliament and of the Council of 13 June. In addition, suppliers are required to be certified to ISO 9001, 14001, 45001, 27001, 37001, if they have them. The illimity Group also adopts ethical practices in the field of artificial intelligence according to OECD and EU recommendations.
Stakeholder engagement
The policy provides for the active engagement of material suppliers in the illimity Group's sustainability initiatives, promoting the collection of data and information useful for the assessment of their ESG scores, through structured engagement processes and methodologies through the periodic administration of questionnaires.
Availability modes
Published on illimity's institutional website, the policy is made available to all suppliers in the qualification process, which requires explicit adherence to ESG principles and the principles of the Code of Ethics as a prerequisite for long-term collaboration.

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Organisational, Management and Control Model as per Italian Legislative Decree no. 231/2001

Reference topic: S2 – G1

[MDR-P DP 65a,b,c,d,e,f]

Organisational, Management and Control Model as per Italian Legislative Decree no. 231/2001
Description of contents

The Organisational, Management and Control Model as per Italian Legislative Decree No. 231/2001 guarantees transparency, fairness and the protection of its institutional role, its image and the interests of shareholders, employees and stakeholders. The Legislative Decree No. 231/2001 includes principles, rules and organisational schemes aimed at controlling and monitoring sensitive activities in order to prevent offences under the legislation, such as corruption, corporate offences, environmental offences, accidents at work, exploitation of persons and tax offences.

The Compliance Department, as part of its regulatory monitoring activities, informs the structures concerned of relevant regulatory developments, initiating the process of monitoring and implementing changes as governed by the relevant internal regulations.

Scope of reference

The rules contained in the Legislative Decree No. 231/2001 are aimed at:

- persons in positions of representation, administration or management of the company;
- persons exercising management and control over the company;
- all employees of the company subject to the direction or supervision of the persons referred to above;
- self-employed workers, consultants, professionals, partners (commercial/financial), suppliers, attorneys and third parties operating on behalf of or in the interest of the company, limited to what is specifically indicated in the relevant contractual agreements.

The main companies in the illimity Group (illimity Bank, Fürstenberg SGR, ARECneprix, Abilio) have their own Organisation, Management and Control Model, designed to mitigate the risk of offences being committed by identifying sensitive activities and formalising control measures.

Validation of Senior Bodies

The members of the Board of Directors of the Parent company, in November 2025, and of the subsidiaries, between November and December of the same year, approved the latest update of Banca Ifis's Organisational, Management and Control Model, in accordance with the external regulatory changes that had occurred and organisational changes.

Reference to recognised third-party initiatives and/or standards

The Model is aligned with the good practices and guidelines of the Italian Banking Association (ABI) and Confindustria. Furthermore, during 2025, the Organisational, Management and Control Model was updated to bring it into line with recent legislative changes, with particular reference to the amendments to Leg. 231/2001 and the related predicate offences introduced by the following regulations:

- Decree-Law no. 48 of 11 April 2025 on terrorism;
- Law no. 82 of 6 June 2025 on the Protection of Animals and the Environment;
- Decree-Law no. 116 of 8 August 2025 on waste and the environment;
- Law no. 132 of 23 September 2025 on Financial Crimes.

Stakeholder engagement

For the proper functioning of the Organisational, Management and Control Model, communication and staff training are essential requirements, which must be adapted to the different categories of recipients: from general employees to those working in risk areas or sensitive activities, up to members of corporate bodies. This ensures that each individual fully understands his or her responsibilities and actively contributes to the proper application of the Model.

Availability modes

The updated version of the Organisational, Management and Control Model, for the 'General Part' only, of Banca Ifis and the Group companies is available on the corporate website of Banca Ifis and, where present, on the independent corporate websites of the individual

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Group companies. Through these portals, it is also possible to access the entire regulatory and documentary compendium that constitutes an integral part or accessory element of the Model. The full Models are made available on the company intranet.

Group Policy for the Prevention of Corruption

Reference topic: G1

[MDR-P DP 65a,b,c,d,e,f]

Group Policy for the Prevention of Corruption
Description of contents
The policy aims to prevent corrupt conduct in the conduct of Group business. Moreover, it defines the general principles on the fight against corruption to which all Group activities must be informed, identifies the operational areas most exposed to the 'risk of corruption', and sets out the controls and organisational measures that make it more difficult for it to materialise. The Supervisory Board (SB) monitors the effective implementation of the policy.
Scope of reference
The document applies to all Group employees, members of corporate bodies, collaborators, consultants, suppliers and business partners, and has also been formally implemented by Fürstenberg SIM. illimity Bank adopts a similar Anti-Corruption Policy, which defines anti-corruption principles, identifies risks and sensitive activities, assigns roles and responsibilities, and establishes a methodology for assessing and managing corruption risk internally.
Validation of Senior Bodies
The policy is approved by the Board of Directors. Updates and amendments to the Policy are the responsibility of the General Counsel Department, which acts in coordination with the control functions and in accordance with the indications of the Supervisory Body in the area of 231/2001.
Reference to recognised third-party initiatives and/or standards
The policy is fully compliant with Italian regulations on corruption and illegality, complying with the provisions set out in the Criminal Code (Royal Decree no. 1398 of 19 October 1930), the Civil Code (Royal Decree no. 262 of 16 March 1942), Law 190/2012 (the 'Severino Law') and Legislative Decree 231/2001.
Stakeholder engagement
The General Counsel Department was responsible for drafting the Group Policy for the Prevention of Corruption.
Availability modes
The policy is disseminated on the company intranet and published on the company website.

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Group Information Flow Management Policy

Reference topic: G1

[MDR-P DP 65a,b,c,d,e,f]

Group Information Flow Management Policy
Description of contents
The policy governs the management of information flows produced by corporate functions and addressed to the Chairmanship, strategic supervision, management and supervisory bodies and between the Parent company and subsidiaries, for the purpose of directing and coordinating Group activities. The information flow management system is based on the principles of completeness, timeliness and accuracy, in order to ensure management efficiency and control effectiveness. The flows must be clear, useful and proportionate to the objectives, produced with appropriate frequency, disseminated to the appropriate recipients and managed with respect for confidentiality and privacy of information. The process owners of the Parent company and the subsidiaries, with the support of their respective contact persons, monitor that information is provided in a timely, correct and complete manner.
Scope of reference
The policy applies to every company in the Group, with the exception of Ifis Npl 2021 - 1 SPV S.r.l., as well as to all Group Organisational Units involved in the processes governed by it; it has also been formally adopted by the illimity Group and Fürstenberg SIM.
Validation of Senior Bodies
The Board of Directors is responsible for the first approval of the policy and annual reporting, while the CEO is responsible for reporting on any infra-annual reporting.
Reference to recognised third-party initiatives and/or standards
The policy is inspired by various external regulations, such as paragraphs 5 and 6 of Article 2381 of the Civil Code, Circular 285 of 17 December 2013 in the area of supervisory provisions for banks, Circular 288 of 3 April 2015 in the area of supervisory provisions for financial intermediaries, the Bank of Italy's provisions on organisation, procedures and internal controls for anti-money laundering purposes of 26 March 2019 and the New Corporate Governance Code for Listed Companies of 31 January 2020.
Stakeholder engagement
The policy was shared both with the Compliance Department, which assessed its compliance with the contextual discipline, and with the Parent company and Subsidiary Companies' contact persons, who examined its overall consistency within the Group.
Availability modes
The policy is disseminated on the company intranet.

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5.4 Reconciliation of TCFD requests to the Consolidated Sustainability Statement

Main subject area	TCFD Expectations	Sections in the Consolidated Sustainability Statement
Governance	a) Describe the board's oversight of climate-related risks and opportunities	1.1.3 Governance
	b) Describe management's role in assessing and managing climate-related risks and opportunities	
Strategy	a) Describe the climate-related risks and opportunities the organisation as identified over the short, medium and long term	1.1.4 Impact, risk and opportunity management: Double materiality assessment
	b) Describe the impacts of climate-related risks and opportunities on the organisation's business, strategy and financial planning	2.2.1 Transition Plan 2.2.2 Energy, adaptation and mitigation of climate change
	c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	2.2.2 Energy, adaptation and mitigation of climate change
Risk management	a) Describe the organization’s processes for identifying and assess climate-related risks	1.1.4 Impact, risk and opportunity management: Double materiality assessment 2.2.2 Energy, adaptation and mitigation of climate change
	b) Describe the organization’s processes for managing climate-related risk	
	c) Describe how processes for identifying, assessing and managing climate-related risk are integrated into the organization’s overall risk management	
Metrics and targets	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	1.1.4 Impact, risk and opportunity management: Double materiality assessment 2.2.4 Metrics
	b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	2.2.3 Targets

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Other information

Adoption of Opt-Out Option pursuant to Consob resolution No. 18079 of 20 January 2012

On 21 January 2013, Banca Ifis's Board of Directors resolved, as per Article 3 of Consob Regulation No. 18079 of 20 January 2012, to adopt the opt-out option pursuant to Article 70, paragraph 8 and Article 71, paragraph 1-bis, of Consob Issuers' Regulation, thus exercising the right to depart from the obligations to publish information documents required in connection with significant operations like mergers, spin-offs, capital increases by contribution in kind, acquisitions and sales.

Report on Corporate Governance and Shareholding Structure

With reference to the "Report on Corporate Governance and Shareholding Structure", reference is made to the latest version prepared in accordance with the third paragraph of Art. 123-bis of Legislative Decree No. 58 of 24 February 1998 (Consolidated Law on Finance, or "TUF"), i.e. that prepared for FY 2025 in the form of a separate report from the Directors' Report on the Group, approved by the Board of Directors on 12 March 2026 and published together with the Consolidated Financial Statements for the year ended 31 December 2025. This document is also made available in the “About us” section, "Corporate Governance" subsection, paragraph on "Reports and Documents", sub-paragraph "Corporate Governance Organisation and Structures" on the corporate website www.bancaifis.it.

The "Report on Corporate Governance and Shareholding Structure" has been drawn up according to the format provided by Borsa Italiana.

Remuneration policies

The “About us” section, "Corporate governance" subsection, paragraph on "Remuneration" of the corporate website www.bancaifis.it includes the "2025 Report on Remuneration Policy and Remuneration Paid", drafted pursuant to Article 123 ter of the TUF, where the remuneration policy valid for FY 2025 for the Banca Ifis Group is illustrated.

Privacy measures

The Banca Ifis Group has consolidated a project to comply with (EU) Regulation No. 2016/679 in order to incorporate the relevant regulatory provisions into its internal privacy management model, planning a series of both technological and organisational steps that will concern all the Group's companies.

Ultimate Parent company management and coordination

Pursuant to Articles 2497 to 2497 sexies of the Italian Civil Code, it should be noted that the ultimate Parent company Fürstenberg Scogliera Holding S.A. (formerly La Scogliera S.A., which took on the new business name on 24 December 2025) does not carry out any management and coordination activities with respect to Banca Ifis, notwithstanding Article 2497 sexies of the Italian Civil Code, since the management and coordination of investee financial companies and banks is expressly excluded from Fürstenberg Scogliera Holding's corporate purpose, and consistently the ultimate Parent company does not in fact perform any management and coordination activities with respect to Banca Ifis.

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Transactions on treasury shares

At 31 December 2024, Banca Ifis held 1.238.886 treasury shares recognised at a market value of 21,0 million Euro and a nominal amount of 1.238.886 Euro.

In 2025, Banca Ifis awarded the Top Management:

- as variable pay, under the scope of the Short-Term Incentive (“STI”) system, 121.031 treasury shares at an average price of 16,53 Euro, for a total of 2,0 million Euro and a nominal amount of 121.031 Euro, making losses of 269 thousand Euro that, in compliance with IAS/IFRS standards, were recognised under the premium reserve;
- as variable long-term remuneration, as part of the exercise by the various beneficiaries of the stock options assigned to them as a result of the "2021-2023 Long-Term Incentive Plan" (the "LTI Plan"), 378.600 treasury shares at an average price of 12,92 Euro (the strike price of the stock options), for an equivalent value of 4,9 million Euro and a nominal amount of 378.600 Euro, realising losses of 108 thousand Euro recognised in additional paid-in capital. The related stock option reserve associated with options exercised during 2025 totals 1,1 million Euro.

During FY 2025, there were no further transactions on treasury shares other than those mentioned above.

Considering the above operations, the stock at 31 December 2025 is 739.255 treasury shares, with an equivalent value of 13,7 million Euro and a nominal amount of 739.255 Euro.

It should be noted that the Banca Ifis Group does not hold, directly or indirectly, any shares in the ultimate Parent company Fürstenberg Scogliera Holding S.A. (formerly La Scogliera S.A.).

Transactions with Group companies and related parties

In compliance with the provisions of Consob Resolution No. 17221 of 12 March 2010, as subsequently amended, as well as the prudential Supervisory provisions for banks in Circular No. 285 of 17 December 2013 of the Bank of Italy, part three, chapter 11 (on "Risk activities and conflicts of interest towards related parties”), any transactions with related parties and relevant parties are carried out pursuant to the procedure approved by the Board of Directors called the “Group Policy covering transactions with related parties, associates and corporate representatives pursuant to Art. 136 of the Consolidated Law on Banking”, the latest update of which is available to the public in the “About us” section, “Corporate Governance” subsection, paragraph on “Reports and documents”, sub-paragraph “Related parties and other associated subjects” of the corporate website www.bancaifis.it.

During 2025, no significant transactions with related parties were undertaken outside the scope of the Consolidated Financial Statements.

The disclosure on related party transactions and the description of the most significant transactions concluded with related parties during the financial year, provided for by the Regulation adopted by Consob with resolution No. 17221 of 12 March 2010 and subsequent amendments, are reported in “Part H - Related-party transactions” of the Notes to the Consolidated Financial Statements, to which reference should be made.

Atypical or unusual transactions

During 2025, the Banca Ifis Group did not carry out atypical or unusual transactions as defined by Consob Communication No. 6064293 of 28 July 2006.

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The Bank's offices

The Bank has its registered office in Venice-Mestre, as well as offices of the Chairmanship in Rome and operational offices in Milan. There are no branch offices.

Human resources

At 31 December 2025, the Banca Ifis Group had 2.695 employees (2.013 at 31 December 2024), of which 672 were from the acquisition of the illimity Group and 19 resources from the acquisition of Euclidea SIM[92]. Below is a breakdown of the workforce by classification level.

GROUP EMPLOYEES BY CLASSIFICATION LEVEL	31.12.2025		31.12.2024		CHANGES	
	Number	%	Number	%	Number	%
Senior managers	167	6,2%	99	4,9%	68	68,7%
Middle managers	988	36,7%	653	32,4%	335	51,3%
Clerical staff	1.540	57,1%	1.261	62,6%	279	22,1%
Total Group employees	**2.695**	**100,0%**	**2.013**	**100,0%**	**682**	**33,9%**

Research and development activities

Due to its business, the Group did not implement any research and development programmes during the year.

Venice - Mestre, 12 March 2026

For the Board of Directors

The CEO

Frederik Herman Geertman

This report has been translated into the English language solely for the convenience of international readers.

[92] *Euclidea SIM was renamed Fürstenberg SIM with effect from 26 January 2026.*

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2025 ANNUAL REPORT

Consolidated Financial Statements

Banca Ifis

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Consolidated Statement of Financial Position

	ASSETS (in thousand Euro)	31.12.2025	31.12.2024
10.	Cash and cash equivalents	787.290	505.016
20.	Financial assets measured at fair value through profit or loss	808.092	249.101
	a) financial assets held for trading	27.473	12.069
	c) other financial assets mandatorily measured at fair value	780.619	237.032
30.	Financial assets measured at fair value through other comprehensive income	1.659.271	701.830
40.	Financial assets measured at amortised cost	16.836.272	11.513.781
	a) receivables due from banks	700.276	703.763
	b) receivables due from customers	16.135.996	10.810.018
50.	Hedging derivatives	60.880	7.404
70.	Equity investments	33.580	24
90.	Property, plant and equipment	256.210	166.665
100.	Intangible assets	128.999	85.488
	of which:		
	- goodwill	*55.268*	*38.020*
110.	Tax assets:	368.495	213.464
	a) current	117.727	42.033
	b) deferred	250.768	171.431
120.	Non-current assets and disposal groups	157.555	-
130.	Other assets	551.740	382.965
	Total assets	**21.648.384**	**13.825.738**

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	LIABILITIES AND EQUITY (in thousands of Euro)	31.12.2025	31.12.2024
10.	Financial liabilities measured at amortised cost	18.716.422	11.597.750
	a) payables due to banks	4.018.193	1.443.250
	b) payables due to customers	11.256.836	7.001.763
	c) debt securities issued	3.441.393	3.152.737
20.	Financial liabilities held for trading	26.566	13.765
40.	Hedging derivatives	33.748	14.868
50.	Value adjustment to financial liabilities with generic hedges (+/-)	(2.936)	-
60.	Tax liabilities:	117.272	51.924
	a) current	69.848	23.345
	b) deferred	47.424	28.579
80.	Other liabilities	498.447	339.377
90.	Post-employment benefits	11.441	7.569
100.	Provisions for risks and charges:	106.877	52.339
	a) commitments and guarantees granted	8.600	5.559
	b) pensions and similar obligations	364	231
	c) other provisions for risks and charges	97.913	46.549
120.	Valuation reserves	(16.840)	(28.144)
150.	Reserves	1.604.673	1.543.729
155.	Interim dividends (-)	(73.296)	(63.084)
160.	Share premiums	229.093	85.391
170.	Share capital	61.819	53.811
180.	Treasury shares (-)	(13.701)	(20.971)
190.	Equity attributable to non-controlling interests (+/-)	20.803	15.836
200.	Profit (loss) for the year (+/-)	327.996	161.578
	Total liabilities and equity	**21.648.384**	**13.825.738**

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Consolidated Income Statement

	INCOME STATEMENT DATA (in thousand Euro)	31.12.2025	31.12.2024
10.	Interest receivable and similar income	907.483	835.367
	of which: interest income calculated using the effective interest method	*896.068*	*817.699*
20.	Interest due and similar expenses	(474.613)	(433.349)
30.	**Net interest income**	**432.870**	**402.018**
40.	Commission income	150.720	111.574
50.	Commission expense	(28.146)	(19.799)
60.	**Net commission income**	**122.574**	**91.775**
70.	Dividends and similar income	32.059	12.543
80.	Net profit (loss) from trading	5.835	(1.924)
90.	Net result from hedging	1.874	(1.140)
100.	Profit (loss) from sale or buyback of:	46.566	40.934
	a) financial assets measured at amortised cost	46.463	32.666
	b) financial assets measured at fair value through other comprehensive income	368	8.204
	c) financial liabilities	(265)	64
110.	Net result of other financial assets and liabilities measured at fair value through profit or loss	21.357	24.127
	b) other financial assets mandatorily measured at fair value	21.357	24.127
120.	**Net banking income**	**663.135**	**568.333**
130.	Net credit risk losses/reversals on:	19.209	93.397
	a) financial assets measured at amortised cost	21.015	92.914
	b) financial assets measured at fair value through other comprehensive income	(1.806)	483
150.	**Net profit (loss) from financial activities**	**682.344**	**661.730**
180.	**Net profit (loss) from financial and insurance activities**	**682.344**	**661.730**
190.	Administrative expenses:	(618.764)	(426.136)
	a) personnel expenses	(258.806)	(169.852)
	b) other administrative expenses	(359.958)	(256.284)
200.	Net allocations to provisions for risks and charges	(6.379)	(726)
	a) commitments and guarantees granted	(1.854)	(248)
	b) other net allocations	(4.525)	(478)
210.	Net impairment losses/reversals on property, plant and equipment	(17.090)	(12.215)
220.	Net impairment losses/reversals on intangible assets	(19.724)	(11.061)
230.	Other operating income/expenses	356.031	33.750
240.	**Operating costs**	**(305.926)**	**(416.388)**
250.	Profit (loss) on equity investments	198	-
280.	Gains (losses) on disposal of investments	195	-
290.	**Pre-tax profit (loss) from continuing operations**	**376.811**	**245.342**
300.	Income taxes for the year relating to current operations	(47.903)	(82.168)
330.	**Profit (loss) for the year**	**328.908**	**163.174**
340.	Profit (loss) for the year attributable to non-controlling interests	(912)	(1.596)
350.	**Profit (loss) for the year attributable to the Parent company**	**327.996**	**161.578**

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Earnings per share and diluted earnings per share	31.12.2025	31.12.2024
Earnings per share (EPS)	5,78	3,08
Diluted earnings per share (EPS)	5,72	3,03

Consolidated Statement of Comprehensive Income

	ITEMS (in thousands of Euro)	31.12.2025	31.12.2024
10.	**Profit (loss) for the year**	**328.908**	**163.174**
	Other comprehensive income, net of taxes, not to be reclassified to profit or loss	**75**	**(3.657)**
20.	Equity securities measured at fair value through other comprehensive income	(2.891)	(3.788)
40.	Hedging of equity securities measured at fair value through other comprehensive income	2.631	(153)
70.	Defined benefit plans	335	284
	Other comprehensive income, net of taxes, to be reclassified to profit or loss	**6.274**	**3.102**
120.	Exchange differences	164	709
150.	Financial assets (other than equity securities) measured at fair value through other comprehensive income	6.110	2.393
200.	**Other comprehensive income, net of taxes**	**6.349**	**(555)**
210.	**Comprehensive income (Item 10 + 200)**	**335.257**	**162.619**
220.	Consolidated comprehensive income attributable to non-controlling interests	(915)	(1.597)
230.	**Consolidated comprehensive income attributable to the Parent company**	**334.342**	**161.022**

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Consolidated Statement of Changes in Equity at 31 December 2025

(in thousands of Euro)	Balance at 31.12.2024	Change in opening balances	Balance at 01.01.2025	Allocation of profit from previous year		Changes during the year										Consolidated equity at 31.12.2025	Group equity at 31.12.2025	Equity attributable to non-controlling interest at 31.12.2025
				Reserves	Dividends and other allocations	Changes in reserves	Equity transactions								Comprehensive income for the year			
							Issue of new shares	Buyback of treasury shares	Interim dividends	Extraordinary distribution of dividends	Changes in equity instruments	Derivatives on treasury shares	Stock options	Changes in equity interests				
Share capital:	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
a) ordinary shares	59.589	X	59.589	-	X	X	8.009	-	X	X	X	X	X	(90)	X	67.508	61.819	5.689
b) other shares	-	X	-	-	X	X	-	-	X	X	X	X	X	4.126	X	4.126	-	4.126
Share premiums	87.011	X	87.011	-	X	8.350	135.352	X	X	X	X	X	X	4.960	X	235.673	229.093	6.580
Reserves:	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
a) retained earnings	1.536.582	-	1.536.582	50.218	X	(12.268)	(397)	-	X	-	X	X	X	(3.640)	X	1.570.495	1.567.933	2.562
b) other	13.970	-	13.970	-	X	(14.989)	39.770	X	X	-	X	-	(1.081)	(21)	X	37.649	36.740	909
Valuation reserves	(28.126)	-	(28.126)	X	X	4.958	X	X	X	X	X	X	X	4	6.349	(16.815)	(16.840)	25
Equity instruments	-	X	-	X	X	X	X	X	X	X	-	X	X	-	X	-	-	-
Interim dividends	(63.084)	X	(63.084)	X	63.084	X	X	X	(73.296)	X	X	X	X	X	X	(73.296)	(73.296)	-
Treasury shares	(20.971)	X	(20.971)	X	X	X	7.270	-	X	X	X	X	X	X	X	(13.701)	(13.701)	-
Profit (loss) for the year	163.174	-	163.174	(50.218)	(112.956)	X	X	X	X	X	X	X	X	X	328.908	328.908	327.996	912
Consolidated equity	**1.748.146**	**-**	**1.748.146**	**-**	**(49.872)**	**(13.949)**	**190.004**	**-**	**(73.296)**	**-**	**-**	**-**	**(1.081)**	**5.339**	**335.257**	**2.140.547**	**X**	**X**
Group equity	**1.732.310**	**-**	**1.732.310**	**-**	**(48.826)**	**(13.841)**	**190.004**	**-**	**(73.296)**	**-**	**-**	**-**	**(1.081)**	**133**	**334.342**	**2.119.744**	**2.119.744**	**X**
Equity attributable to non-controlling interests	**15.836**	**-**	**15.836**	**-**	**(1.046)**	**(108)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**5.206**	**915**	**20.803**	**X**	**20.803**

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Consolidated Statement of Changes in Equity at 31 December 2024

(in thousands of Euro)	Balance at 31.12.2023	Change in opening balances	Balance at 01.01.2024	Allocation of profit from previous year		Changes during the year										Consolidated equity at 31.12.2024	Group equity at 31.12.2024	Equity attributable to non-controlling interest at 31.12.2024
				Reserves	Dividends and other allocations	Changes in reserves	Equity transactions								Comprehensive income for the year			
							Issue of new shares	Buyback of treasury shares	Interim dividends	Extraordinary distribution of dividends	Changes in equity instruments	Derivatives on treasury shares	Stock options	Changes in equity interests				
Share capital:	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	**X**	**X**	**X**
a) ordinary shares	59.589	X	59.589	-	X	X	-	-	X	X	X	X	X	-	X	**59.589**	**53.811**	**5.778**
b) other shares	-	X	-	-	X	X	-	-	X	X	X	X	X	-	X	**-**	**-**	**-**
Share premiums	85.728	X	85.728	-	X	846	437	X	X	X	X	X	X	-	X	**87.011**	**85.391**	**1.620**
Reserves:	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	**X**	**X**	**X**
a) retained earnings	1.496.626	-	1.496.626	51.676	X	(11.720)	-	-	X	-	X	X	X	-	X	**1.536.582**	**1.530.796**	**5.786**
b) other	13.815	-	13.815	-	X	-	-	X	X	-	X	-	155	-	X	**13.970**	**12.933**	**1.037**
Valuation reserves	(39.197)	-	(39.197)	X	X	11.626	X	X	X	X	X	X	X	-	(555)	**(28.126)**	**(28.144)**	**18**
Equity instruments	-	X	-	X	X	X	X	X	X	X	-	X	X	-	X	**-**	**-**	**-**
Interim dividends	(62.962)	X	(62.962)	X	62.962	X	X	X	(63.084)	X	X	X	X	X	X	**(63.084)**	**(63.084)**	**-**
Treasury shares	(21.817)	X	(21.817)	X	X	X	846	-	X	X	X	X	X	X	X	**(20.971)**	**(20.971)**	**-**
Profit (loss) for the year	161.916	-	161.916	(51.676)	(110.240)	X	X	X	X	X	X	X	X	X	163.174	**163.174**	**161.578**	**1.596**
Consolidated equity	**1.693.699**	**-**	**1.693.699**	**-**	**(47.278)**	**752**	**1.283**	**-**	**(63.084)**	**-**	**-**	**-**	**155**	**-**	**162.619**	**1.748.146**	**X**	**X**
Group equity	**1.679.459**	**-**	**1.679.460**	**-**	**(47.278)**	**752**	**1.283**	**-**	**(63.084)**	**-**	**-**	**-**	**155**	**-**	**161.022**	**1.732.310**	**1.732.310**	**X**
Equity attributable to non-controlling interests	**14.240**	**-**	**14.240**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1.597**	**15.836**	**X**	**15.836**

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Consolidated Cash Flow Statement

CONSOLIDATED CASH FLOW STATEMENT Indirect method (in thousands of Euro)	Amount	
	31.12.2025	31.12.2024
A. OPERATING ACTIVITIES		
1. Operations	**(112.703)**	**162.924**
- profit (loss) for the year (+/-)	328.908	163.174
- profit/loss on financial assets held for trading and on other financial assets/liabilities measured at fair value through profit or loss (-/+)	(27.192)	(22.203)
- gains/losses on hedging (-/+)	(1.874)	1.140
- net credit risk losses/reversals (+/-)	(19.209)	(93.397)
- net impairment losses/reversals on property, plant and equipment and intangible assets (+/-)	36.814	23.276
- net allocations to provisions for risks and charges and other expenses/income (+/-)	15.106	7.968
- unpaid taxes, duties and tax credits (+/-)	47.903	82.168
- other adjustments (+/-)	(493.159)	798
2. Cash flows generated/absorbed by financial assets	**(16.445)**	**(56.458)**
- financial assets held for trading	27.871	4.449
- other assets mandatorily measured at fair value	(8.255)	9.077
- financial assets measured at fair value through other comprehensive income	(193.478)	47.274
- financial assets measured at amortised cost	131.698	(163.560)
- other assets	25.719	46.302
3. Cash flows generated/absorbed by financial liabilities	**217.598**	**(297.987)**
- financial liabilities measured at amortised cost	241.127	(226.334)
- financial liabilities held for trading	(22.247)	(5.841)
- other liabilities	(1.282)	(65.812)
Net cash flows generated/absorbed by operating activities (+/-)	**88.450**	**(191.521)**
B. INVESTING ACTIVITIES		
1. Cash flows generated by	**-**	**-**
- sale of property, plant and equipment	-	-
2. Cash flows absorbed by	**128.479**	**(50.659)**
- purchases of equity investments	(1.500)	-
- purchases of property, plant and equipment	(47.166)	(32.199)
- purchases of intangible assets	(21.531)	(18.460)
- purchases of subsidiaries and business units	198.676	-
Net cash flows generated/absorbed by investing activities (+/-)	**128.479**	**(50.659)**
C. FINANCING ACTIVITIES		
- issues/buyback of treasury shares	4.892	-
- issues/buyback of equity instruments	183.507	-
- distribution of dividends and other (*)	(123.184)	(110.337)
- sale/purchase of minority control	130	-
Net cash flows generated/absorbed by financing activities (+/-)	**65.345**	**(110.337)**
NET CASH GENERATED/USED DURING THE YEAR	**282.274**	**(352.517)**

(*) The balances in this item represent the cash outflow for dividend payments in the respective years. Specifically, the balance relating to 2025 includes the distribution by Banca Ifis of the balance of the dividend on 2024 earnings (i.e. the amount exceeding the amount already distributed as an interim dividend in 2024), the distribution of the interim dividend by Banca Ifis on 2025 earnings, as well as the portion distributed to third parties of the dividend on 2024 earnings of the subsidiary Banca Credifarma. The balance relating to FY 2024 instead includes both the distribution by Banca Ifis of the balance of the dividend on 2023 earnings (i.e. the amount in excess of what has already been distributed as an interim dividend during 2023) and the distribution of the interim dividend by Banca Ifis on 2024 earnings.

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CONSOLIDATED CASH FLOW STATEMENT Indirect method (in thousands of Euro)	Amount	
	31.12.2025	31.12.2024
RECONCILIATION		
OPENING CASH AND CASH EQUIVALENTS	**505.016**	**857.533**
TOTAL NET CASH GENERATED/USED DURING THE YEAR	**282.274**	**(352.517)**
CASH AND CASH EQUIVALENTS: EFFECT OF CHANGES IN EXCHANGE RATES	**-**	**-**
CLOSING CASH AND CASH EQUIVALENTS	**787.290**	**505.016**

The information required by IAS 7 paragraph 44 A and B is set out below.

DISCLOSURE IAS 7 paragraph 44 A and B (in thousand Euro)	31.12.2024	Cash flows	Non-monetary changes			31.12.2025
			Business combinations / loss of control of companies	Change in fair value	Other	
Liabilities from financing activities (liability items 10 - 20 - 30)	11.611.515	218.880	6.911.597	(23.504)	24.500	18.742.988

The column "Business combinations/loss of control of companies" includes the balances acquired as a result of the business combinations carried out by Banca Ifis during 2025, relating to illimity Bank and Euclidea SIM (the latter renamed Fürstenberg SIM as from 26 January 2026). For more details on these balances, refer to Part G "Business combinations" of the Consolidated Notes.

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Notes to the Consolidated Financial Statements

Banca Ifis

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Part A - Accounting policies

A.1 - General part

Section 1 - Statement of compliance with international accounting standards

The Consolidated financial statements at 31 December 2025 are prepared by applying the IASs/IFRSs issued by the International Accounting Standards Board (IASB) and the related interpretations of the International Financial Reporting Interpretations Committee (IFRIC), adopted by the European Union, as established by European Community Regulation No. 1606 of 19 July 2002.

For the interpretation and application of the international accounting standards, reference was made to the following documents, although not endorsed by the European Union:

- Systematic Framework for the Preparation and Presentation of Financial Statements ("Conceptual Framework");
- Implementation Guidance, Basis for Conclusions and any other documents prepared by the IASB or IFRIC to complement the issued accounting standards.

The accounting standards adopted in preparing these Consolidated Financial Statements are those in force at 31 December 2025 (including SIC and IFRIC interpretations).

For an overview of the accounting standards and related interpretations endorsed by the European Commission, which are expected to be applied in FY 2025 or in future financial years, please refer to the following.

Insofar as applicable, the Bank also considered the communications from Supervisory Authorities (Bank of Italy, ECB, Consob, and ESMA), which provide recommendations on the disclosure to include in the Consolidated financial statements concerning some of the most material aspects in terms of accounting or the accounting treatment of specific transactions.

These Consolidated Financial Statements are subject to certification by the delegated corporate bodies and the Manager charged with preparing the company's financial reports, as per Article 154 bis paragraph 5 of Italian Legislative Decree No. 58 of 24 February 1998.

The Consolidated Financial Statements are audited by PricewaterhouseCoopers S.p.A..

European Commission Regulation 815/2019 (the European Single Electronic Format - ESEF - Regulation)

European Commission Regulation 815/2019 (the "European Single Electronic Format" or "ESEF" Regulation), issued in order to implement Directive 2004/109/EC (the "Transparency Directive"), introduced the obligation to prepare the annual financial reports of issuers whose securities are listed on regulated markets in the European Union in a single electronic reporting format.

The task of developing regulatory technical standards to specify this format was given to the European Securities and Markets Authority (ESMA), which published the European Single Electronic Format (ESEF). This format represents a combination of xHTML (for the presentation of financial reports in a human readable format) and XBRL (eXtensible Business Reporting Language) "machine readable" markup, with the aim of facilitating the accessibility, analysis and comparability of consolidated financial statements prepared in accordance with the IFRS.

The use of this new format requires the mapping of the information contained in the Consolidated Financial Statements according to the "Inline XBRL" specifications of the basic taxonomy issued by ESMA.

In detail, the marking process was carried out in two ways:

- the detail marking, relating to numerical items in the schedules of the Consolidated Financial Statements, marks each numerical value contained in the schedules themselves, identifying the appropriate label in the basic taxonomy;

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- the block marking, relating to the content of the notes to the financial statements, requires that for each applicable element of the taxonomy, the conceptually corresponding portion of the notes to the financial statements, consisting of text and tables, be identified (referred to as "block tags").

Section 2 - Basis of preparation

The Consolidated Financial Statements consist of:

- the consolidated financial statements (statement of financial position and income statement, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows);
- the Notes to the Consolidated Financial Statements;

in addition, they contain the Directors' Report on the Group.

The Consolidated Financial Statements have been drawn up according to the general principles of IAS 1, referring also to IASB's “Framework for the preparation and presentation of financial statements”, with particular attention to the fundamental principles of substance over legal form, the concepts of relevance and materiality of information, and the accruals and going concern accounting concepts.

For the preparation of these Consolidated Financial Statements, reference was made to the format set out by Bank of Italy's Circular No. 262 of 22 December 2005, 8th update of 17 November 2022.

In line with the aforementioned Circular, items that do not show any amounts for the reference year and previous year are not shown in the tables.

In addition to the accounting data as at 31 December 2025, the financial statements provide comparative information for the last approved financial statements as at 31 December 2024.

It should be noted that in connection with the transactions for the acquisition of control of illimity Bank S.p.A. and Euclidea SIM S.p.A.[93], finalised respectively on 4 July 2025 and 21 November 2025, and the consequent inclusion in the Banca Ifis Group's consolidation scope of these acquired companies and, in the case of illimity Bank, also of the other companies belonging to the so-called "illimity Group", the figures as at 31 December 2025 and in particular the economic figures are not fully comparable with those of the previous year. However, it should be noted that in the tables and comments to the individual items, the contributions of the illimity Group and of Euclidea SIM are presented, where relevant. In this regard, it should be noted, as detailed later in this document, that the consolidated income statement includes the positive effect of the recognition of the gain on a bargain purchase related to the acquisition of the illimity Group" in the amount of 309,9 million Euro.

The currency of account is the Euro and, if not indicated otherwise, amounts are expressed in thousand Euro. The tables in the Notes may include rounded amounts; any inconsistencies and/or discrepancies in the data presented in the different tables are due to these rounding differences.

Assets and liabilities, as well as costs and revenues, have been offset only if required or permitted by an accounting standard or the relevant interpretation.

The recognition, measurement and derecognition criteria for assets and liabilities, and the procedures for recognising revenues and costs, adopted in the Consolidated Financial Statements at 31 December 2025 have remained substantially unchanged from those adopted for the preparation of the 2024 Financial Statements of the Banca Ifis Group.

The accounting data used to prepare the Consolidated financial statements are those prepared by the subsidiaries with reference to 31 December 2025, adjusted, where necessary, to adapt them to the accounting standards used by the Group.

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[93] *Euclidea SIM S.p.A. was renamed Fürstenberg SIM S.p.A. with effect from 26 January 2026.*

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If the information required by international accounting standards and the provisions of the aforementioned Circular is deemed insufficient to give a true and fair view, additional information necessary for this purpose is provided in the Notes to the Consolidated Financial Statements.

The Consolidated Financial Statements are prepared in accordance with the following general principles:

- going concern: the Financial Statements are prepared on a going concern basis, having regard to the Group's business, as detailed below;
- accrual accounting: the Financial Statements are prepared in accordance with accrual accounting principles;
- consistency of presentation: the presentation and classification of items in the consolidated financial statements is kept constant from one year to the next unless a standard or interpretation requires a change in presentation or another presentation or classification is no longer appropriate. In the latter case, the Notes to the Consolidated Financial Statements provide information on the changes made compared to the previous year;
- materiality and aggregation: the balance sheet and income statement consist of items (denoted by Arabic numerals), sub-items (denoted by letters) and additional disclosure details (the "of which" of items and sub-items). The items, sub-items and related information details constitute the Consolidated Financial Statements accounts. New items may be added to the previously described Consolidated financial statements if their content is not traceable to any of the items already included in the schedules. The subheadings provided for in the schedules may be grouped together when one of the two following conditions is met:
  - the amount of the subheadings is not significant;
  - grouping improves the clarity of the financial statements; in this case, the Notes to the Consolidated financial statements contain the grouped sub-items separately.
- substance over form: transactions and other events are recognised and represented in accordance with their substance and economic reality and not merely according to their legal form;
- offsetting: assets and liabilities, income and expenses are not offset unless permitted or required by an international accounting standard or interpretation thereof or by the provisions of the aforementioned Bank of Italy Circular No. 262;
- comparative information: for each balance sheet and income statement, comparative information for the previous year is provided, unless an accounting standard or interpretation permits or provides otherwise. Figures for the previous year may be adjusted where necessary to ensure comparability of information for the reference year. Any non-comparability, adjustment or impossibility of the latter are reported and commented on in the Notes to the Consolidated Financial Statements.

The Notes to the Financial Statements are divided into parts:

- A - Accounting policies;
- B - Information on the Consolidated Statement of Financial Position;
- C - Information on the Consolidated Income Statement;
- D - Consolidated statement of comprehensive income;
- E - Information on Risks and Risk Management Policies;
- F - Information on consolidated equity;
- G - Business Combinations;
- H - Related-party transactions;
- I - Share-based payments;
- L - Segment reporting;
- M - Leasing disclosure.

Each part of the Notes to the Consolidated Financial Statements is divided into sections, each of which illustrates a single aspect of management.

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Information on the business as a going concern

The Bank of Italy, Consob and Isvap, with document No. 2 issued on 6 February 2009 ("Disclosure in financial reports on the going concern assumption, financial risks, asset impairment tests and uncertainties in the use of estimates"), together with the subsequent document No. 4 of 4 March 2010, require directors to assess with particular accuracy the existence of the company as a going concern, as per IAS 1.

The uncertainties of the current economic environment, including those related to geopolitical tensions, and the related potential repercussions on financial markets and the real economy, require particularly accurate assessments to be made as to whether the going concern assumption is met, as the Group's history of profitability and easy access to financial resources may no longer be sufficient in the current context.

In this regard, in light of the Parent company, Banca Ifis's statement of financial position, having examined the risks arising from the current macroeconomic environment, including in light of the current situation, geopolitical tensions and related possible macroeconomic implications including those arising from international tensions related to the Middle East, the directors believe that the Banca Ifis Group has a reasonable expectation of continuing to operate in the foreseeable future. Indeed, the directors have not noted any risks or uncertainties that would cast doubt on the company's ability to continue as a going concern, and therefore the Consolidated financial statements at 31 December 2025 have been prepared on a going concern basis. For more details on the analyses conducted with reference to international tensions, please refer to the specific section of the Group's Report on Operations entitled "Information on international tensions".

Section 3 - Scope and methods of consolidation

Subsidiaries

The Consolidated financial statements of the Banca Ifis Group have been drawn up on the basis of the accounts at 31 December 2025 prepared by the directors of the companies included in the consolidation scope on the basis of homogeneous accounting standards. The table below shows the subsidiaries belonging to the Banca Ifis Group.

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1. Equity investments in exclusively controlled companies

COMPANY NAME	HEAD OFFICE	REGISTERED OFFICE	TYPE (1)	INVESTMENT		VOTING RIGHTS % (2)
				PARTICIPATING ENTITY	SHARE %	
Ifis Finance Sp. z o.o.	Warsaw	Warsaw	1	Banca Ifis S.p.A.	100%	100%
Ifis Rental Services S.r.l.	Milan	Milan	1	Banca Ifis S.p.A.	100%	100%
Ifis Npl Investing S.p.A.	Florence, Milan and Mestre (Province of Venice)	Mestre (Province of Venice)	1	Banca Ifis S.p.A.	100%	100%
Cap.Ital.Fin. S.p.A.	Naples	Naples	1	Banca Ifis S.p.A.	100%	100%
Euclidea SIM S.p.A.[94]	Milan	Milan	1	Banca Ifis S.p.A.	100%	100%
Ifis Npl Servicing S.p.A.	Mestre (Province of Venice)	Mestre (Province of Venice)	1	Ifis Npl Investing S.p.A.	100%	100%
Ifis Finance I.F.N. S.A.	Bucharest	Bucharest	1	Banca Ifis S.p.A.	99,99%	99,99%
Banca Credifarma S.p.A.	Rome	Rome	1	Banca Ifis S.p.A.	87,96%	87,96%
Ifis Npl 2021-1 SPV S.r.l.	Conegliano (Province of Treviso)	Conegliano (Province of Treviso)	1	Banca Ifis S.p.A.	51%	51%
Indigo Lease S.r.l.	Conegliano (Province of Treviso)	Conegliano (Province of Treviso)	4	Other	0%	0%
Ifis ABCP Programme S.r.l.	Conegliano (Province of Treviso)	Conegliano (Province of Treviso)	4	Other	0%	0%
Emma S.P.V. S.r.l.	Conegliano (Province of Treviso)	Conegliano (Province of Treviso)	4	Other	0%	0%
illimity Bank S.p.A.	Milan	Milan	1	Banca Ifis S.p.A.	100%	100%
Aporti S.r.l. (SPV)	Milan	Milan	1-4	illimity Bank S.p.A.	66,7%	66,7%
Soperga RE S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
Doria Leasco S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
Doria SPV S.r.l. (SPV)	Milan	Milan	1-4	illimity Bank S.p.A.	100%	100%
Friuli LeaseCo. S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
Friuli SPV S.r.l. (SPV)	Milan	Milan	1-4	illimity Bank S.p.A.	100%	100%
Pitti Leasco S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
Pitti SPV S.r.l. (SPV)	Milan	Milan	1-4	illimity Bank S.p.A.	100%	100%
River Leasco S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
River SPV S.r.l. (SPV)	Milan	Milan	1-4	illimity Bank S.p.A.	100%	100%
River immobiliare S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
ARECneprix S.p.A.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
Fürstenberg SGR S.p.A.[95]	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
Abilio S.p.A.	Faenza (Province of Ravenna)	Faenza (Province of Ravenna)	1	illimity Bank S.p.A.	82%	82%
Quimmo Prestige Agency S.r.l.	Milan	Milan	1	Abilio S.p.A.	100%	100%
Quimmo Agency S.r.l.	Faenza (Province of Ravenna)	Faenza (Province of Ravenna)	1	Abilio S.p.A.	100%	100%

[94] Euclidea SIM was renamed Fürstenberg SIM with effect from 26 January 2026.
[95] This company was called illimity SGR S.p.A. before 18 December 2025.

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COMPANY NAME	HEAD OFFICE	REGISTERED OFFICE	TYPE (1)	INVESTMENT		VOTING RIGHTS % (2)
				PARTICIPATING ENTITY	SHARE %	
IREC LEASECO S.r.l.	Conegliano (Province of Treviso)	Conegliano (Province of Treviso)	1	illimity Bank S.p.A.	100%	100%
MAUI SPE S.r.l.	Milan	Milan	4	illimity Bank S.p.A.	0%	0%
Piedmont SPV S.r.l.	Milan	Milan	4	illimity Bank S.p.A.	0%	0%
Dagobah LeaseCo S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
Dagobah SPV S.r.l.	Milan	Milan	1-4	illimity Bank S.p.A.	100%	100%
Spicy Green SPV S.r.l.	Milan	Milan	4	illimity Bank S.p.A.	0%	0%
SpicyCo2 S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
INGENII Open Finance	Milan	Milan	4	illimity Bank S.p.A.	0%	0%
Sileno SPV S.r.l.	Milan	Milan	1-4	illimity Bank S.p.A.	100%	100%
Mida RE S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
GRO SPV S.r.l.	Milan	Milan	4	illimity Bank S.p.A.	0%	0%
Montes LeaseCo S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
Montes S.P.V. S.r.l.	Milan	Milan	1-4	illimity Bank S.p.A.	100%	100%
Mia SPV S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
Farky SPV S.r.l.	Milan	Milan	4	illimity Bank S.p.A.	0%	0%
Space Direct Lending Fund	Milan	Milan	4	illimity Bank S.p.A.	0%	0%
Iside SPE S.r.l.	Milan	Milan	4	illimity Bank S.p.A.	0%	0%
CR Please Real Estate S.r.l.	Milan	Milan	4	Iside SPE S.r.l.	0%	0%
Farm SPV S.r.l.	Milan	Milan	4	illimity Bank S.p.A.	0%	0%
Dome SPV S.r.l.	Milan	Milan	4	illimity Bank S.p.A.	0%	0%
SpicyCo S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
Enervitabio San Giuseppe Società Agricola S.r.l.	Milan	Milan	1	SpicyCo S.r.l.	100%	100%
Renit CPV S.r.l.	Milan	Milan	1	SpicyCo S.r.l.	100%	100%
Little Spicy S.r.l.	Milan	Milan	1	SpicyCo S.r.l.	100%	100%
Vela 2023 LeaseCo S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
Eolo LeaseCo S.r.l.	Milan	Milan	1	illimity Bank S.p.A.	100%	100%
INGENII Boost Finance	Milan	Milan	4	illimity Bank S.p.A.	0%	0%
Havana SPV S.r.l.	Milan	Milan	4	illimity Bank S.p.A.	0%	0%

Key
(1) Type of relationship:
1 = majority of voting rights in the Annual Shareholders' Meeting
2 = dominant influence in the Annual Shareholders' Meeting
3 = agreements with other shareholders
4 = other forms of control
5 = joint management pursuant to Article 39, paragraph 1, Italian Legislative Decree No. 136/2015
6 = joint management pursuant to Article 39, paragraph 2, Italian Legislative Decree No. 136/2015
(2) Voting rights in the Annual Shareholders' Meeting, distinguishing between effective and potential voting rights

All the companies were consolidated using the line-by-line method.

With regard to controlled companies, classed as such on the basis of that explained below and included in the scope of consolidation at 31 December 2025, compared to the situation at the end of 2024, the changes are attributable to:

- the purchase from third parties in September 2025 of 10.320 ordinary shares of Banca Credifarma by the Parent company Banca Ifis (equal to a 0,22% stake) for a consideration of 130 thousand Euro, which resulted in the change of the Banca Credifarma controlling interest from 87,74% to 87,96%; this transaction, since it refers to a company already controlled, was considered an "equity transaction"

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pursuant to paragraph 23 of IFRS 10 and therefore, the related effects have been accounted for directly in equity;

- the following business combinations:
  - the acquisition of control of illimity Bank S.p.A. by the Parent company Banca Ifis, which resulted in the inclusion of illimity Bank and the companies it directly or indirectly controls. For details of these companies, refer to the list in the table above:
  - the acquisition of 100% of the shares of Euclidea SIM S.p.A..

For further details on the business combination transactions relating to illimity Bank and Euclidea SIM, refer to "Section 5 - Other Aspects", paragraph "Significant Transactions during the Year", and to "Part G - Business Combination Transactions involving Companies or Business Units" of these Notes to the Consolidated Financial Statements.

The financial statements of the Polish subsidiary Ifis Finance Sp. z o.o. and of the Romanian subsidiary Ifis Finance I.F.N. S.A., both expressed in foreign currencies are translated into Euro by applying the year-end exchange rate to assets and liabilities. As for the income statement, the items are translated using the average exchange rate. Exchange differences arising from the application of different exchange rates for the statement of financial position and the income statement, as well as the exchange differences from the translation of each investee company's equity, are recognised under capital reserves.

Assets and liabilities, off-balance-sheet transactions, income and expenses, as well as the profits and losses arising from relations between the consolidated companies are all eliminated.

2. Significant judgements and assumptions in determining the scope of consolidation

In order to determine the scope of consolidation, Banca Ifis assessed whether it meets the requirements of IFRS 10 for controlling investees or other entities with which it has any sort of contractual arrangements.

An entity controls another entity when the former has all the following:

- power over the investee;
- exposure to variable returns;
- and the ability to affect the amount of its returns.

More specifically, IFRS 10 requires that, in order to have control, the investor must have the ability to direct the relevant activities of the entity, whether by operation of law or by mere fact, and must also be exposed to the variability of outcomes that result from that power.

In light of the above references, the Group must therefore consolidate all types of entities if all three control requirements are met.

Generally, there is a presumption that a majority of voting rights gives control over the investee. The Group reconsiders whether or not it has control of an investee if the facts and circumstances indicate that there have been changes in one or more of the three elements relevant to the definition of control.

In other cases, the determination of the scope of consolidation requires consideration of all factors and circumstances that give the investor the practical ability to unilaterally conduct the relevant activities of the entity (*de facto* control). To this end, it is necessary to consider a number of factors, such as, but not limited to:

- the purpose and design of the entity;
- the identification of relevant activities and how they are managed;
- any rights held through contractual arrangements that grant the power to govern the relevant activities, such as the power to determine the financial and management policies of the entity, the power to exercise the majority of voting rights in the deliberative body, or the power to appoint or remove the majority of the deliberative body;
- any potential voting rights that can be exercised and are considered substantial;
- involvement in the entity in the role of agent or principal;

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- the nature and dispersion of any rights held by other investors.

For structured entities, i.e. entities for which voting rights are not considered relevant to establish control, it is deemed to exist where the Group has contractual rights to manage the relevant assets of the entity and is exposed to the variable returns of those assets.

In particular, the structured entities that required consolidation for the purposes of the Consolidated Financial Statements as of 31 December 2025 are represented by certain vehicle companies of securitisation transactions originated by Group companies, including those arising from the business combination transaction relating to illimity Bank and its subsidiaries. For such vehicles, the elements considered relevant to the identification of control and the resulting consolidation are the purpose of such companies, their exposure to the results of the operation, their ability to structure operations and direct relevant activities and make critical decisions by means of servicing agreements as well as their ability to arrange for their liquidation.

The assessment carried out led the Bank to include the subsidiaries controlled by means of holding the majority of voting rights (companies with relationship type “1” in the table above), as well as the SPVs (Special Purpose Vehicles) set up for securitisation purposes, for which control is considered to exist in accordance with IFRS 10; in the scope of consolidation at the reporting date. These SPVs are not legally part of the Banca Ifis Group, with the exception of the following vehicles for which the Group holds a majority stake:

- Ifis Npl 2021-1 SPV S.r.l.;
- Aporti S.r.l. (SPV);
- Doria SPV S.r.l. (SPV);
- Friuli SPV S.r.l. (SPV);
- Pitti SPV S.r.l. (SPV);
- River SPV S.r.l. (SPV);
- Dagobah SPV S.r.l.;
- Sileno SPV S.r.l.;
- Montes S.P.V. S.r.l.;
- Mia SPV S.r.l..

The profit (loss) for the year and each of the other components of comprehensive income are allocated to the shareholders of the Parent company and minority interests. When necessary, appropriate adjustments are made to the accounts of the subsidiaries, in order to ensure compliance with the Group's accounting standards. All assets and liabilities, equity, revenues, costs and inter-group financial flows relating to transactions between Group entities are derecognised completely during the consolidation phase.

Changes in the investment in a subsidiary that do not involve the loss of control are considered as “equity transactions” in accordance with paragraph 23 of IFRS 10 and are therefore recognised directly in equity.

Subsidiaries are consolidated from the date on which the Group acquires control, according to the purchase method, and cease to be consolidated from the moment control ceases.

Full consolidation consists of the acquisition "line by line" of the balance sheet and income statement aggregates of the controlled entities. For consolidation purposes, the carrying amount of equity interests held by the Parent company or other Group companies is eliminated against the assets and liabilities of the investees, with the corresponding fraction of shareholders' equity attributable to the Group and the portion attributable to non-controlling interests, also taking into account the cost allocation at the time control was acquired (Purchase Price Allocation - PPA).

For controlled entities, non-controlling interests in equity, period profit (loss) and comprehensive income are reported separately in the respective Consolidated Financial Statements, respectively, under the headings: “Equity attributable to non-controlling interests”, “Profit (loss) for the year attributable to non-controlling interests”, “Consolidated comprehensive income attributable to non-controlling interests”.

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In this regard, it should be noted that no effect on the equity, period profit (loss) and overall profitability attributable to non-controlling interests resulted from the consolidation of the separate assets held by the vehicle companies of the securitisations originated by the Group, which were not derecognised in the separate financial statements of the originator Group banks.

The costs, revenues, other items of comprehensive income and cash flows of the controlled entity are included in the Consolidated financial statements from the date control is acquired. The costs, revenues, other comprehensive income and cash flows of a transferred subsidiary are included in the Consolidated Financial Statements up to the date of transfer. In the event of the transfer of a subsidiary, the difference between the transfer consideration and the carrying amount of the subsidiary's net assets is recognised in income statement item "Gains (Losses) on disposal of investments". In the event of a partial disposal of the controlled entity, which does not result in the loss of control, the difference between the consideration for the disposal and the related carrying amount is recognised as a balancing entry in equity.

Assets, liabilities, off-balance sheet transactions, income, expenses and cash flows relating to transactions between consolidated companies are fully eliminated.

Joint ventures

A jointly controlled agreement is a contractual arrangement in which two or more counterparties have joint control. Joint control is the contractual sharing of control pursuant to an agreement, which exists only where the unanimous consent of all the parties that share power is required for decisions relating to significant activities.

According to IFRS 11, jointly controlled arrangements are to be classified as joint operations or joint ventures according to the contractual rights and obligations held by the Group:

- a joint operation is a jointly controlled arrangement in which the parties have rights to the assets and obligations with respect to the liabilities of the arrangement;
- a joint venture is a jointly controlled arrangement in which the parties have rights to the net assets of the arrangement.

Investments in jointly controlled entities that qualify as joint ventures are accounted for using the equity method, based on the most recent available financial statements of the jointly controlled entity, adjusted appropriately to take into account any significant events or transactions.

At 31 December 2025, the only company subject to joint control was Hype S.p.A., which entered the Banca Ifis Group's consolidation scope following the aforementioned acquisition of control of illimity Bank by Banca Ifis. The 50% interest in Hype is held directly by illimity Bank. This equity investment, which has a carrying amount of 85,0 million Euro at 31 December 2025, is classified under "Non-current assets and disposal groups" and is measured in compliance with IFRS 5.

With reference to this equity investment, it should be noted that on 3 November 2025, the Board of Directors of illimity Bank accepted Banca Sella Holding's offer to acquire the entire interest held by illimity Bank in Hype for a consideration of 85 million Euro. Following the obtainment of regulatory authorisations at the beginning of 2026, this equity investment was sold to the Banca Sella Group on 6 February 2026 at the agreed price (for further details, refer to the specific paragraphs included in the sections "Significant events during the year" and "Subsequent events" of the Directors' Report on the Group).

Companies under significant influence (associated companies)

Associated companies, i.e. companies subject to significant influence, are considered to be non-controlled companies in which significant influence is exercised.

Significant influence is presumed to be exercised in all cases where the company holds 20% or more of the voting rights and, irrespective of the share held, where there is the power to participate in the management and financial decisions of the investee companies by virtue of particular legal ties, such as shareholders' agreements, the

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purpose of which is for the participants in the agreement to ensure representativeness in the management bodies and to safeguard the unity of management direction, without however having control.

Investments in companies subject to significant influence are valued using the equity method, based on the most recent available financial statements of the associate, appropriately adjusted for any significant events or transactions. The participation in post-acquisition profits and losses is recognised in the Profit and Loss Account under the caption 'Gains (losses) from equity investments', while any dividend distribution is deducted from the carrying amount of the equity investment.

At 31 December 2025, the companies subject to significant influence are as follows:

- Edulia S.r.l., which is 20% owned by Banca Ifis;
- Justlex Italia S.T.A.P.A., with a 20% stake held by Ifis Npl Investing;
- Redacta S.T.A.a.r.l., whose 33% stake is held by Ifis Npl Servicing;
- AltermAInd S.r.l., 48% owned by illimity Bank;
- LAISA - Società tra Avvocati per Azioni, with a 9.99% interest held by ARECneprix.

Compared to the situation as at 31 December 2024, the companies Edulia S.r.l., 20% of which was acquired by Banca Ifis during the fourth quarter of 2025, as well as the companies AltermAInd S.r.l. and LAISA - Società tra Avvocati per Azioni as a result of the aforementioned acquisition of control of illimity Bank by Banca Ifis as of 4 July 2025, were added.

3. Equity investments in exclusively controlled companies with significant minority interests

3.1 Non-controlling interests, voting rights held by non-controlling interests, and dividends distributed to non-controlling interests

Company Name	Minority interests %	Availability of minority votes %(1)	Dividends distributed to minorities
Banca Credifarma S.p.A.	12,04%	12,04%	1.046

(1) Availability of voting rights in the Annual Shareholders' Meeting.

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3.2 Equity investments with significant non-controlling interests: accounting information

Company Name	Total assets	Cash and cash equivalents	Financial assets	Property, plant and equipment and intangible assets	Financial liabilities	Equity	Net interest income	Net banking income	Operating costs	Pre-tax profit (loss) from continuing operations	Profit (loss) from current operations after tax	Profit (loss) of disposal groups, net of taxes	Profit (loss) for the year (1)	Other comprehensive income, net of taxes (2)	Comprehensive income (3) = (1) + (2)
Banca Credifarma S.p.A.	815.798	49.005	749.624	661	636.763	131.837	28.581	34.828	(17.584)	18.184	12.101	-	12.101	4	12.105

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4 Significant restrictions

There are no significant restrictions as per paragraph 13 of IFRS 12, i.e. statutory, contractual and regulatory restrictions on its ability to access or use the assets and settle the liabilities of the Group, nor protective rights of non-controlling interests that can significantly restrict the Group's ability to access or use the assets and settle the liabilities of the Group.

5 Other information

The reporting date of the accounts prepared by the directors of the companies included in the consolidation scope is 31 December 2025.

Section 4 - Subsequent events

No significant events occurred in the period between the reporting date (31 December 2025) and the date of approval of the draft Financial Statements by the Board of Directors (12 March 2026), which could be classified as "adjusting events" within the meaning of IAS 10, i.e. events that lead to an adjustment of balance sheet and income statement information at the reporting date.

For other subsequent events of a 'non-adjusting' nature, refer to the section 'Subsequent Events' in the Directors' Report on the Group.

Section 5 - Other aspects

Significant operations of the year

Business combinations carried out during the year

At the level of the Banca Ifis Group, the following business combinations took place during FY 2025:

- the acquisition of control of illimity Bank S.p.A. by the Parent company Banca Ifis, which resulted in the inclusion of illimity Bank and the companies it directly or indirectly controls. For details of these companies, refer to the list in the table above:
- the acquisition of 100% of the shares of Euclidea SIM S.p.A..

From an accounting point of view, the acquisitions of illimity Bank and Euclidea SIM fall under business combinations in accordance with the provisions of the IAS/IFRS international accounting standards and, in particular, IFRS 3, which provides for the application of the purchase method.

Pursuant to IFRS 3, the acquiring entity must identify the acquirer and the acquisition date, determine and allocate the cost of the combination to the assets acquired, liabilities assumed, including contingent liabilities, which are measured at fair value (PPA), with the exception of non-current assets (or disposal groups) classified as held for sale in accordance with IFRS 5.

Any unallocated positive/negative difference represents, respectively, the goodwill to be recorded in the balance sheet as goodwill or the gain on a bargain purchase to be credited to the income statement as profit realised on the acquisition.

With regard to the PPA activity, the acquisition cost is allocated through the fair value recognition of the assets and liabilities of the acquiree, including any intangible assets not previously recognised in the financial statements of the acquiree, being able to take advantage of the option provided for by IFRS 3 paragraph 45. In fact, this standard allows the acquiring entity 12 months, with respect to the acquisition date, to definitively complete the PPA process, i.e. the allocation of the acquisition cost, by recognising at fair value the assets and liabilities of the acquired entity, including any intangible assets not previously recognised in the company's financial statements for recognition at the date of acquisition on a provisional basis.

For the purposes of applying IFRS 3 and line-by-line consolidation, the date of accounting acquisition is an essential element for the accounting of the transaction as it is the reference for both the determination of the fair values of the assets and liabilities acquired and for the acquisition of the economic results of the acquired entity in the consolidated income statement of the acquiring entity.

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With regard to the acquisition of illimity Bank, the transaction was finalised on 4 July 2025, which is the date on which the Banca Ifis Group acquired control of the company in accordance with IFRS 10. For accounting purposes, the acquisition date was assumed to be 1 July 2025, after verifying the absence of significant facts and circumstances between the latter date and 4 July 2025 as expressly provided for in the BC of IFRS 3 (BC110).

On the other hand, with reference to the acquisition of Euclidea SIM, the completion of its acquisition took place on 21 November 2025, i.e. the date on which the Parent company Banca Ifis acquired 100% of the company's shares and, consequently, control of the company pursuant to IFRS 10. For accounting purposes, the acquisition date was assumed to be 30 November 2025, as, in application of the aforementioned BC110 of IFRS 3, the facts and circumstances arising between that date and 21 November 2025 were not material.

For more details on the business combination transactions relating to illimity Bank and Euclidea SIM, refer to 'Part G - Business Combination Transactions involving Companies or Business Units' of these Notes to the Consolidated Financial Statements, as well as to the section 'Significant Events during the Year' of the Directors' Report on the Group.

Allocation of Group Assets to "Non-current Assets and Groups of Assets held for Sale

As at 31 December 2025, partly as a result of the acquisition of illimity Bank and the related integration process, certain assets of the Banca Ifis Group were classified as 'non-current assets and disposal groups held for sale'. Specifically, this item as at 31 December 2025 refers to:

- for 85,0 million Euro to the equity investment in Hype S.p.A., a jointly controlled company within the illimity Group's perimeter. With regard to this equity investment, the 85 million Euro offer received from the Banca Sella Group was accepted on 3 November 2025 and, following the obtaining of regulatory authorisations at the beginning of 2026, on 6 February 2026 it was sold at the agreed price (for further details, refer to the specific paragraphs included in the sections "Significant events during the year" and "Subsequent events" of the Directors' Report on the Group);
- for 64,6 million Euro to credit portfolios of the illimity Group, one portfolio of which was subsequently sold on 28 January 2026 for an equivalent value of 41 million Euro, in line with the carrying value as at 31 December 2025 (for further details, refer to the above-mentioned section "Subsequent events");
- for 8,0 million Euro to loan portfolios of the Parent company Banca Ifis that are expected to be sold in the short term.

These assets were measured at the lower of cost or fair value less costs to sell, in accordance with IFRS 5.

Agreement on a voluntary exit plan for employees, including through recourse to the Solidarity Fund

On 29 December 2025, the Parent company Banca Ifis signed an agreement with the trade unions concerning a voluntary redundancy plan aimed at accompanying 120 employees to retirement, also through recourse to the extraordinary benefits of the Solidarity Fund of the credit sector. In more detail, the aforementioned agreements created an implicit obligation for the parent company to implement the plan, having defined its details, in terms of the number of persons potentially adhering to it, the terms and conditions of access, and creating in the employees and the Solidarity Fund of the credit sector the valid expectation that the restructuring will be realised in the terms announced. Therefore, the prerequisites required by IAS 37 for the recognition of restructuring charges have been met; the best estimate of the charge to be incurred, based on the information available at the balance sheet date, is 40 million Euro, entirely referring to the Parent company Banca Ifis. This expense is shown under the income statement item '190 a) personnel expenses' (and, with reference to the table detailing these expenses presented within the Notes to the Consolidated Financial Statements, under the sub-item '1) Employees', letter 'i) other employee benefits'), as a contra-entry to the balance sheet liability item '100. c) Other provisions for risks and charges'.

Extraordinary contribution Law No. 199 of 2025

Law No. 199 of 30 December 2025 ('2026 Budget Law') amended paragraph 68 of Art. 1, Article 26 of Decree-Law no. 104 of 10 August 2023, converted, with amendments, by Law No. 136 of 9 October 2023. The new regime introduced provides that, starting from the financial year beginning after 1 January 2028, in the event of the

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distribution of profits, including interim dividends, or reserves, regardless of the shareholders' resolution, the reserve is presumed to be distributed referred to in paragraph 5-bis, i.e. the reserve set up at the time of approval of the Financial Statements for FY 2023 using the option provided for by the provision as a means of satisfying the obligation provided for as an alternative to the payment of the extraordinary tax then introduced for banks (the '2023 Reserve'). Paragraph 69 of Article 1 of the 2026 Budget Law, on the other hand, introduced the provision whereby, until the financial year in progress on 31 December 2028, the '2023 Reserve' may be subject to an extraordinary contribution to be applied to the aforementioned reserve regardless of 'the nature of the items that contributed to its formation and the manner in which they were established'. Paragraph 70 provides that the extraordinary contribution shall be determined at the rate of 27,5% of the reserve existing at the end of the financial year current on 31 December 2025 or 33% of the reserve existing at the end of the following financial year; Paragraph 72 also provides, in the event of payment of the contribution, the disapplication of the provisions of Article 26, Paragraph 5-bis, last sentence, of Decree-Law no. 104 of 10 August 2023, on the indistributability of the reserve.

For the banks belonging to the Banca Ifis Group (the Parent company Banca Ifis, Banca Credifarma and illimity Bank), the amount of this contribution totalled 15,0 million Euro, detailed as follows:

- for Banca Ifis is 6.573.906 Euro (determined as 27,5% of 23.905.112 Euro of extra-profits reserve already accounted for in equity);
- for Banca Credifarma is 894.411 Euro (i.e. 27,5% of the extra-profits reserve in shareholders' equity of 3.252.404 Euro):
- for illimity Bank was 7.521.384 Euro (27,5% of 27.350.489 Euro, i.e. the '2023 Reserve' allocated to equity).

From a strictly accounting point of view, following the in-depth studies and analyses carried out at the level of the banking system considering the specificities of the regulations in question, it was deemed that the counterpart of the liability relating to the extraordinary contribution should be identified in an equity item and that the liability relating to the extraordinary contribution should be recognised in these Consolidated Financial Statements as at 31 December 2025. As a result, the liability arising from the extraordinary contribution was considered to already exist in 2025 and, consequently, recognised in the Consolidated Financial Statements as at 31 December 2025 in light of the decision taken by the Board of Directors of each bank in the Group to pay the contribution in 2026 to the extent of 27,5% of the 2023 Reserve set aside by each bank.

The total amount in question, equal to 15,0 million Euro at the consolidated level, was recognised in the balance sheet item "Other liabilities" as a contra-entry to the item "Reserves" (sub-item "other reserves"), leaving it up to each shareholders' meeting resolution approving the relevant 2025 financial statements of each Group bank to identify the equity reserve to be used to pay the extraordinary contribution.

National consolidated tax regime

Termination of national tax consolidation with La Scogliera and exercise of the option for the new national tax consolidation with Banca Ifis for the three-year period 2025-2027

On 4 July 2025, as an indirect consequence of the exchange of Banca Ifis shares for illimity Bank shares following the offer for the latter, the control requirement pursuant to art. 120 of the TUIR, required for the continuation of the national tax consolidation and in force between La Scogliera S.A. (Italian branch), Banca Ifis S.p.A. and some of its subsidiaries (Cap.Ital.Fin. S.p.A., Ifis Npl Investing S.p.A., Ifis Npl Servicing S.p.A. and Ifis Rental Services S.r.l.).

The discontinuation of the tax consolidation will take effect from the entire 2025 tax year.

It is also specified that, following this termination of the tax consolidation scheme, on 24 December 2025 the ultimate Parent company La Scogliera S.A. changed its name to Fürstenberg Scogliera Holding S.A..

As a result of the option exercised in the tax return, the new national tax consolidation scheme with Banca Ifis S.p.A. as consolidating company and the following Group companies resident in Italy as consolidated companies became effective as of 2025: Cap.Ital.Fin. S.p.A., Ifis Npl Investing S.p.A., Ifis Npl Servicing S.p.A., Banca Credifarma S.p.A. and Ifis Rental Services S.r.l..

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Transactions between these companies were regulated by means of a private written agreement between the parties. This agreement will renew tacitly.

Adhesion to the tax consolidation allows the taxable income of the participating companies to be offset against each other (using the losses realised during the adhesion period).

As envisaged by applicable regulations, adhering entities have an address for the service of notices of documents and proceedings relating to the tax periods for which this option is exercised at the HQ of Banca Ifis.

Under this tax regime, the advance payments, tax losses and profits of each company realised in 2025 are transferred to the tax consolidating company Banca Ifis. Constituting so-called "intercompany" receivables/payables within the meaning of the consolidated accounts, they are eliminated as part of the consolidation entries and are therefore not included within the items "Other assets" and "Other liabilities" in the consolidated balance sheet of the Banca Ifis Group.

National tax consolidation with illimity Bank - Hype tax transparency

illimity Bank S.p.A., for the tax year 2025, also exercised the option to join the national tax consolidation scheme for Corporate Income Tax (IRES) purposes, provided for in Articles 117-129 of the TUIR. In addition to illimity Bank S.p.A., the scheme also applies to Arec Neprix S.p.A., Fürstenberg SGR S.p.A. (formerly illimity SGR S.p.A.), Abilio S.p.A., Quimmo Agency S.r.l. and Quimmo Prestige Agency S.r.l..

Constituting so-called "intercompany" receivables/payables within the meaning of the consolidated accounts, they are eliminated as part of the consolidation entries and are therefore not included within the items "Other assets" and "Other liabilities" in the consolidated balance sheet of the Banca Ifis Group.

illimity Bank also has a tax transparency agreement with Banca Sella Holding S.p.A. for the pro-rata allocation to illimity Bank of the taxable income and tax losses of the jointly controlled company Hype S.p.A.. Receivables/payables related to the "Hype" tax transparency are recorded under "Other assets" and "Other liabilities" in the consolidated balance sheet of the Banca Ifis Group.

As a result of the acquisition of control of illimity Bank S.p.A. on 4 July 2025, the Banca Ifis Group inherited the regime of national tax consolidation stipulated by illimity Bank.

Highlights for 2025 financial statement assessments

On 14 October 2025, ESMA published an information notice ('European common enforcement priorities for 2025 corporate reading') containing certain topics and recommendations with reference to:

- the preparation of financial reporting for FY 2025, in respect of:
  - geopolitical risks and uncertainties;
  - segment reporting;
- the preparation of the sustainability statement for FY 2025, in relation to:
  - materiality considerations in reporting according to ESRS;
  - scope and structure of sustainability statement;
- priorities related to ESEF (European Single Electronic Format) reporting on common errors found in financial reporting;
- some general considerations, among which of particular importance is the connectivity between financial and sustainability reporting.

The following section provides an illustration of the aspects considered as priorities for the assessments conducted for the preparation of the financial information contained in the 2025 Annual Report and for the related disclosure, in line with the recommendations provided by ESMA, most recently in its communication of 14 October 2025 entitled "European common enforcement priorities for 2025 corporate reading". With regard to recommendations in the area of sustainability statement, refer to the 'Sustainability Statement' section of the Directors' Report on the Group.

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Considerations on geopolitical risks and uncertainties

In this respect, ESMA highlights how the Russia-Ukraine conflict, tensions in the Middle East and in international trade relations continued to generate high volatility in energy and commodity prices, disruptions in supply chains and changes in the balance of global trade in 2025. In light of these dynamics, ESMA considers geopolitical risks and uncertainties to be of significant importance for the 2025 Financial Statements, given their potential impact on the company's performance, financial position and disclosures in the Financial Statements. According to ESMA, these risks can have major implications on several areas of valuation.

To ensure transparency and disclosure consistency, ESMA invites issuers to:

- provide clear, specific and detailed information on the effects that geopolitical uncertainties may have on the company's financial situation and performance;
- update the sensitivity analyses, illustrating how reasonably possible changes in key valuation assumptions could affect the carrying values;
- evaluate, with judgement, the inclusion of additional disclosures, beyond those required by IFRS, when useful to improve understanding of the effects on financial position, cash flows and performance.

In light of the above, the uncertainties attributable to the geopolitical context and, more generally, to the evolution of the macroeconomic scenario were duly taken into account in the relevant estimation processes as well as in risk monitoring activities. In particular, the Banca Ifis Group closely monitors country risk in conflict-affected countries. This continuous monitoring has revealed a limited number of counterparties present in the areas involved by the current international tensions, to which modest direct credit exposures correspond. Similarly, no particular critical issues have been noted with regard to the trade receivables portfolio.

Furthermore, the Risk Management function, in addition to the risk factors usually considered, continues to deem it reasonable to include the current geopolitical tense situation as an additional risk factor.

Given the need to appropriately factor these elements of uncertainty into the main estimation processes, the greatest possible consistency was ensured between the assumptions used and their underlying assumptions applied in the various models.

For further details, refer to what is illustrated later on for the main items of the financial statements and in particular in the following paragraph "Risks and uncertainties related to the use of estimates" of this Part A, and in the sub-section "2.3 Methods for measuring expected losses", within paragraph "1.1 Credit risk" of "Section 2 - Risks of the Consolidated Prudential" of "Part E - Information on risks and related hedging policies" of these Notes to the Consolidated Financial Statements.

Segment reporting considerations

ESMA highlights the need to ensure consistency between the information on operating segments provided in the financial statements, the management report and the management reporting used by the Chief Operating Decision Maker (CODM).

ESMA also points out that paragraph 80 of IAS 36 provides that the Cash Generating Units (CGUs) to which goodwill is allocated for the purpose of impairment testing cannot have a larger scope than the individual Operating Segments identified in accordance with IFRS 8.

Furthermore, it is recalled that the aggregation criteria in paragraph 12 of IFRS 8 can only be applied to Operating Segments with similar economic characteristics. Issuers are therefore required to provide adequate disclosure of the judgements adopted in applying the above criteria, including a description of the aggregated Segments and, where relevant, the indicators supporting the existence of such economic characteristics.

ESMA also emphasises the need to provide timely disclosure of the revenues and costs of the Operating Segments, to the extent that these are disclosed in the management reporting used by management, highlighting any unusual or non-recurring items.

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Lastly, ESMA draws attention to the disclosure requirements contained in paragraphs 33 and 34 of IFRS 8 concerning the breakdown of revenue by geographical area and by major customers.

The Banca Ifis Group revised its model in 2025 in order to consider the impacts of the acquisition of control of the illimity Group.

In particular, in identifying the Banca Ifis Group's Operating Segments, due consideration was given to the methods adopted by Banca Ifis Management in making operational decisions and the methods used to prepare internal reporting, used for the purposes of allocating resources to the various segments and analysing the related performance.

At 31 December 2025, in line with the structure used by Management to analyse the Group's results, the information by Segment is broken down as follows:

- Commercial & Corporate Banking Segment;
- Npl Segment;
- Governance & Services and Non-Core Segment;
- illimity Segment.

The financial and balance sheet numerical of the Segments are attributed on the basis of homogeneous allocation criteria in order to take into account both the specificity of the various segments and the need to guarantee effective monitoring of business performance over time.

With reference to what ESMA emphasised regarding the relevance, in the current context of geopolitical uncertainty and trade barriers, of the disclosure on geographic areas on major customers required by paragraphs 33 and 34 of IFRS 8, it is specified that for the Banca Ifis Group, foreign revenues are very limited, and limited to those recorded by the foreign companies Ifis Finance Sp. z o.o. and Ifis Finance I.F.N. S.A., residing in Poland and Romania, respectively (for more details on the Group's revenues by geographic area, refer to the section "Public Information State by State" in this document). It should also be noted that for the Banca Ifis Group, there are no cases falling under the definition of 'revenue with major customers' pursuant to paragraph 34 of IFRS 8, i.e. revenue with individual external customers exceeding 10% of total revenue.

For more details on the Banca Ifis Group's Segment Disclosures, the logic for identifying Segment and allocating balance sheet and profit and loss data, refer to the section “Contribution of operating Segments to Group Results” of the Directors’ Report on the Group and 'Part L - Segment Disclosures' of these Notes to the Consolidated Financial Statements.

Risks and uncertainties related to the use of estimates

Using accounting standards often requires management to make estimates and assumptions that affect the carrying amounts of assets and liabilities and disclosure of contingent assets and liabilities. In making the assumptions underlying the estimates, management considers all available information at the reporting date of these Consolidated Financial Statements, as well as hypotheses and any other factor deemed reasonable in light of past experience and foreseeable future evolutions.

By their very nature, it is therefore not possible to rule out the possibility that the assumptions made, however reasonable, may not be confirmed in the future scenarios in which the Group will find itself operating. Future results may therefore differ from the estimates made, and adjustments to the carrying amount of assets and liabilities recognised in the financial statements, which cannot be foreseen or estimated at the date of this document, may be necessary. In this regard, it should be noted that adjustments in financial statement estimates may become necessary as a result of changes in the circumstances on which they were based, new information or increased experience.

The accounting policies considered most critical to the true and fair representation of the Group's financial position, results of operations and cash flows are illustrated below, both for the materiality of the amounts to be recognised in the financial statements impacted by these policies, and for the high degree of judgement required in the valuations, which implies the use of estimates and assumptions by management, with reference to the

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specific sections of the notes to the financial statements for detailed information on the valuation processes conducted at 31 December 2025. In particular, the aspects that required the use of complex estimates with significant assumptions are:

- determination of other entities within the scope of consolidation in accordance with IFRS 10;
- determination of the fair value of receivables and financial instruments not quoted in active markets;
- measurement of Npl Segment loans;
- measurement of the Expected Credit Loss (ECL) for receivables other than the Npl Segment and for debt securities;
- estimate of provisions for risks and charges;
- estimate of the recoverability of the value of goodwill recorded;
- determination of the PPA (Price Purchase Allocation);
- assessment in respect of the potential recovery of deferred tax assets (DTAs).

For the items listed above, the principal issues regarding risks and uncertainties associated with estimates are discussed in the following paragraphs.

Determination of other entities included in the scope of consolidation under IFRS 10

The Banca Ifis Group, also following the acquisition of the illimity Group during the year, operates through entities with diversified structures that include, in addition to traditional subsidiaries, securitisation vehicles, investment funds and other structured entities. The assessment of the existence of control for consolidation purposes under IFRS 10 requires a significant degree of judgement in certain circumstances.

In particular, control exists as the Group has:

- power over the investee;
- exposure to variable returns;
- and the ability to affect the amount of its returns.

In order to assess the assumptions of control, all relevant information is taken into account, including the purpose and design of the entity, how decision-making rights are exercised, contractual arrangements, and current and potential voting rights. These assessments may be particularly complex for so-called structured entities for which control is not derived from voting rights but from other contractual mechanisms.

For further information, refer to what was previously reported in 'Section 3 - Scope and Methods of Consolidation', subsection 'Subsidiaries', paragraph '2. Significant judgements and assumptions in determining the scope of consolidation".

Determination of the fair value of receivables and financial instruments not quoted in active markets

In the presence of receivables and financial instruments not quoted in active markets or illiquid and complex instruments, it is necessary to activate adequate valuation processes characterised with certain judgement on the choice of valuation models and related input parameters, which may sometimes not be observable in the market. There is a degree of subjectivity involved in assessing whether certain inputs are observable and categorising them within the fair value hierarchy accordingly. For qualitative and quantitative information on the method to determine the fair value of instruments measured at fair value, reference should be made to paragraph "A.2 - Main items of the financial statements" of these Notes to the Consolidated Financial Statements.

Measurement of Npl Segment loans

If a credit exposure is impaired upon initial recognition, it qualifies as a "Purchased or Originated Credit Impaired (POCI) financial asset". An asset is considered impaired on initial recognition if the credit risk is very high and, in the case of purchase, the price has been paid at a significant discount to the outstanding contractual debt. For these assets, the amortised cost and consequently the interest income is calculated using a credit-adjusted effective interest rate. With respect to the determination of the effective interest rate, the aforementioned credit

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adjustment consists of taking into account expected credit losses over the entire remaining life of the asset when estimating future cash flows.

In addition, the assets under consideration also provide for a special treatment with regard to the impairment process, as they are always subject to the determination of an expected loss over the life of the financial instrument; therefore, after initial recognition, gains or losses arising from any change in the expected loss over the life of the receivable with respect to the initial loss must be recognised in the income statement. It is therefore not possible for the calculation of expected losses for such assets to be made using a time horizon of one year.

Receivables of this kind are measured with significant recourse to proprietary valuation models that are subject to ongoing verification and adjustment. Specifically, the Risk Management function, when assessing the Bank's capital adequacy (ICAAP), regularly assesses the so-called model risk, since the characteristics of the business model imply a high level of variability concerning both the amount collected and the date of actual collection.

In particular, for receivables undergoing non-judicial operations, the proprietary model in use estimates cash flows by projecting the breakdown of the amount of the receivable over time based on the historical collection profile for similar clusters. In addition, for the positions with settlement plan funding characteristics, a deterministic model based on the measurement of the future instalments of the plan, net of the historical default rate is used. Therefore, the timely and careful management of cash flows is particularly important. To ensure expected cash flows are correctly assessed, also with a view to correctly pricing the transactions undertaken, the Group carefully monitors the trend in collections compared to expected flows.

For receivables undergoing judicial operations, i.e. for positions for which the presence of a job or a pension has been verified, a model has been developed for estimating cash flows prior to obtaining the Garnishment Order (ODA). In particular, cash flows are estimated for all those positions that have obtained a decree not opposed by the debtor from 1 January 2018.

The other positions undergoing judicial operations continue to be recognised at cost until said requirements are met or a garnishment order is issued.

Upon garnishment order, future cash flows are analytically determined on the basis of the objective elements known for each individual position; in this case, therefore, the estimates applied relate mainly to the identification of the duration of the payment plan.

In addition to the above, judicial operations involve also collection efforts, i.e. foreclosure proceedings, which consist of several stages and apply to portfolios originated in corporate, banking, or real estate segments where cash flows are measured by means of the manager's analytical forecasts.

Reference should be made to the details given in Part E of these Notes to the Consolidated Financial Statements, "Information on risks and related hedging policies".

Measurement of the Expected Credit Loss (ECL) for receivables other than the Npl Segment and for debt securities

The determination of the ECL for financial assets measured at amortised cost is a complex process that requires the use of significant assumptions and estimates.

For financial assets for which no objective evidence of loss has been individually identified, i.e. for unimpaired ("performing") exposures, the impairment model involves the need to identify whether or not there has been a significant deterioration since the date of initial recognition of the exposure and the allocation to the three stages of credit risk under IFRS 9 of loans and debt securities classified as Financial assets at amortised cost and as Financial assets at fair value through other comprehensive income.

The IFRS 9 impairment model requires, in fact, that losses be determined with reference to the time horizon of one year for financial assets that have not undergone a significant deterioration in credit risk since initial recognition (Stage 1) rather than by reference to the entire life of the instrument if a significant deterioration or indicator of impairment has been established (Stage 2 and Stage 3).

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It therefore follows that the calculation of the relevant expected losses requires an articulated estimation process that mainly concerns:

- the determination of PD and LGD risk parameters including forward-looking information;
- the assessment of the presence of a significant increase in credit risk (SICR), based on criteria that consider qualitative and quantitative information;
- the measurement of certain elements necessary for the determination of estimated future cash flows arising from non-performing loans: the expected debt collection times, the presumed realisable value of any guarantees, the costs that it is deemed will be incurred to recover the credit exposure and lastly the likelihood of sale for positions for which there is a disposal plan.

Within the range of possible approaches to estimation models permitted by the relevant international accounting standards, the use of specific methodologies or the selection of certain estimation parameters may significantly influence the measurement of such assets. These methodologies and parameters are necessarily subject to a continuous updating process, also in light of the historical evidence available, with the aim of refining the estimates to better represent the estimated realisable value of the credit exposure.

With specific reference to climatic and environmental risk factors, the materiality analysis conducted led to their quantification as non-material.

For more information on the methods and models used to determine the ECL, refer to the explanations given in paragraph “2.3 Measurement of expected credit losses” contained in the "Credit risk" section of "Part E - Information on risks and related hedging policies” of these Notes to the Consolidated Financial Statements.

Estimate of provisions for risks and charges

The companies making up the Group are party to certain types of litigation and are also exposed to numerous contingent liabilities. The complexities of the specific situations underlying the pending litigations, together with possible interpretation issues, require in certain circumstances significant judgement in estimating the liabilities that may arise upon settlement of the pending litigations. The difficulties of assessment affect both the *an* and the *quantum*, as well as the timing of the eventual manifestation of the liability, and are particularly evident when the proceedings initiated are at an early stage. These circumstances make the valuation of contingent liabilities difficult. As a result, the classification of contingent liabilities and the consequent valuation of the necessary provisions are sometimes based on non-objective elements of judgement and require the use of even complex estimation procedures.

Specifically, the Group recognises a liability when:

- a legal or constructive obligation exists as a result of a past event;
- it is likely that it will be necessary to spend resources which could generate economic benefits to settle the obligation;
- the amount of the obligation can be reliably estimated.

Should all these conditions not be met, no liability is recognised.

The amount recognised as a provision represents the best estimate of the expense required to meet the obligation and reflects the risks and uncertainties regarding the facts and circumstances in question.

Where the cost deferral is significant, the amount of the provision is determined as the present value of the best estimate of the cost to settle the obligation. In this case a discount rate is used that reflects current market assessments.

The provisions made are periodically reviewed and, if necessary, adjusted to reflect the best current estimate. When the review finds that the cost is unlikely to be incurred, the provision is reversed.

The provisions for risks and charges on commitments and guarantees granted include the provisions for credit risk set aside for loan commitments and the other guarantees granted that fall within the scope of the impairment rules in IFRS 9. As a general rule, in this case the Bank adopts the same methods for allocating items to three

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credit risk Stages and calculating expected credit losses as the ones described for financial assets measured at amortised cost or at fair value through other comprehensive income.

Estimate of the recoverability of the value of goodwill recorded

In accordance with IAS 36, goodwill must be impairment tested at least annually, to check that the value can be recovered. IAS 36 also requires, moreover, at each reporting date, including, therefore, the interim reports, an analysis aimed at identifying the presence of any loss indicators (termed "Trigger Events") upon the occurrence of which an impairment test must be carried out. The recoverable value is the greater of Value in Use and fair value, net of the costs of sale. As at 31 December 2025, goodwill recognised as an asset consisted of:

- 38,0 million Euro (unchanged from 31 December 2024) as goodwill arising from the business combination of the former Fbs Group, fully allocated to the “Npl Segment” Cash Generating Unit (CGU);
- 17,2 million Euro as the positive difference in value resulting from the still provisional PPA process associated with the acquisition of Euclidea SIM[96], which took place in November 2025 (for more details, refer to "Part G - Business Combination Transactions involving Companies or Business Units" of these Notes to the Consolidated Financial Statements).

For the purposes of estimating the recoverable amount, the Group, for the goodwill relative to the “Npl Segment” CGU, proceeded to determine the value in use by estimating both future cash flows in the explicit forecast period (determined based on the 2026-2028 economic and equity projections for the CGU under analysis, as approved by the Parent company's Board of Directors on 11 February 2026) and the Terminal Value. In a similar fashion, the Group also estimated the discounting rate of future cash flows previously estimated. The discounting rate has been determined by the Group using the “Capital Asset Pricing Model” (CAPM).

The results of the impairment test conducted at 31 December 2025 led to the confirmation of the recoverability of the carrying amount in the Consolidated financial statements.

As regards details of the impairment test conducted on goodwill at 31 December 2025, we would refer you to the more detailed information given in "Part B - Information on the Consolidated Statement of Financial Position, Assets", "Section 10 - Intangible assets - Item 100", Paragraph "10.3 Other information" of these Notes to the Consolidated Financial Statements.

Determining the PPA (Price Purchase Allocation)

Business combinations must be booked as per the standards established by IFRS 3, using the acquisition method. Goodwill is initially stated at cost represented by the excess of the total amount paid and the amount recognised for minority interests in respect of the net identifiable assets acquired and the liabilities assumed by the Group.

The PPA process inherently involves a high degree of discretion and technical complexity. The determination of the fair value of net assets acquired requires: the recognition and analysis of information available at the date of aggregation, the use of appropriate valuation techniques, and the selection of inputs and assumptions that are often unobservable, such as expected cash flows, discount rates, turnover rates, and risk parameters specific to the asset being valued. These elements require a significant level of professional judgement, with potentially material effects on the quantification of goodwill/badwill resulting from the combination.

The purchase price allocation (“PPA”) of the aggregation to assets, liabilities and potential liabilities of the subject acquired, as can be identified at the purchase date and measured at their respective fair values, a preventive mapping has been carried out of all the assets and liabilities for which it was considered likely to encounter significant differences in value between the fair value and the respective carrying amount.

[96] *Euclidea SIM was renamed Fürstenberg SIM with effect from 26 January 2026.*

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In particular, the fair values are determined on the basis of the methodology considered to be most appropriate for each class of asset and liability acquired (for example, for the loan portfolio, the Discounted Cash Flow - DCF - method).

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the new valuation still shows a fair value of the net assets acquired higher than the amount, the difference (profit) is recognised in the income statement in the item “Other operating income (costs)” as “gain on a bargain purchase” (badwill).

For more details on the PPA processes carried out for business combinations during the year, refer to 'Part G - Business Combination Transactions involving Companies or Business Units' of these Notes to the Consolidated Financial Statements.

Assessment in respect of the potential recovery of Deferred Tax Assets (DTAs)

Assets recognised in the Financial Statements include Deferred Tax Assets (DTAs) mainly generated by temporary differences between the date certain business costs are recognised in the income statement and the date on which the same costs may be deducted, rather than arising from tax loss carry-forwards.

In accordance with accounting standard IAS 12, referred to in the "Group Impairment Policy", a tax asset can only be recognised to the extent that it is probable that future taxable income will be available to allow for its recoverability.

Recognition of these assets and their subsequent maintenance therefore presupposes an assessment of the likelihood of their recovery. This assessment is not carried out for deferred tax assets pursuant to Law No. 214 of 22 December 2011, which can be transformed into tax credits in the event of the recognition of a "statutory loss", a "tax loss" for IRES tax purposes and a "negative net production value" for IRAP tax purposes, and for which the relative recovery is therefore certain regardless of the ability to generate future income.

For the remaining tax assets that cannot be transformed into tax credits, the judgement of their likelihood is supported by a valuation exercise of recoverability (referred to as the “probability test”). Based on the provisions of IAS 12 and the considerations made by ESMA in its paper of 15 July 2019, the aforementioned assessment of recoverability requires a careful reconnaissance of all evidence supporting the likelihood of having sufficient taxable income in the future, also taking into account the circumstances that generated the tax losses, which should be traced back to clearly identified causes that are deemed to be non-repeatable in the future on a recurring basis.

The comprehensive total of DTAs at 31 December 2025 is 250,8 million Euro (of which 91,3 million Euro allocated to the illimity Group), including the 63,4 million Euro portion attributable to Law 214/2011 (equal to 25,3% of the total DTA), which will be reversed by 2029 due to express regulatory provision. It is recalled that such deferred tax assets, which meet the requirements set forth by the specified Law, can be transformed into tax credits in the event of the recognition of a "statutory loss", a "tax loss" for IRES tax purposes and a "negative net production value" for IRAP tax purposes; their recovery is therefore certain regardless of the capacity to generate future income. The maintenance of convertibility into tax credits is subject to the exercise of the option provided for by D.L. No. 59 of 3 May 2016, converted with amendments by Law No. 119 of 30 June 2016, which the Group decided to avail itself of in accordance with the envisaged terms and conditions.

On the basis of the valuation exercise conducted on the residual amount, its recovery was assessed as probable, albeit over a medium- to long-term time horizon. A significant portion of past tax losses and ACE surpluses would be fully recovered (greater than 85%) by 2033. The remaining portion refers mainly to financial assets measured at fair value through other comprehensive income (FVOCI) and is therefore related to the performance of the related reserve.

In view of the uncertainty regarding the recoverability of DTAs on tax losses and ACE surpluses over the time horizon considered, no deferred tax assets were recognised for 2,9 million Euro, relating to tax losses and ACE

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surpluses accrued by the subsidiary Cap.Ital.Fin. prior to its entry into the Banca Ifis Group (which took place in 2018).

With reference to the companies acquired during the year, no deferred tax assets were recognised as follows:

- illimity Bank for 76,8 million Euro, relating to tax losses accrued in the 2025 tax year;
- Euclidea SIM (from 26 January 2026 renamed Fürstenberg SIM) in the amount of 3,6 million Euro, relating to tax losses and ACE surpluses accrued until the 2025 tax year;
- Quimmo Agency (a company included in the illimity Group) in the amount of 0,4 million Euro, relating to tax losses accrued prior to its inclusion in the tax consolidation of illimity Bank.

For further details on the valuations made in the preparation of the Financial Statements as at 31 December 2025, refer to "Section 11 - Tax Assets and Tax Liabilities - Item 110 of Assets and Item 60 of Liabilities" in Part B of these Notes to the Consolidated Financial Statements.

Deadlines for the approval and publication of the Financial Statements

Pursuant to Article 154-ter of Italian Legislative Decree No. 59/98 (Consolidated Law on Finance), the Parent company's Financial Statements must be approved and the Annual Financial Report published, including the draft Annual Financial Statements, the Directors' Report, and the declaration as per Article 154-bis, paragraph 5, within one hundred and twenty days of year end. The Board of Directors approved the Parent company's draft separate financial statements and the consolidated financial statements on 12 March 2026; the Parent company's separate financial statements will be submitted to the Shareholders' Meeting to be held on 16 April 2026 at first call for approval.

Coming into effect of new accounting standards

The Consolidated Financial Statements for the year ended 31 December 2025 have been prepared in accordance with the recognition and measurement criteria of the IFRS accounting standards issued by the International Accounting Standards Board (IASB) and adopted by the European Union and in force at the reporting date. For further details, refer to the above.

New IAS/IFRS accounting standards or amendments to existing accounting standards issued by the IASB, as well as new interpretations or amendments to existing ones, published by the IFRIC, with separate disclosure, whose mandatory application commences after the reporting date of these Financial Statements.

New documents issued by the IASB and endorsed by the EU applicable at the reporting date

Lack of Exchangeability -Amendments to IAS 21, 'The Effects of Changes in Foreign Exchange Rates' (issued on August 2023)

In August 2023, the IASB published amendments to IAS 21 to introduce additional criteria to support entities in assessing the convertibility of one currency into another and in determining the exchange rate to be applied when such convertibility is absent. Prior to the IASB's intervention, IAS 21 governed the accounting treatment in cases of temporary non-convertibility, but did not provide specific guidance for situations where this condition was not temporary. The new provisions fill this gap by introducing a more comprehensive guide. The amendments are applicable as of 1 January 2025, however, following the analysis performed, the Group has assessed that the amendments to IAS 21 did not have a material impact on the Consolidated Financial Statements, nor are they expected to have a material impact in the future.

New IFRS accounting standards or amendments to IFRS accounting standards applicable to financial statements for financial years beginning after 1 January 2025

A - EU-approved documents

"Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7"

In May 2024, the IASB published amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures', with the aim of clarifying some issues that have arisen in application practice. Below are the main changes introduced by the amendment:

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- clarified the date of recognition and derecognition of financial assets and liabilities, and provided a new exception for financial liabilities settled through electronic payment systems;
- introduction of guidance on how to evaluate the contractual flows of instruments with ESG indicators to determine whether or not they meet the SPPI (Solely Payments of Principal and Interest) criterion;
- further guidelines on the evaluation of contingent features (e.g. clauses modifying flows according to ESG targets);
- new disclosure requirements for financial instruments with contractual terms that provide for the possibility of changing financial flows, including instruments linked to the achievement of environmental, social or governance (ESG) objectives;
- update of disclosures on equity securities measured at fair value with impact on comprehensive income (FVOCI).

The expected impacts for the Group are mainly of an organisational nature (e.g. policy definition, product mapping, procedural implementations for required disclosures), while no significant impacts on the Group's balance sheet, financial and economic situation are expected.

"Contracts Referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7"

On 18 December 2024, the IASB published amendments aimed at better representing the effects of natural source-dependent power supply contracts, which are often structured as power purchase agreements (PPAs). The amount of electricity generated under these contracts may vary depending on factors that cannot be controlled, such as weather conditions. Current accounting requirements may not adequately capture the ways in which these contracts affect a company's performance. The changes include:

- clarification of the application of the requirements for "own use";
- the possibility of using hedge accounting if these contracts are used as hedging instruments;
- the addition of new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

For the above-mentioned changes, no profile of attention from an accounting point of view has emerged at present, as such operations do not exist within the Group.

"Annual Improvements Volume 11"

On 18 July 2024, the IASB issued the customary "Annual Improvements to IFRS Accounting Standards - Volume 11". The document contains clarifications, simplifications, corrections and amendments to improve the effectiveness of the existing principles. Specifically, these refinements concern IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7. The changes will be effective for budgets from 1 January 2026, with the possibility of early application. These changes are not expected to have a significant impact on the Group's balance sheet, financial position and results of operations, given their minor scope.

"IFRS 18 "Presentation and Disclosure in Financial Statements"

On 9 April 2024, the IASB published the new accounting standard IFRS 18 "Presentation and Disclosure in Financial Statements", which will replace IAS 1 "Presentation of Financial Statements". The new standard is expected to be applied for the first time on 1 January 2027, with comparative information for the previous year required. Early application is possible provided that notice is given.

The new standard aims to improve the comparability, transparency and understandability of financial statement disclosures by introducing new requirements for the presentation of the income statement and strengthening the rules for aggregating and disaggregating financial statement disclosures.

In particular, IFRS 18:

- introduces new compulsory categories for the classification of income and expenses (operating, investment and financing), with new compulsory subtotals, including the operating result;

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- requires greater transparency regarding the use of Management Performance Measures (MPM), through reconciliation with IFRS subtotals and an explanation of the underlying rationale;
- strengthens the criteria for aggregating and disaggregating information in primary prospectuses and notes, in order to ensure a clearer and more consistent presentation.

IFRS 18, like IAS 1, does not introduce mandatory financial statement formats, nor does it provide for a predefined structure for the Notes to the Financial Statements, but defines a minimum set of information to be presented, leaving the preparer of the financial statements with an adequate margin of discretion to ensure the best representation of the entity's financial position, results of operations and cash flows.

The changes introduced will mainly concern the presentation of the profit and loss account and the structure of disclosures, therefore, it will be necessary to ensure coordination with Bank of Italy Circular No. 262/2005, the updates to which will be published in 2026 in order to adapt the financial statement formats to the new requirements of the new standard. Considering that the new standard will mainly affect the presentation methods and not the measurement criteria, no impact on the Group's balance sheet, financial position and results of operations is expected.

B - Standards and documents issued but not yet approved

The following are the new international accounting standards or amendments to them, not yet endorsed by the European Commission, which are mandatory from a date that falls after the reference date of these Financial Statements. The Group does not expect any significant impact deriving from the adoption of the following interpretations and amendments of existing international accounting standards to be material.

IFRS 19 "Subsidiaries without Public Accountability: Disclosures"

On 9 May 2024, the IASB published the new accounting standard IFRS 19 "Subsidiaries without Public Accountability: Disclosures" which will be applicable for reporting periods beginning on 1 January 2027, with the faculty for early adoption.

IFRS 19 allows entities that meet certain requirements to opt for a reduced set of disclosures, while continuing to apply the full recognition, measurement and presentation criteria of other international accounting standards.

In order to apply IFRS 19, at the end of the reporting period an entity must:

- be a subsidiary as defined in IFRS 10;
- have no public accountability;
- have a (ultimate or intermediate) Parent company that prepares consolidated financial statements, available for public use, prepared in accordance with IFRS.

The new standard will be applicable:

- for subsidiaries that use IFRS for small and medium enterprises (SMEs) or national accounting standards (local GAAPs) for their own financial statements, and that are often required to have a dual track for their own financial statements due to the different provisions contained in these standards compared to those in IFRS;
- for subsidiaries that use IFRS accounting standards for their financial statements and are required to provide disclosures that may be disproportionate to the information needs of their users.

This relief is only applicable to subsidiaries that do not have "public liability".

A subsidiary has public liability if:

- its debt or equity instruments are traded on a public market or is in the process of issuing such instruments for trading on a public market (a domestic or foreign stock exchange or an OTC market, including local and regional markets), or
- one of its main activities is holding assets in a fiduciary capacity for a large group of persons (e.g. banks, credit unions, insurance companies, securities brokers, mutual funds and investment banks).

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Entities with the above characteristics may, but are not obliged to, apply IFRS 19 in their consolidated, separate or individual financial statements taking into account the necessary coordination with the Bank of Italy's instructions for the preparation of financial statements.

Due to the nature of its structure, Banca Ifis, as the parent entity, prepares both the statutory and consolidated financial statements of the Group. Consequently, the Bank does not meet the subjective requirements of IFRS 19 to be able to apply the reduced disclosure regime.

Therefore, neither the Separate Financial Statements nor the Consolidated Financial Statements of Banca Ifis will be able to take advantage of the provisions introduced by the new standard.

Amendments to IFRS 19 "Subsidiaries without Public Accountability: Disclosures"

The amendments to IFRS 19, published by the IASB on 21 August 2025, introduce the possibility for eligible subsidiaries not to disclose certain disclosures related to standards issued between February 2021 and May 2024. In relation to the Group's operations and composition, no impact related to the introduction of this standard is expected.

Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency"

The amendments under review, published on 13 November 2025 and effective from 1 January 2027, clarify how to convert balances from a non-hyperinflationary to a hyperinflationary currency. No impact is expected for the Group, as it does not operate in hyperinflationary environments.

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A.2 - Main items of the financial statements

1 - Financial assets measured at fair value through profit or loss

Classification criteria

This category comprises financial assets other than Financial assets measured at fair value through other comprehensive income and Financial assets measured at amortised cost. Specifically, this line item includes:

- financial assets held for trading, essentially consisting of debt and equity securities as well as the positive amount of derivative contracts held for trading;
- financial assets designated at fair value, i.e. non-derivative financial assets designated as such on initial recognition if the relevant conditions are met. At initial recognition, an entity may irrevocably designate a financial asset as measured at fair value through profit or loss if, and only if, doing so would eliminate or significantly reduce a measurement or recognition inconsistency;
- financial assets mandatorily measured at fair value, consisting of financial assets that are not eligible for the measurement at amortised cost or fair value through other comprehensive income based on the relevant cash flow characteristics. Specifically, this category includes:
  - debt instruments, securities and loans without cash flows that are solely payments of principal and interest consistent with a "basic lending arrangement" (so-called "SPPI test" failed);
  - debt instruments, securities and loans held within a business model that is neither “Held to collect” (whose objective is to hold the asset to collect contractual cash flows) nor “Held to collect and sell” (whose objective is achieved by both collecting contractual cash flows and selling financial assets);
  - UCITS units;
  - equity instruments for which the Group elects not to use the option under the standard to measure them at fair value through other comprehensive income (so-called “OCI Option”).

Derivative contracts include those embedded in complex financial instruments if the host contract is not a financial asset falling within the scope of IFRS 9, which are recognised separately if:

- the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract;
- a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative;
- the hybrid instrument they are part of is not measured at fair value with the relevant changes recognised in profit or loss.

Reclassifications to other categories of financial assets are allowed only if the entity changes its business model to manage the financial assets. In these cases, financial assets may be reclassified from the category measured at fair value through profit or loss to one of the other two categories under IFRS 9 (Financial assets measured at amortised cost or Financial assets measured at fair value through other comprehensive income). The transfer value corresponds to the fair value at the time of the reclassification, which is applied prospectively from the reclassification date. In this case, the effective interest rate of the reclassified financial asset is calculated based on its fair value at the reclassification date, which is considered to be the date of initial recognition for the stage allocation for impairment purposes.

Recognition criteria

Financial assets are initially recognised at the date of settlement in the case of debt and equity securities, at the date of disbursement for loans and at inception in the case of derivative contracts. At initial recognition, financial assets are measured at fair value, which is normally equal to the price paid excluding the expenses and income directly attributable to the instrument, which are recognised in profit or loss.

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Measurement criteria

Even after initial recognition, financial assets are measured at fair value, and the impact of the application of this method is recognised through profit or loss.

The fair value of the financial instruments included in this portfolio is calculated based on quoted prices in active markets, prices provided by market participants, or internal valuation models generally used for pricing financial instruments that take into account all relevant risk factors and are based on observable market data.

In the case of financial assets not quoted in an active market, the cost method is used as an approximation of fair value exclusively on a residual basis and in limited circumstances, that is if all the other previously mentioned measurement methods are not applicable.

Interest is shown under item "10. Interest receivable and similar income".

Gains and losses from trading and valuation gains and losses from the trading portfolio, including derivatives associated with financial assets/liabilities designated at fair value, are recognised in the income statement under item "80. Net profit (loss) from trading". The same economic effects relating to financial assets designated at fair value and those mandatorily measured at fair value are recorded under item "110. Net result of other financial assets and liabilities measured at fair value through profit or loss", under "a) financial assets and liabilities measured at fair value" and "b) other financial assets mandatorily measured at fair value".

Derecognition criteria

Financial assets are derecognized only when the contractual rights to the cash flows expire or when the assets are disposed of if the disposal resulted in the substantial transfer of all risks and rewards associated with the assets. Should the company retain part of the relevant risks and rewards, the financial assets will continue to be recognised, even though legal ownership has been actually transferred to a third party.

Where it is not possible to ascertain the substantial transfer of the risks and rewards, financial assets are derecognised if the company no longer has control over them. Otherwise, the financial assets are recognised proportionally to the entity's continuing involvement in the asset, measured according to the exposure to changes in the transferred assets' value and cash flows.

Lastly, as for the transfer of collection rights, transferred financial assets are derecognised even if contractual rights to receive cash flows are maintained but an obligation to pay such flows to one or more entities is taken on.

2 - Financial assets measured at fair value through other comprehensive income

Classification criteria

This category comprises financial assets that meet both the following conditions:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets ("HTC&S - Held to Collect and Sell" Business Model), and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest consistent with a "basic lending arrangement", in which consideration for the time value of money and credit risk are typically the most significant elements of interest (so-called "SPPI test" passed).

In addition, this line item includes equity instruments not held for trading for which at initial recognition the entity used the option to measure them at fair value through other comprehensive income not to be reclassified to profit or loss (so-called "OCI Option").

Reclassifications to other categories of financial assets are allowed only if the entity changes its business model to manage the financial assets. In these cases, financial assets may be reclassified from the category measured at fair value through other comprehensive income to one of the other two categories under IFRS 9 (Financial assets measured at amortised cost or Financial assets measured at fair value through profit or loss). The transfer value

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corresponds to the fair value at the time of the reclassification, which is applied prospectively from the reclassification date. If the asset is reclassified from the category concerned to amortised cost, the fair value of the financial asset at the reclassification date is adjusted by the accumulated gain (loss) presented in the valuation reserve. If the asset is reclassified to fair value through profit or loss, the accumulated gain (loss) previously recognised within the valuation reserve is reclassified from equity to profit or loss.

Recognition criteria

Financial assets are initially recognised at the date of settlement in the case of debt and equity securities, whereas loans are recognised at the date they were granted. These assets are initially recognised at fair value, including transaction costs directly attributable to the instruments, if any.

Measurement criteria

After initial recognition, the assets measured at fair value through other comprehensive income that are not equity securities are measured at fair value, recognising the impact of the application of amortised cost, impairment, and any exchange rate changes through profit or loss. Gains and losses resulting from changes in fair value are recognised under a dedicated equity reserve until the financial asset is transferred: then, accrued profits and losses are reclassified to profit or loss.

The equity instruments the Group elected to classify within this category are measured at fair value, and the amounts recognised through equity (Statement of comprehensive income) are not subsequently reclassified to profit or loss - including in the event of their disposal. The relevant dividends represent the only component of the equity securities concerned that is recognised through profit or loss.

The fair value is calculated on the basis already described for Financial assets measured at fair value through profit or loss.

In the case of Financial assets measured at fair value through other comprehensive income that are either debt securities or receivables, at each reporting date, including interim reporting dates, the Bank assesses whether a significant increase in credit risk (impairment) has occurred pursuant to IFRS 9, recognising an impairment loss to cover the expected credit losses through profit or loss.

Conversely, equity securities are not tested for impairment.

Derecognition criteria

Derecognition of financial assets measured at fair value through comprehensive income occurs when contractual rights to cash flows expire or if the assets are sold but only if the sale has resulted in the substantial transfer of all risks and rewards associated with the assets. Should the company retain part of the relevant risks and rewards, the financial assets will continue to be recognised, even though legal ownership has been actually transferred to a third party.

Where it is not possible to ascertain the substantial transfer of the risks and rewards, financial assets are derecognised if the company no longer has control over them. Otherwise, the financial assets are recognised proportionally to the entity's continuing involvement in the asset, measured according to the exposure to changes in the transferred assets' value and cash flows.

Lastly, as for the transfer of collection rights, transferred financial assets are derecognised even if contractual rights to receive cash flows are maintained but an obligation to pay such flows to one or more entities is taken on.

3 - Financial assets measured at amortised cost

Classification criteria

This category includes financial assets (specifically loans and debt securities) that meet both the following conditions:

- the financial asset is held within a business model whose objective is achieved by collecting contractual cash flows ("HTC - Held to Collect" Business Model), and

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- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest consistent with a "basic lending arrangement", in which consideration for the time value of money and credit risk are typically the most significant elements of interest (so-called "SPPI test" passed).

Specifically, if the above technical requirements are met, this line item includes:

- loans and advances to banks, with the exception of loans and advances on demand (which are classified under "Cash and cash equivalents");
- receivables due from customers, largely consisting of:
  - demand advances to customers as part of factoring operations vis-à-vis a receivables portfolio factored with recourse and still recognised in the seller's statement of financial position, or vis-à-vis receivables factored without recourse, providing no contractual clauses that eliminate the conditions for their recognition exist;
  - loans to customers deriving from mortgages or loans extended as part of corporate banking operations;
  - repurchase and reverse repurchase agreements;
  - receivables arising from finance leases;
  - salary- or pension-backed loans or payment delegations;
  - a portfolio of impaired loans acquired from third-party operators (referred to as "POCI");
- debt securities acquired through subscription or private placement, with fixed or determinable payments, not quoted in active markets.

Reclassifications to other categories of financial assets are allowed only if the entity changes its business model to manage the financial assets. In these cases, which are expected to be very infrequent, the financial assets may be reclassified from the category measured at amortised cost to one of the other two categories under IFRS 9 (Financial assets measured at fair value through other comprehensive income or Financial assets measured at fair value through profit or loss). The transfer value corresponds to the fair value at the time of the reclassification, which is applied prospectively from the reclassification date. Gains or losses arising from the difference between the amortised cost of the financial asset and the relevant fair value are measured through profit or loss if the asset is reclassified to Financial assets measured at fair value through profit or loss or, if it is reclassified to Financial assets measured at fair value through other comprehensive income, through equity, within the specific valuation reserve.

Recognition criteria

These financial assets are initially recognised at the date of settlement in the case of debt and equity securities, whereas loans are recognised at the date they were granted. At initial recognition, the assets are measured at fair value, including transaction income or costs directly attributable to the asset. Costs meeting these characteristics, but to be reimbursed by the debtor or falling under normal internal administrative costs, are excluded.

Repurchase agreements or reverse repurchase agreements are recognised as funding or lending transactions. Specifically, repurchase agreements are recognised as payables for the amount received, while reverse repurchase agreements are recognised as receivables for the amount paid.

Measurement criteria

After initial recognition, receivables are measured at amortised cost, which is equal to the initial amount minus/plus principal repayments, impairment losses/reversals of impairment losses, and amortisation calculated using the effective interest method. The effective interest rate is calculated as the rate at which the present value of expected cash flows for the principal and interest is equal to the amount of the loan granted, including any costs/revenues directly attributable to the financial asset. This finance-based accounting method allows to spread the economic effect of costs/revenues over the expected residual life of the receivable.

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In addition, the Group estimates the cash flows from receivables due from Italy's National Health Service (NHS) using a proprietary model, calculating the interest on arrears considered recoverable based on historical evidence and differentiating according to the type of collection actions taken (settlement or judicial action).

The amortised cost method usually does not apply to short-term loans, as the effect would be immaterial. These are measured instead at their acquisition cost. A similar criterion applies to loans without a definite payment date or revocable loans. Furthermore, newly acquired distressed retail loans are measured at cost until the Bank has started taking action to collect the debt, as specified later on in the part concerning non-performing exposures in the Npl Segment.

At each reporting date, including interim reporting dates, the Group estimates the impairment of these assets in accordance with the impairment rules of IFRS 9.

The aforementioned assets are in fact examined with the aim of estimating the expected losses in value related to credit risk ("ECL" - "Expected Credit Losses"). These losses are recognised in the income statement under item "130. Net credit risk losses/reversals". If it is found that there is no reasonable expectation of recovery, the gross exposure is written off: in such a case, the gross exposure is reduced by the amount considered unrecoverable, offset by the reversal of the provision to cover expected losses and impairment losses in the income statement, for the portion not covered by the provision.

In more detail, the impairment model, as described in detail in paragraph "16 - Other Information" of this Section A.2, provides for the classification of assets into three distinct "Stages" (Stage 1, Stage 2, Stage 3), depending on the evolution of the debtor's creditworthiness, to which correspond different criteria for measuring expected losses:

- Stage 1: unimpaired (performing) financial assets for which no significant deterioration in credit risk has been observed since initial recognition or for which the credit risk is considered low. Impairment is based on an estimate of expected loss with a time horizon of one year;
- Stage 2: unimpaired (performing) financial assets that have experienced a significant deterioration in credit risk since initial recognition (SICR - "Significant Increase in Credit Risk"). Impairment is based on an estimate of the expected loss over the entire remaining life of the financial asset;
- Stage 3: impaired financial assets for which there is objective evidence of impairment and which are assessed on the basis of an estimate of the expected loss over the life of the instrument.

For performing assets, expected losses are determined according to a collective process based on certain risk parameters represented by the probability of default (PD), the loss given default (LGD) and the exposure value (EAD).

For impaired assets, impairment losses are quantified on the basis of an analytical valuation process according to homogeneous risk categories - aimed at determining the present value of expected future recoverable cash flows, discounted on the basis of the original effective interest rate.

Impaired assets include exposures that have been attributed the status of non-performing, unlikely to pay or past-due/overdrawn for more than ninety days according to the definitions established by current supervisory regulations (Bank of Italy Circular No. 272 "Accounts Matrix") and recalled by Bank of Italy Circular No. 262, as they are considered consistent with the accounting rules set forth by IFRS 9 in terms of objective evidence of impairment.

The projected cash flows also take into account expected recovery times and the presumed net realisable value of any guarantees.

The original value of the financial assets is reinstated in subsequent years if the credit quality of the exposure improves compared to that which led to the previous write-down. The write-back is recorded in the income statement under the same heading ("130. Net credit risk losses/reversals") and, in any event, may not exceed the amortised cost that the asset would have had in the absence of previous adjustments.

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For further details, please refer to paragraph "2.3 Measurement of expected losses" in "Section 2 - Prudential consolidation risks" of "Part E - Information on risks and related hedging policies" of these Notes to the Consolidated Financial Statements.

Purchased or Originated Credit Impaired (POCI)

“Purchased or Originated Credit Impaired (POCI) Financial Assets” means the exposures that were impaired at the date they were acquired or originated.

POCI financial assets include also the exposures acquired as part of sales (of either individual assets or portfolios) and business combinations.

As previously mentioned, interest is accounted for by applying a credit-adjusted effective interest rate, i.e. the rate that, upon initial recognition, discounts all the asset's estimated future cash receipts at amortised cost considering also lifetime expected credit losses.

The Bank regularly reviews said expected credit losses, recognising impairment losses or gains through profit or loss. Favourable changes in lifetime ECLs are recognised as an impairment gain, even if said lifetime ECLs are lower than those incorporated into cash flow estimates at initial recognition.

"Purchased or Originated Credit Impaired Financial Assets" are usually allocated to Stage 3 at initial recognition.

A subsequent improvement in the counterparty's creditworthiness, which may be reflected in the present value of cash flows, shall cause the exposure to be classified within Stage 2.

These assets shall never be allocated to Stage 1, as the expected credit loss must always be calculated over a time horizon equal to their remaining useful life, whereas IFRS 9 requires an ECL estimated over a 12-month horizon for Stage 1 assets.

The Npl Segment's receivables almost all qualify as POCI financial assets (POCIs are the Segment's core business) and are recognised and assessed through the following steps:

- at the time of purchase, receivables are recognised by allocating the portfolio's purchase price among the individual receivables it consists of through the following steps:
  - recognition of the individual receivables at a value equal to the contract price, which is used for the purposes of reporting to the Central Credit Register;
  - after verifying the documentation, if provided in the contract, the Bank returns the positions lacking documentation or beyond the statute of limitations to the seller, and measures the fair value of receivables which actually exist and can be collected; finally, after sending a notice of assignment to the debtor, the Bank can start taking action to collect the receivable;
  - once the collection process begins, receivables are measured at amortised cost using the effective interest rate method (the “EIR” or “TIR”);
  - the effective interest rate is calculated on the basis of the price paid, the transaction costs, if any, and the estimated cash flows and collection time calculated using either proprietary models or analytical estimates made by managers;
  - the effective interest rate as set out in the previous point is unchanged over time;
  - at the end of each year, interest income accrued on the basis of the original effective interest rate is recognised under Interest Income. Said interest is calculated as follows: Amortised Cost at the beginning of the year x IRR/365 x days in the year;
  - in addition, at the end of each financial year, the expected cash flows for each position are re-estimated;
- should events occur (higher or lower revenues realised or expected compared to forecasts and/or a change in collection times) which cause a change in the amortised cost (calculated by discounting the new cash flows at the original effective rate compared to the amortised cost in the financial year), this change is also recognised under "Credit risk losses/reversals" on the income statement.

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Derecognition criteria

Financial assets measured at amortised cost are derecognised when all contractual rights over the cash flows have expired or if they are assigned but only when all relevant risks and rewards have been substantially transferred. Should the company retain part of the relevant risks and rewards, the financial assets will continue to be recognised, even though legal ownership has been actually transferred to a third party.

Where it is not possible to ascertain the substantial transfer of the risks and rewards, financial assets are derecognised if the company no longer has control over them. Otherwise, the financial assets are recognised proportionally to the entity's continuing involvement in the asset, measured according to the exposure to changes in the transferred assets' value and cash flows.

Finally, as for the transfer of collection rights, transferred financial assets are derecognised even if contractual rights to receive cash flows are maintained but an obligation to pay such flows to one or more entities is taken on.

Specifically in respect of non-performing exposures, they shall be derecognised when considered unrecoverable and the Group forfeits the legal right to collect. For instance, this occurs when insolvency proceedings are settled, the borrower dies without heirs, a court issues a final ruling that the debt does not exist, etc.

As for total or partial derecognitions without a forfeiture of the right to collect the receivable (i.e. "write-off"), to avoid continuing to recognise receivables that, even though they are still managed by debt collection structures, are highly unlikely to be recovered, the Group identifies the exposures to be derecognised that have all of the following characteristics:

- the receivable has been written off;
- the receivable has been classified as a bad loan for more than 5 years;
- the counterparty has filed for bankruptcy, been put into administrative liquidation (LCA), or is subject to any insolvency proceedings.

Derecognitions are directly recorded under "Net credit risk losses/reversals" to the extent of the unadjusted remaining portion, and are recognised as a reduction of the principal. Partial or complete reversals of previous impairment losses are recognised as a reduction of "Net credit risk losses/reversals".

In some cases, throughout the life of the financial assets concerned, and specifically of receivables, the parties to the agreement subsequently agree to modify the original contractual terms. When, during the life of an instrument, the contractual terms are modified, the Group shall assess whether the original asset must continue to be recognised or, conversely, the original instrument must be derecognised and a new financial instrument recognised in its place.

Generally, modifications of a financial asset result in its derecognition and the recognition of a new asset when they are "substantial". The "substantiality" of the modification shall be assessed considering both qualitative and quantitative factors. In some cases, it will become apparent, without conducting complex analyses, that the changes introduced substantially modify the characteristics and/or contractual cash flows of a specific asset, whereas in other cases, additional analyses (including quantitative analyses) will be required to appreciate their impact and assess whether to derecognise the asset and recognise a new financial instrument.

The (quali-quantitative) analyses aimed at defining the "substantiality" of the contractual modifications made to a financial asset shall therefore consider:

- the purposes for which the modifications were made: for instance, renegotiations for business reasons or forbearance measures due to the counterparty's financial difficulties;
- the existence of specific objective factors affecting the substantial modifications of the characteristics and/or contractual cash flows of the financial instrument (including, but not limited to, the modification of the type of counterparty risk the entity is exposed to) that are believed to require derecognising the asset because of their impact (estimated to be significant) on the original contractual cash flows.

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4 - Hedge accounting

Classification criteria

With reference to hedging, the Banca Ifis Group has chosen to adopt the provisions of IFRS 9 for first-time application and not to avail itself of the option, provided by the same standard, to apply the hedge accounting rules dictated by IAS 39, in the version endorsed by the European Commission (the “carved out” version), with the exception of the specific cases provided for in IFRS 9 (par. 6.1.3) and not governed by the same standard.

Risk hedging transactions are intended to neutralise, from an accounting point of view, potential recognisable losses on a particular financial instrument or group of financial instruments, attributable to a particular risk, by means of recognisable gains on a different financial instrument or group of financial instruments should that particular risk actually arise.

Only instruments involving a counterparty outside the Group can be designated as hedging instruments.

The only type of hedge used by the Group at 31 December 2025 is the fair value hedge (fair value hedge), which is intended to hedge the exposure to changes in the fair value of a balance sheet asset or liability attributable to a particular risk. At the level of fair value hedging, the Group adopts both specific hedges ('micro fair value hedges') and generic hedges ('macro fair value hedges'). Generic hedges were adopted starting from the third quarter of 2025 as a result of the acquisition by the Parent company Banca Ifis of control of illimity Bank on 4 July 2025, which entailed the inclusion within the perimeter of the Banca Ifis Group of the hedge accounting practices implemented by illimity Bank and its subsidiaries (including macro fair value hedges).

A derivative instrument may be considered to be a hedging instrument if there is formalised documentation of the unique relationship to the hedged item and if it is effective at the time the hedge commences and, prospectively, over the life of the hedge.

At the start of the hedging relationship there must be a formal designation and documentation of the hedging relationship, the company's risk management objectives, and the hedging strategy. This documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how to assess the effectiveness of the hedging instrument in offsetting the exposure to changes in the fair value of the hedged item.

Recognition criteria

Derivative hedging instruments are recognised at fair value, on the date the relevant contracts are entered into, and are classified as assets under item "50. Hedging derivatives" or on the liabilities side of the balance sheet under item "40. Hedging derivatives” depending on whether the value is positive or negative.

Measurement criteria

After initial recognition, hedging derivatives continue to be measured at fair value. Specifically, in the case of fair value hedges, the change in the fair value of the hedged item is offset by the change in the fair value of the hedging instrument. This offsetting is recognised through the recognition in the income statement (or in the equity valuation reserve in the case of fair value hedges on equity securities measured at fair value through other comprehensive income) of changes in value, referring both to the hedged item (as regards changes produced by the underlying risk factor) and to the hedging instrument. Any difference, representing the partial ineffectiveness of the hedge, consequently constitutes the net effect on profitability.

In the case of generic fair value hedges ("macro fair value hedges"), changes in fair value with reference to the hedged risk of the hedged assets and liabilities are recognised in the balance sheet under the item "Value adjustment of macro hedged financial assets" or "Value adjustment of macro hedged financial liabilities", respectively.

The effectiveness of the hedge depends on the extent to which changes in the fair value of the hedged instrument are offset by those of the hedging instrument. Therefore, effectiveness is appreciated by comparing the above-mentioned variations, taking into account the intent pursued at the time the hedge was implemented.

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Effectiveness occurs when changes in the fair value of the hedging financial instrument almost entirely neutralise changes in the hedged instrument for the hedged risk element.

Effectiveness is assessed at each balance sheet or interim reporting date using prospective tests, which justify the application of hedge accounting by demonstrating the expected effectiveness based on limits defined internally by the Group.

If the tests do not confirm the effectiveness of the hedge, hedge accounting is discontinued, the hedging derivative contract is reclassified as a trading instrument and the hedged financial instrument regains the valuation criterion corresponding to its balance sheet classification. If the hedged asset or liability is measured at amortised cost, the higher or lower value resulting from the measurement of the hedged asset or liability at fair value due to the hedge becoming ineffective is recognised in the income statement using the effective interest rate method.

In addition, the accounting for outstanding fair value hedges ceases prospectively in the following cases:

- the hedging instrument matures, is terminated or exercised;
- the hedged item is sold, expires or is refunded;
- the decision is made to revoke the designation.

5 - Equity investments

Classification criteria

This item includes interests held in associates or joint ventures, which are accounted for using the equity method.

Associated companies are considered to be non-controlled companies in which significant influence is exercised. Significant influence is presumed to be exercised in all cases where the company holds 20% or more of the voting rights (including “potential” voting rights) and, irrespective of the share held, where there is the power to participate in the management and financial decisions of the investee companies by virtue of particular legal ties, such as shareholders' agreements, the purpose of which is for the participants in the agreement to ensure representativeness in the management bodies and to safeguard the unity of management direction, without however having control.

Joint ventures are entities for which, on a contractual basis, control is shared between the Group and one or more other parties, i.e. when the unanimous consent of all parties sharing control is required for decisions concerning relevant activities.

Recognition criteria

The initial recognition of financial assets classified in this category takes place on the settlement date at cost, including any goodwill paid at the time of acquisition, which is therefore not subject to separate, independent recognition (“implicit goodwill”).

Measurement criteria

Equity investments are measured using the equity method. This method requires that the initial carrying amount is subsequently increased or decreased to recognise the Group's share of the profits and losses of the investees realised after the acquisition date. Dividends received from an investee are deducted from the carrying amount of the investment.

If it is necessary to make value adjustments arising from changes in the investee company's equity that it did not recognise in the income statement (e.g., changes arising from the fair value measurement of "Financial assets measured at fair value through other comprehensive income", the measurement of actuarial gains/losses of defined benefit plans), the Group's share of these changes is recognised directly in equity item "Valuation reserves”.

In applying the equity method, the most recent available financial statements of the associate/jointly controlled entity are used, appropriately adjusted for any significant events or transactions that occurred between the last available financial statements of the investee and the reference date of the Consolidated Financial Statements. If

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the investee company uses accounting principles that differ from those used by the Group, changes are made to the financial statements of the investee.

If there is objective evidence that an equity investment may be impaired, the entity shall estimate its recoverable amount, taking into account the present value of the future cash flows that it could generate, including from its ultimate disposal. If the recoverable amount is less than the carrying amount, the difference is recognised in profit or loss.

If the reasons for the impairment no longer exist as a result of an event that occurred after the recognition of the impairment loss, this is reversed through profit or loss.

Derecognition criteria

Equity investments are derecognised when there is a sale that transfers substantially all the risks and rewards associated with them.

In the presence of a situation that results in the loss of significant influence or joint control, any remaining equity investment is reclassified to the financial asset portfolios required by IFRS 9.

6 - Property, plant and equipment

Classification criteria

This item includes tangible assets held for investment purposes under IAS 40, those held for functional use under IAS 16, and inventories of tangible assets under IAS 2.

All property (either fully owned or leased) held by the company for the purposes of obtaining rent and/or a capital gain fall under investment property, i.e. tangible assets held for investment purposes.

Tangible assets held for functional use include, in particular:

- land;
- buildings;
- furniture and accessories;
- electronic office machines;
- various machines and equipment;
- vehicles;
- leasehold improvements on third-party property.

Those are physical assets held for use in production, in providing goods and services or for administrative purposes, and that are expected to be used for more than one fiscal year.

This item also includes the rights of use acquired through leases and relating to the use of property, plant and equipment.

Under IFRS 16, a lease is a contract, or part of a contract, that, in exchange for a fee, transfers the right to use an asset (the underlying asset) for a period of time.

Finally, the item includes leasehold improvements on third-party property and expenses relating to identifiable and separable asset. Normally, this kind of investment is sustained in order to make a property rented from third parties suitable for use.

Tangible assets constitute inventories under IAS 2 when they are held for sale in the ordinary course of business.

Recognition criteria

Property, plant and equipment are initially recognised at cost, including all directly attributable costs connected to the acquisition or to bring the asset into use.

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Subsequently incurred expenses are added to the carrying amount of the asset, or recognised as separate assets, if they are likely to yield future economic benefits exceeding those initially estimated and if the cost can be measured reliably; otherwise, they are recognised in profit or loss.

For property, plant and equipment represented by rights of use ("RoU") in accordance with IFRS 16, the initial recognition value corresponds to the sum of the lease liability (present value of future lease payments to be paid over the lease term), lease payments made prior to or on the effective date of the lease, initial direct costs, and any costs for dismantling or restoring the asset underlying the lease.

Measurement criteria

Property, plant and equipment held for functional use or investments purposes are measured at cost, net of any depreciation or impairment losses. Inventories of tangible assets under IAS 2 are measured at the lower of cost and net realisable value.

Property, plant and equipment with a finite useful life are systematically depreciated on a straight-line basis over their useful life, with the exception of that described below.

On the other hand, inventories of tangible assets within the meaning of IAS 2 as well as tangible assets with an unlimited useful life or whose residual value is equal to or greater than the carrying amount of the asset are not depreciated.

For accounting purposes, land and buildings are treated separately, even when acquired together. Land is not depreciated, as it has an indefinite useful life. Where the value of land is included in the value of a building, the former is considered separately by applying the component approach. The separate values of the land and the building are calculated by independent experts in this field and only for entirely owned properties.

The useful life, residual amounts and depreciation methods of property, plant and equipment are reviewed at the closure of each year and, if expectations are not in line with previous estimates, the depreciation rate for the current year and subsequent ones is adjusted.

If there is objective evidence that an individual asset may be impaired, the asset's carrying amount is compared to its recoverable amount, which is the higher of an asset's fair value less costs to sell and its value in use, intended as the present value of future cash flows expected to arise from this asset. Any impairment loss is recognised in profit or loss.

When an impairment loss is reversed, the new carrying amount cannot exceed the net carrying amount that would have been measured if no impairment loss had been recognised on the asset in previous years.

The usually estimated useful lives are the following:

- buildings: not exceeding 34 years;
- furniture: not exceeding 7 years;
- electronic systems: not exceeding 5 years;
- other: not exceeding 5 years;
- improvements on third party property/leasehold improvements: not exceeding 5 years.

With reference to the asset consisting of the right of use, recorded pursuant to IFRS 16, it is measured using the cost model in accordance with IAS 16 Property, plant and equipment; in this case, the asset is subsequently depreciated on a straight-line basis over the term of the lease contract and subject to an impairment test if impairment indicators emerge.

Derecognition criteria

Property, plant and equipment are derecognised from the statement of financial position on disposal or when they are withdrawn from use and no future economic benefits are expected from their disposal. Any profit/loss that arises at the time the asset is derecognised (calculated as the difference between the net carrying amount of the asset and the amount received) is recognised in the Income Statement when the item is derecognised.

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The right of use deriving from lease contracts is derecognised from the statement of financial position at the end of the lease.

7 - Intangible assets

Classification criteria

Intangible assets are non-monetary assets, identifiable even though they lack physical substance, that meet the requirements of identifiability, control over a resource and existence of future economic benefits. Intangible assets mainly include goodwill and software.

Recognition criteria

Intangible assets initially are recognised in the statement of financial position at cost, i.e. the purchase price and any direct cost incurred in preparing the asset for use.

In particular, costs incurred internally for the development of software projects constitute intangible assets and are only capitalised if all of the following conditions are met:

- the cost attributable to the development activity can be reliably determined;
- there is the intention, the availability of financial resources and the technical capacity to make the asset ready for use or sale;
- it can be demonstrated that the asset is able to produce future economic benefits. Capitalised software development costs include only those expenses incurred that can be directly attributed to the development process.

Measurement criteria

Subsequent to initial recognition, intangible assets with a finite useful life are recognised at cost less amortisation determined on the basis of their estimated useful life.

If there is objective evidence that a single asset may be impaired, the asset’s carrying amount is compared to its recoverable amount, which is the higher of an asset's fair value less costs to sell and its value in use, intended as the present value of future cash flows expected to arise from this asset. Any impairment loss is recognised in profit or loss.

Intangible assets with an indefinite useful life, including goodwill, are recorded at cost less any impairment losses incurred. These assets are not depreciated, but only periodically checked for impairment with respect to the carrying amount.

At each year-end or interim reporting date, if there is evidence of impairment, an estimate of the asset's recoverable amount is made. The amount of the loss, recognised in the income statement, is equal to the difference between the asset's carrying amount and its recoverable amount.

With regard to goodwill, the adequacy of the carrying amount is periodically verified. In particular, whenever there is evidence of impairment, and in any case at least once a year, an impairment test is conducted. For this purpose, the cash-generating unit (CGU) to which goodwill is to be allocated is identified. This unit represents the minimum level at which goodwill is monitored for internal management purposes and must not be greater than the operating segment determined in accordance with IFRS 8.

The amount of the impairment, if any, is determined on the basis of the difference between the carrying amount of goodwill and its recovery value, if lower. This recoverable amount is equal to the higher of the fair value of the CGU, net of any costs to sell, and its value in use. Value in use is the present value of the future cash flows expected from the generating units to which goodwill has been allocated. The resulting value adjustments are recognised in the income statement under the item 'Goodwill Value Adjustments'. No subsequent write-back is permitted.

Derecognition criteria

An intangible asset is derecognised from the statement of financial position on disposal or when it is withdrawn from use and no future economic benefits are expected from its disposal. Any gain or loss arising from the

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derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss.

8 - Non-current assets and disposal groups

Non-current assets or groups of assets/liabilities for which a process of disposal has begun and their sale is considered highly probable are classified under the item of the assets “Non-current assets and disposal groups” and the item of the liabilities “Liabilities associated with assets held for sale”. With the exception of certain types of assets (e.g. financial assets coming under the scope of application of IFRS 9), for which IFRS 5 specifically establishes that the measurement criteria of the relevant accounting standard must be applied, these assets/liabilities are otherwise measured at the lower of carrying amount and their fair value net of selling costs.

Valuation reserves relating to non-current assets held for sale, recorded as a balancing entry to the changes in value relevant for this purpose, are shown separately in the Statement of Comprehensive Income.

The positive or negative balance of income (dividends, interest, etc.) and expenses (interest expense, etc.) related to discontinued operations, net of the related current and deferred taxation, is recognised in the 'profit (loss) from discontinued operations net of tax' caption of the income statement. Gains and losses attributable to individual assets or groups of assets and liabilities held for sale, which do not constitute discontinued operations, are recognised in the most appropriate item of the income statement, such as 'gains (losses) on disposal of investments'.

9 - Current and deferred taxes

Classification criteria

The items include current and deferred tax assets and current and deferred tax liabilities related to income taxes, respectively.

Current and deferred taxes, calculated in compliance with national tax laws, are recognised in profit or loss with the exception of items directly credited or debited to equity.

Current tax liabilities are shown in the statement of financial position gross of the relevant tax advances paid.

Deferred tax assets and liabilities are recognised in the statement of financial position at pre-closing balances and without set-offs, and are included in the items “Tax assets” and “Tax liabilities”, respectively, except when there is a legally enforceable right to set off current tax assets against current tax liabilities, and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which deferred tax liabilities or assets are expected to be settled or recovered.

Under the existing tax consolidation arrangements between the Group companies, the current corporate income tax (IRES) expense for the year is included in either Other assets or Other liabilities as receivables due from/payables due to the consolidating company, in accordance with tax legislation.

Recognition and measurement criteria

Deferred tax assets and liabilities are calculated based on temporary differences—without time limits—between the value attributed to the asset or liability according to statutory criteria and the corresponding tax base, applying the tax rates expected to be applicable for the year in which the tax asset will be realised, or the tax liability will be settled, according to theoretical tax laws in force at the realisation date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liabilities arise from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the economic result nor taxable profit or loss;

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- when the timing of the reversal of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that they can be recovered, based on the ability of the company concerned or the Parent company, as a result of the "tax consolidation" option, to continue to generate taxable profit, except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the economic result nor taxable profit or loss;
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

10 - Provisions for risks and charges

Classification criteria

Provisions for risks and charges in respect of commitments and guarantees granted

The sub-item of provisions for risks and charges under review includes the provisions for credit risk set aside for loan commitments and the other guarantees granted that fall within the scope of the impairment rules in IFRS 9. As a general rule, in this case the Bank adopts the same methods for allocating items to three credit risk Stages and calculating expected credit losses as the ones described for financial assets measured at amortised cost or at fair value through other comprehensive income.

The aggregate item therefore also includes the provisions for risks and charges set aside for other types of commitments and guarantees granted that, because of their specific characteristics, they do not fall within the scope of the impairment rules in IFRS 9.

Provisions for pensions and similar obligations

Pension funds are established in implementation of company agreements and qualify as defined benefit plans under IAS 19. The liability relating to these plans and the related current service cost are determined on the basis of actuarial assumptions by applying the “Projected Unit Credit Method”, which involves projecting future outflows on the basis of historical statistical analyses and the demographic curve, and discounting these flows on the basis of a market interest rate. The contributions paid in each financial year are treated as separate units, which are recognised and valued individually for the purpose of determining the final obligation. The rate used for discounting is determined on the basis of the market yields recorded on the valuation dates of bonds of leading companies, taking into account the average residual life of the liability. The present value of the obligation at the balance sheet date is also adjusted for the fair value of any plan assets.

Actuarial gains and losses (i.e., changes in the present value of the obligation resulting from changes in actuarial assumptions and adjustments based on past experience) are recognised with an offsetting entry to shareholders' equity under the caption "Valuation reserves" and disclosed in the Statement of Comprehensive Income.

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Other provisions

Other reserves for risks and charges include provisions for legal or employment-related obligations or disputes, including tax disputes, arising from a past event for which it is probable that economic resources will be disbursed to fulfil the obligations, provided a reliable estimate of the amount can be made.

Criteria for measurement and recognition of income components

Provisions for risks and charges consist of liabilities of uncertain amount or maturity and are recognised in the balance sheet if:

- a legal or constructive obligation exists as a result of a past event;
- it is likely that it will be necessary to use resources which could generate economic benefits to settle the obligation;
- the amount of the likely future outlay can be reliably estimated.

The amount recognised as a provision represents the best estimate of the financial outlay required to settle the obligation at the reporting date and reflects the risks and uncertainties inherent in the facts and circumstances examined. Where the time element is significant, provisions are discounted using current market rates. The provision and the effect of discounting are recognised in the income statement under "Net allocations to provisions for risk and charges", as is the increase in the provision due to the passage of time.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. When the use of resources, capable of producing economic benefits to meet the obligation, becomes improbable, the provision is reversed.

In addition, each fund is only used to meet those outgoings for which it was originally established.

If it is not considered probable that financial resources will be required to be disbursed to fulfil the obligation, no provision need be recognised in the financial statements; in such a case, adequate disclosure of the possible risk of loss is required in the Notes to the financial statements, unless the likelihood of using resources is considered remote or the phenomenon is not material.

11 - Financial liabilities measured at amortised cost

Classification criteria

The item includes payables due to banks and customers and debt securities issued and is made up of the various forms of interbank funding, as well as funding from customers and through outstanding bonds, net of any buybacks.

Also included are debts entered into by the lessee under finance leases, as well as repurchase and reverse repurchase agreements for deposits and securities lent with receipt of cash collateral at the lender's full disposal. Finally, operating debts related to the provision of financial services as defined in the Consolidated Banking Act and the Consolidated Finance Act are included.

Recognition criteria

The initial recognition of these liabilities occurs upon receipt of the amounts collected or settlement of the debt securities issued and is made on the basis of the relative fair value, which is normally equal to the amount collected or the issue price, increased by any additional costs/income directly attributable to the individual funding or issuance transaction and not reimbursed by the creditor counterparty.

Repurchase agreements with a repurchase obligation are recorded in the balance sheet as funding transactions for the amount collected in the spot market.

Lease payables are recognised on the basis of the present value of future instalments still to be paid over the contractual term discounted at the interest rate implicit in the transaction or, if not determinable, the marginal financing rate.

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Measurement criteria

After initial recognition at fair value, these instruments are later measured at amortised cost, using the effective interest method.

The amortised cost method does not apply to short-term liabilities, as the effect of discounting would be not significant.

Lease payables are revalued when there is a lease modification (i.e., a change in the perimeter of the contract), which is not accounted for/considered as a separate contract.

Derecognition criteria

Financial liabilities are derecognised when they are annulled, expired, extinguished or settled. The difference between the carrying amount and the acquisition cost is recognised in profit or loss.

Liabilities are derecognised also when previously issued securities are bought back, even if such instruments will be sold again in the future. Gains and losses from such derecognition are recognised in profit or loss when the buyback price is higher or lower than the carrying amount.

Subsequent sales of the company's own bonds on the market are considered as an issuance of new debt.

12 - Financial liabilities held for trading

Classification criteria

This item includes:

- financial liabilities issued with the intention of repurchasing them in the short term;
- liabilities that are part of a portfolio of financial instruments that are jointly managed and for which there is a proven strategy to achieve profits in the short term;
- derivative contracts with a negative fair value and not designated as hedging instruments, including those linked to assets/liabilities designated at fair value through profit or loss.

Recognition criteria

Financial liabilities held for trading are initially recognised at the date of settlement in the case of liabilities for cash, and at inception in the case of derivative contracts.

Initial recognition is made on the basis of the fair value of the liability, normally equal to the amount collected, without considering transaction costs or income directly attributable to the instrument itself, which are charged directly to the income statement.

Measurement criteria

Even after initial recognition, financial liabilities held for trading are measured at fair value at the period closure, and the impact of the application of this method is measured through profit or loss. The fair value is calculated based on the same criteria as those used for financial assets held for trading.

Derecognition criteria

Financial liabilities held for trading are derecognised when the contractual rights to the related cash flows expire or when the financial liabilities are transferred with the transfer of substantially all risks and rewards of ownership.

13 - Financial liabilities designated at fair value

At the reporting date, the Group held no financial liabilities designated at fair value.

14 - Foreign currency transactions

Initial recognition

At initial recognition, foreign currency transactions are recognised in the money of account, applying the exchange rate at the date of the transaction.

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Subsequent recognitions

At each reporting date, foreign currency monetary assets and liabilities are translated using the closing exchange rate.

Non-monetary assets and liabilities recognised at historical cost are translated at the historical exchange rate, while those measured at fair value are translated using the period-end rate. Any exchange differences arising from the settlement of monetary elements or their translation at exchange rates different from those used at initial recognition or in previous financial statements are recognised in profit or loss in the period in which they arise, excluding those relating to financial assets measured at fair value through other comprehensive income, as they are recognised in equity.

15 - Insurance assets and liabilities

At the reporting date, the Group held no insurance assets and liabilities.

16 - Other information

Cash and cash equivalents

This item comprises legal tender, including foreign banknotes and divisional currencies, current accounts and "sight" deposits with central banks, with the exception of compulsory reserves, as well as "sight" claims on banks. The latter definition includes availability that can be withdrawn at any time without notice or with 24 hours or one working day's notice.

The item is recorded at face value. For foreign currencies, the face value is converted into Euro at the closing exchange rate at the end of the financial year.

Other assets

This item includes assets that cannot be allocated to other balance sheet asset items. The item may include but is not limited to:

- gold, silver and precious metals;
- accrued income other than that to be capitalised on the relevant financial assets, including that arising from contracts with customers in accordance with IFRS 15;
- receivables related to the provision of non-financial goods or services;
- tax credits related to the "Cura Italia" and "Relaunch" Decree-Laws;
- tax debit items other than those recorded under item "Tax assets".

Any remaining balances (of "debit balance") of travelling and suspended items not allocated to the relevant accounts may also be included, provided they are of an not significant amount overall.

Other liabilities

This item includes liabilities that cannot be allocated to the other liability items in the balance sheet.

This item includes but is not limited to:

- payment agreements that IFRS 2 requires to be classified as payables;
- debts connected with the payment of non-financial goods and services;
- accrued expenses other than those to be capitalised on the relevant financial liabilities, including those arising from contracts with customers in accordance with IFRS 15;
- miscellaneous tax credit items other than those recognised under 'Tax liabilities' connected, for example, with the activity of a withholding agent.

Severance indemnity and other employee benefits

According to IAS 19, employee benefits include all types of remuneration provided in exchange for the work performed by employees or by virtue of the termination of the employment relationship, which can be broken down into:

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- short-term benefits (other than termination benefits) that are expected to be settled within 12 months after the end of the financial year in which the employees were employed;
- post-employment benefits such as the severance indemnity;
- termination benefits due to employees following the company's decision to terminate employment before the retirement date;
- long-term benefits (other than termination benefits) that are expected to be settled over a period of more than 12 months after the end of the financial year in which the employees were employed.

Pursuant to IAS 19 “Employee benefits” and up to 31 December 2006, the so-called “TFR” (severance indemnity), post-employment benefit for employees of the Group's Italian companies, was classified as a “defined benefit plan”. It therefore had to recognise this benefit by discounting it using the projected unit credit method.

Following the coming into force of the 2007 Budget Law, which brought the reform regarding supplementary pension plans - as per Italian Legislative Decree No. 252 of 5 December 2005 - forward to 1 January 2007, the employee was given a choice as to whether to allocate the post-employment benefits earned as from 1 January 2007 to supplementary pension funds or to maintain them in the company, which would then transfer it to a dedicated fund managed by INPS (the Italian National Social Security Institute).

This reform has led to changes in the accounting of post-employment benefits (severance indemnity) as for both the benefits earned up to 31 December 2006 and those earned from 1 January 2007.

In particular:

- post-employment benefits earned as from 1 January 2007 constitute a "defined-contribution plan", regardless of whether the employee has chosen to allocate them to a supplementary pension fund or to INPS's Treasury Fund. Those benefits shall be calculated according to contributions due without applying actuarial methods;
- post-employment benefits earned up to 31 December 2006 continue to be considered as a “defined-benefit plan”, and as such are calculated on an actuarial basis which, however, unlike the calculation method applied until 31 December 2006, no longer requires that the benefits be proportionally attributed to the period of service rendered. This is because the employee’s service is considered entirely accrued due to the change in the accounting nature of benefits earned as from 1 January 2007.

Actuarial gains/losses shall be included immediately in the calculation of the net obligations to employees through equity, to be reported in other comprehensive income.

Share-based payments

They are payments granted to employees or similar parties as remuneration for the services received that are settled in equity instruments.

The relevant international accounting standard is IFRS 2 – Share-based payments; specifically, since the Group is to settle the obligation for the service received in equity instruments (shares “to the value of”, i.e. a given amount is converted into a variable number of shares based on the fair value at grant date), those payments fall under “equity-settled share-based payments”. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised in employee benefits expense together with a corresponding increase in equity over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The cost or revenue in the income statement represents the movement in cumulative expense recognised at the beginning and end of that year. Any reduction in the number of financial instruments allocated is accounted for as a cancellation of part of them.

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Treasury shares

Pursuant to regulations in force in Italy, buying back treasury shares requires a specific resolution of the shareholders' meeting and the recognition of a specific reserve in equity. Treasury shares in the portfolio are deducted from equity and measured at cost, calculated using the “Fifo” method. Differences between the purchase price and the selling price deriving from trading in these shares during the reference year are recognised under equity reserves.

Recognition of income and costs

Revenues

Revenues are gross streams of economic benefits flowing to the entity as consideration for the obligation to transfer to the customer a wide range of goods and services in the ordinary course of business.

Under IFRS 15, an entity must recognise revenue based on the consideration expected to be received for goods and services provided in the ordinary course of business. In detail, the recognition of revenue must take place on the basis of the following five steps:

- identification of a contract, defined as an agreement of commercial substance between two or more parties capable of generating rights and obligations;
- identification of the individual obligations ("performance obligations") contained in the contract;
- determination of the transaction price, i.e. the expected consideration for the transfer of goods or services to the customer;
- allocation of the transaction price to each performance obligation, based on the stand-alone selling price of the individual obligation;
- recognition of the revenue allocated to the individual obligation when it is settled, i.e. when the customer obtains control of the goods and services. This recognition takes into account the fact that certain services may be rendered at a specific time or over a period of time.

Revenue arising from contractual obligations with customers is recognised in profit or loss when it is probable that the entity will receive the consideration to which it is entitled in exchange for the goods or services transferred to the customer. This consideration must be allocated to the individual obligations under the contract and must be recognised as income in the income statement according to the timing of performance of the obligation. In detail, revenues may be recognised in the income statement:

- at a point in time, when the entity performs the obligation to do by transferring the promised good or service to the customer, or
- over time, as the entity performs the obligation to do by transferring the promised good or service to the customer.

The obligation to perform is considered to have been performed when the customer acquires control of the transferred good or service.

The consideration promised in the contract with the customer may include fixed amounts, variable amounts, or both. In detail, the contract price may vary as a result of reductions, discounts, rebates, incentives, performance bonuses or other similar elements. The variability of the consideration may also depend on the occurrence or non-occurrence of a future event. In the case of variable consideration, revenue is recognised in the income statement if it can be reliably estimated and only if it is highly probable that all or a significant portion of the consideration will not subsequently be reversed from the income statement.

When an entity receives consideration from a customer that it expects to refund to the customer, in whole or in part, against the revenue recognised in the income statement, it is necessary to recognise a liability, to be estimated based on expected future refunds (termed a “refund liability”). The estimate of this liability is updated at each balance sheet or interim reporting date and is based on the portion of the consideration that the entity expects not to be entitled to.

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Costs

Costs related to obtaining and fulfilling contracts with customers are recognised in the income statement in the periods in which the corresponding revenues are recognised; costs that do not have a direct association with revenues are immediately recognised in the income statement.

Dividends

Dividends are recognised through profit or loss in the year in which the resolution concerning their distribution is passed.

Offsetting of financial instruments

Pursuant to IAS 32, paragraph 42, financial assets and financial liabilities are netted and shown for the net balance if the entity:

- has a legal right to effect such set-off, which is currently exercisable in all circumstances, whether in the ordinary course of business or in default, insolvency or bankruptcy of the parties;
- intends to settle transactions on a net settlement basis or on a gross settlement basis whose substantive effects are equivalent to a net settlement.

Business combinations

Business combinations are subject to the rules of IFRS 3.

The transfer of control of a business (or an integrated set of activities and assets operated and managed together) constitutes a business combination.

To this end, control is considered transferred when the investor is exposed or entitled to variable returns from its involvement with the investee and, at the same time, has the ability to affect those returns through its power over the entity.

IFRS 3 demands that an acquirer be identified for all business combinations. This is defined as the entity that acquires control over another entity or group of assets. If it is not possible to identify a controlling entity on the basis of the above definition of control, such as, for example, may be the case in exchanges of equity interests, the acquirer shall be identified using factors such as: the entity whose fair value is significantly greater, the entity that pays a cash consideration or the entity that issues new equity interests.

The acquisition, and therefore, the initial consolidation of the acquiree, must be recognised on the date on which the acquirer effectively acquires control over the company or assets acquired. When the transaction takes the form of a single transfer, the transfer date normally coincides with the acquisition date. However, it is important to check for the possible presence of agreements between the parties that may result in the effective transfer of control before the date of the exchange.

The consideration paid as part of a business combination must be calculated as the sum of the fair value, at the date of the exchange, of the assets acquired, the liabilities incurred or assumed and the equity instruments issued by the acquirer in exchange for control.

In transactions involving payment in cash (or when payment is made using cash-equivalent financial instruments), the price is the agreed consideration, discounted if payment is to be made in instalments over the medium or long-term. If payment is made using an instrument other than cash, such as through the issue of equity instruments, the price is equal to the fair value of the means of payment, net of the costs directly attributable to the capital issue. For the methods used to determine the fair value of financial instruments, please refer to paragraph “A.4 - Fair value disclosure”, with the caveat that, in the presence of shares listed on active markets, the fair value is represented by the stock market price on the date of acquisition or, in the absence thereof, by the last available price.

Adjustments subject to future events are included in the consideration of the business combination at the acquisition date, if provided for in the agreements and only if probable, able to be reliably determined and realised

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within twelve months of the date on which control is acquired. Instead, indemnities for a reduction of the value of the assets used are not considered insofar as they are already taken into account, either in the fair value of the equity instruments or as a reduction of the premium or increase in the discount on the initial issue (for debt instruments).

Acquisition-related costs are the costs the acquirer incurs to effectively implement a business combination. By way of example, these may include professional fees paid to auditors, experts, legal consultants, costs for appraisals and the auditing of accounts, preparation of information documents required by regulations, as well as finder's fees paid to identify potential targets to be acquired if it is contractually established that the payment is made only in the event of a successful completion of the combination, as well as the costs of registering and issuing debt and equity securities.

With the exception of the costs of issuing debt or equity securities (which shall be recognised in accordance with IAS 32), the acquirer shall recognise acquisition-related costs in the periods in which these costs are incurred and the services are received.

Business combinations are accounted for using the "acquisition method", under which the identifiable assets acquired (including any intangible assets not previously recognised by the acquiree) and the identifiable liabilities assumed (including contingent liabilities) are recognised at their respective fair values at the acquisition date.

In addition, as expressly envisaged by IFRS 3, for each business combination, any non-controlling interests in the acquiree can be recognised at fair value (with a consequent increase in the consideration transferred) or proportionally to the non-controlling stake in the identifiable net assets of the acquiree.

If control is acquired in stages, the acquirer shall measure its previously held equity interest in the acquiree at its acquisition date at fair value; it shall recognise any difference compared to the previous carrying amount through profit or loss.

The surplus amount of the consideration transferred (i.e. the fair value of the assets transferred, the liabilities incurred or the equity instruments issued by the acquirer), the amount of any non-controlling interests (determined as described above) and the fair value of interests previously held by the acquirer, exceeding the fair value of the assets and liabilities acquired, shall be recognised as goodwill. Conversely, if the latter should exceed the sum of the consideration, non-controlling interests and fair value of previously held interests, the difference shall be recognised through profit or loss.

Business combinations may be accounted for provisionally by the end of the reference financial year in which they are performed with final balance calculated and booked within 12 months of the acquisition date.

Pursuant to IFRS 10, the acquisition of additional stakes in entities that are already controlled are considered equity transactions, i.e. transactions with shareholders acting in this same capacity. Therefore, differences between the acquisition costs and the carrying amount of non-controlling interests acquired are recorded under Group shareholders' equity; similarly, sales of non-controlling interests without loss of control do not generate gains/losses recognised in profit or loss but rather are recognised as changes in Group equity.

Transactions implemented to obtain control over one or more entities that do not constitute a business or to obtain temporary control are not business combinations. Equally, transactions carried out for reorganisation purposes, between two or more companies or activities that already belong to the Group and not involving a change in the control structure regardless of the percentage of third-party rights before and after the transaction, are also not business combinations; these may be referred to as combinations of entities under common control. Such transactions are considered as having no economic substance. Accordingly, in the absence of an IAS/IFRS specifically applicable to the transaction and in compliance with the assumptions of IAS 8, which requires that – in the absence of a specific standard – an entity shall use its judgement in applying an accounting standard that produces relevant, reliable and prudent information able to reflect the economic substance of the transaction, such transactions are accounted for by retaining the values of the acquiree in the financial statements of the acquirer.

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Mergers are the most complete form of business combination, as they entail the legal and financial merging of the entities participating in the transaction.

Whether they involve the formation of a new legal entity (merger of equals) or the absorption of one entity by another existing entity, mergers are treated in accordance with the criteria set out above. Specifically:

- if the transaction involves the transfer of control of an entity, it is treated as a business combination pursuant to IFRS 3;
- if the transaction does not involve the transfer of control, it is accounted for by retaining the carrying values.

A.3 - Disclosure of transfers of financial assets between portfolios

No financial assets were transferred between portfolios during 2025.

A.4 - Fair value disclosure

Qualitative disclosure

Fair value is the price that would be received to sell an asset or the price paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date, under current market conditions (i.e. the exit price), regardless of the fact that said price is directly observable or that another measurement approach is used.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

IFRS 13 establishes a fair value hierarchy based on the extent to which inputs to valuation techniques used to measure the underlying assets/liabilities are observable. Specifically, the hierarchy consists of three Levels.

- Level 1: the instrument's fair value is measured based on (unadjusted) quoted prices in active markets;
- Level 2: the instrument's fair value is measured based on valuation models using inputs observable in active markets, such as:
  - quoted prices for similar assets or liabilities;
  - quoted prices for identical or similar assets or liabilities in non-active markets;
  - observable inputs such as interest rates or yield curves, implied volatility, default rates and illiquidity factors;
  - inputs that are not observable but supported and confirmed by market data;
- Level 3: the instrument's fair value is measured based on valuation models using mainly inputs that are unobservable in active markets.

Each financial asset or liability of the Group is categorised in one of the above Levels, and the relevant measurements may be recurring or non-recurring (see IFRS 13, paragraph 93, letter a). The fair value measurement is categorised in its entirety in the same Level of the fair value hierarchy as the lowest Level input.

The choice among the valuation techniques is not optional, since these shall be applied in a hierarchical order: indeed, the fair value hierarchy gives the highest priority to (unadjusted) quoted prices available in active markets for identical assets or liabilities (Level 1 data) and the lowest priority to unobservable inputs (Level 3 data).

Measurement techniques used to measure fair value are applied consistently on an on-going basis, as described below.

A.4.1 Fair value Levels 2 and 3: valuation techniques and inputs used

In the absence of quoted prices in an active market, the fair value measurement of a financial instrument is performed using valuation techniques maximising the use of inputs observable on the market.

The use of a valuation technique is intended to estimate the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, under current

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market conditions. In this case, the fair value measurement may be categorised in Level 2 or Level 3, according to what extent inputs to the pricing model are observable.

In the absence of observable prices in an active market for the financial asset or liability to be measured, the fair value of the financial instruments is measured using the so-called comparable approach (Level 2), requiring valuation models based on market inputs.

In this case, the valuation is not based on the quoted prices of the financial instrument being measured (identical asset), but on prices, credit spreads or other factors derived from the official quoted prices of instruments that are substantially similar in terms of risk factors and duration/return, using a given calculation method (pricing model).

In the absence of quoted prices in an active market for a similar instrument, or should the characteristics of the instrument to be measured not allow to apply models using inputs observable in active markets, it is necessary to use valuation models assuming the use of inputs that are not directly observable in the market and, therefore, requiring to make estimates and assumptions (non observable input - Level 3). In these cases, the financial instrument is measured using a given calculation method that is based on specific assumptions regarding:

- the trend in future cash flows, possibly contingent on future events whose probability of occurring can be derived from historical experience or based on behavioural assumptions;
- the Level of specific inputs not quoted on active markets: for the purposes of estimating them, information acquired from prices and spreads observed on the market shall have a higher priority. If these are not available, entities shall use historical data about the specific underlying risk factor or specialist research on the matter (e.g. reports by ratings agencies or primary market players).

In the cases described above, consideration is always given to the value of potentially making valuation adjustments taking into account the risk premiums that operators typically consider in pricing instruments. If not explicitly considered in the valuation model, valuation adjustments may include:

- model adjustment: adjustments that take into account any deficiencies in the valuation models highlighted during calibration;
- liquidity adjustment: adjustments that take into account the bid-ask spread if the model calculates a mid-price;
- credit risk adjustment: adjustments related to the counterparty or own credit risk;
- other risk adjustment: adjustments related to a risk premium "priced" in the market (e.g. relating to the complexity of valuation of an instrument).

With regard to fair value measurement, the Group adopts various methodologies, depending on the specific characteristics of the products being valued.

To measure receivables that must be measured at fair value, the method used is mainly the Discounted Cash Flow (DCF) Model to receivables mandatorily measured at fair value, discounting the expected cash flows from each loan at a market rate determined by taking into account the risk free rate (r_f) for similar maturities, the Cost of Funding (COF), the counterparty's credit risk, and the capital absorption cost. This technique is supplemented with methods for assessing the enterprise value of the borrower (e.g. multiples and comparable transactions) when the characteristics of the financing make its value dependent on the value of the company. This dependence is normally induced either by the equity convertibility of the loans or by their degree of subordination.

For the measurement of unlisted equities, mainly income and financial models are used, in particular the method defined as "Market Multiples of Comparable Companies" to which a control method such as the "Discounted Cash Flow Model" or the "Comparable Transactions Method" is compared. The latter method is applied to transactions that have similar economic and asset characteristics to the one being valued and adjusted for the economic and asset magnitudes of the asset being valued.

With specific reference to the valuation of UCITS units, the approach used takes Net Asset Value (NAV) as the starting point for determining fair value. Thereafter, it must be verified whether, in determining the NAV, the fund's

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assets have been measured at fair value in accordance with the applicable international standards. A discount is applied to the determined NAV using a rate that takes into account the following risk components:

- liquidity component: the liquidity discount must take into account the inability to mobilise the economic commitment in the short term.
- credit component: the credit risk discount must take into account the probability of default of the underlying asset in which the fund invests;
- other risk components: this category includes the discount of any other significant element known to the manager of the instrument at the time of measurement.

Consistent with the requirements of IFRS 13, the valuation of these instruments aims to maximise the use of observable parameters, provided these are up-to-date and deemed reliable.

For this reason, in the presence of detailed information on the funds' underlyings, the expected cash flows on them, and therefore the expected distributions from the funds (business plan), which is up-to-date and adequate in terms of granularity and reliability, the NAV adjustment factor will be determined through a Discounted Cash Flow model in which the risk components listed above are incorporated into the discount rate to be applied to the expected distributions.

For funds for which adequate detailed information on the underlyings and expected distribution flows is not available, the discount factor determined as above is applied directly to decrease the NAV.

Over-the-counter (OTC) derivatives, whose value cannot be directly observed in the market, are valued with specific models and inputs due to the asset class and characteristics of the specific financial product. The valuation of OTC derivatives takes into account, in addition to the market variables to which the instruments are sensitive, the specific risks of the counterparties with which they are traded, in particular:

- For transactions traded within clearing and margining arrangements (CSAs), counterparty risk is deemed not to be material and the valuation of instruments is based solely on the underlying risk factors according to the non-arbitrage principle;
- for transactions traded in the absence of netting and margining arrangements, valuation is performed by adding to the valuation of the instrument as if it were subject to netting and margining the adjustments related to counterparty risk (i.e. CVA - Credit Valuation Adjustment and DVA - Debt Valuation Adjustment).

The balance as at 31 December 2025 of derivatives for which the counterparty risk mitigation (CSA) element is not present amounted to 5,6 million Euro, almost entirely attributable to the illimity Group.

With regard to the valuation of financial assets and liabilities measured at fair value on a non-recurring basis, and in particular for the loan portfolio, the fair value is conventionally assumed to be equal to the carrying amount for all exposures classified as impaired other than those in the Npl Segment and exposures with a residual maturity of less than one year, as it is considered that the fair value can be assimilated to the carrying amount.

For non-performing loans (bad loans, unlikely to pay, past due) other than those of the Npl Segment, the fair value is conventionally assumed to be equal to the net carrying amount and is shown in Level 3. In this regard, it should be noted that, in the recent past, significant transactions of assignments of non-performing loans have been observed on the Italian market, with prices that have discounted the specific characteristics of the portfolios sold and the different yields demanded by the buyers. The fair value determined on the basis of the aforementioned transactions would therefore be characterised by a high dispersion of values, such that the identification of a reference value would not be objective.

For the purposes of measuring performing loans at fair value, given the absence of prices directly observable on active and liquid markets, entities shall use valuation techniques based on a theoretical model meeting the requirements of IAS/IFRS standards (Level 3). The approach used to determine the fair value of performing loans is the aforementioned DCF Model applied to loans with a residual maturity of more than one year, while the nominal amount is considered for other loans with short or no maturity. Future cash flows consist of the sum of principal

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and interest and are discounted using a rate formed by the credit spread (coverage curve) and a market rate that reflects the characteristics of the underlying (e.g. EONIA, Euribor).

As for the receivables portfolio of the Npl Segment, which purchases and manages non-performing receivables mainly due from individuals, the specified DCF Model is used to calculate fair value. In this case, the expected net cash flows are discounted at a market rate. The market rate is calculated without considering a credit spread, since the credit risk of the individual counterparties is already incorporated in the statistical model used to estimate future cash flows with regard to collective management (non-judicial operations). The model projects the relevant cash flows based on historical evidence concerning the recovery of positions in the Group's portfolio. As for individual management (judicial operations), the projections of future cash flows are based on an internal algorithm or defined by the manager according to how the underlying receivable is being processed.

For financial liabilities at amortised cost, the fair value calculated for disclosure purposes is determined by applying the following methodologies:

- for medium- and long-term liabilities, the measurement is performed by discounting future cash flows using an interest rate that incorporates its own credit risk component;
- for on-demand liabilities with short-term or indefinite maturity, the carrying amount is a good approximation of fair value.

A.4.2 Measurement processes and sensitivity

In compliance with IFRS 13, save for what is specified below, for financial assets and liabilities measured at fair value categorised within Level 3, the Group tests their sensitivity to changes in one or more unobservable inputs used in the fair value measurements like, by way of example and in no means exhaustive, discount rates applied to cash flows or expected cash flows themselves.

With regard to debt security exposures measured at Level 3 fair value, amounting to 95,0 million Euro at 31 December 2025, the effects of potential changes in the parameters used are deemed not significant.

For equity securities and units of Level 3 UCITSs, respectively equal, at 31 December 2025, to 550,0 million Euro and 169,0 million Euro, it is generally not possible to perform any quantitative sensitivity analysis of fair value to changes in unobservable inputs, as either the fair value is derived from third-party sources, or it is the result of a model whose inputs are specific to the entity being valued (e.g. company assets) and for which the information necessary for a sensitivity analysis is not available.

A.4.3 Fair value hierarchy

Concerning recurring fair value measurements of financial assets and liabilities, the Banca Ifis Group transfers them between Levels of the hierarchy based on the following guidelines:

- for debt securities and financing:
  - the transfer from Level 3 to Level 2 takes place when the inputs to the valuation technique used are observable at the measurement date;
  - the transfer from Level 3 to Level 1 is allowed when it is confirmed that there is an active market for the instrument at the measurement date;
  - finally, they are transferred from Level 2 to Level 3 when some inputs relevant in measuring fair value are not directly observable at the measurement date;
- for equity instruments, the Level transfer takes place when:
  - observable inputs became available during the period (e.g. prices for identical assets and liabilities defined in comparable transactions between independent and knowledgeable parties). In this case, they are reclassified from Level 3 to Level 2;
  - inputs directly or indirectly observable used in measuring them are no longer available or current (e.g. no recent comparable transactions or no longer applicable multiples). In this case, the entity shall use valuation techniques incorporating unobservable inputs.

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A.4.4 Other information

There is no further information to report than that presented in the preceding paragraphs. Specifically, at the reporting date there was no information to be reported pursuant to IFRS 13, paragraphs 51, 93(i), 96 because:

- there are no assets measured at fair value on a 'highest and best use' basis;
- no use was made of the possibility of measuring fair value at the level of the overall portfolio exposure, in order to take into account the offsetting of credit risk and market risk of a given group of financial assets or liabilities (exception under IFRS 13, par. 48).

Quantitative information

A.4.5 Fair value hierarchy

A.4.5.1 Assets and liabilities measured at fair value on a recurring basis: breakdown by fair value Level

Financial assets/liabilities measured at fair value (in thousand Euro)	31.12.2025			31.12.2024		
	L1	L2	L3	L1	L2	L3
1. Financial assets measured at fair value through profit or loss	8.885	27.401	771.806	5.785	12.069	231.247
a) financial assets held for trading	47	27.401	25	-	12.069	-
b) financial assets designated at fair value	-	-	-	-	-	-
c) other financial assets mandatorily measured at fair value	8.838	-	771.781	5.785	-	231.247
2. Financial assets measured at fair value through other comprehensive income	1.410.907	169.733	78.631	623.522	5.574	72.734
3. Hedging derivatives	-	60.880	-	-	7.404	-
4. Property, plant and equipment	-	-	-	-	-	-
5. Intangible assets	-	-	-	-	-	-
Total	**1.419.792**	**258.014**	**850.437**	**629.307**	**25.047**	**303.981**
1. Financial liabilities held for trading	-	26.566	-	-	13.765	-
2. Financial liabilities designated at fair value	-	-	-	-	-	-
3. Hedging derivatives	-	33.748	-	-	14.868	-
Total	**-**	**60.314**	**-**	**-**	**28.633**	**-**

Key:
L1 = Level 1: fair value of a financial instrument quoted in an active market;
L2 = Level 2 fair value measured using valuation techniques based on observable market inputs other than the financial instrument's price;
L3 = Level 3 fair value calculated using valuation techniques based on inputs not observable in the market.

Financial assets held for trading and financial liabilities held for trading at 31 December 2025 comprise almost exclusively trading derivatives, all of which are classified as Level 2.

Financial assets measured at fair value through other comprehensive income mainly consist of listed securities (Level 1). With regard to securities in Level 3, the amount includes shares in the Bank of Italy with a carrying amount of 50,0 million Euro.

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A.4.5.2 Annual changes in assets measured at fair value on a recurring basis (level 3)

	Financial assets measured at fair value through profit or loss				Financial assets at fair value through other compre-hensive income	Hedging derivati-ves	Property, plant and equip-ment	Intangible assets
	Total	*of which: a) financial assets held for trading*	*of which: b) financial assets designated at fair value*	*of which: c) other financial assets mandatorily measured at fair value*				
1. Opening balance	**231.247**	**-**	**-**	**231.247**	**72.735**	**-**	**-**	**-**
2. Increases	671.930	25	-	671.905	8.969	-	-	-
2.1. Purchases	93.157	-	-	93.157	1.682	-	-	-
2.2. Profit taken to:	50.854	-	-	50.854	1.029	-	-	-
2.2.1. Income Statement	50.854	-	-	50.854	-	-	-	-
- of which capital gains	*32.008*	-	-	*32.008*	-	-	-	-
2.2.2. Equity	-	X	X	X	1.029	-	-	-
2.3. Transferred from other Levels	-	-	-	-	-	-	-	-
2.4. Other increases	527.919	25	-	527.894	6.258	-	-	-
3. Decreases	**131.371**	**-**	**-**	**131.371**	**3.073**	**-**	**-**	**-**
3.1. Sales	32.681	-	-	32.681	1.215	-	-	-
3.2. Reimbursements	62.198	-	-	62.198	-	-	-	-
3.3. Losses taken to:	36.031	-	-	36.031	1.857	-	-	-
3.3.1. Income Statement	36.031	-	-	36.031	63	-	-	-
- of which capital losses	*33.791*	-	-	*33.791*	-	-	-	-
3.3.2. Equity	-	X	X	X	1.794	-	-	-
3.4. Transferred to other Levels	-	-	-	-	-	-	-	-
3.5. Other decreases	461	-	-	461	1	-	-	-
4. Closing balance	**771.806**	**25**	**-**	**771.781**	**78.631**	**-**	**-**	**-**

A.4.5.3 Annual changes in liabilities measured at fair value on a recurring basis (Level 3)

The Banca Ifis Group does not hold liabilities measured at fair value on a recurring basis at Level 3.

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

Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis (in thousands of Euro)	31.12.2025				31.12.2024			
	CA	L1	L2	L3	CA	L1	L2	L3
1. Financial assets measured at amortised cost	16.836.272	3.245.648	22.334	13.608.780	11.513.781	2.240.235	2.089	9.300.909
2. Property, plant and equipment held for investment purpose	210	-	-	210	210	-	-	210
3. Non-current assets and disposal groups	157.555	-	-	157.555	-	-	-	-
Total	**16.994.037**	**3.245.648**	**22.334**	**13.766.545**	**11.513.991**	**2.240.235**	**2.089**	**9.301.119**
1. Financial liabilities measured at amortised cost	18.716.422	2.535.144	-	16.116.854	11.597.750	1.455.245	112.439	9.917.719
2. Liabilities associated with assets held for sale	-	-	-	-	-	-	-	-
Total	**18.716.422**	**2.535.144**	**-**	**16.116.854**	**11.597.750**	**1.455.245**	**112.439**	**9.917.719**

Key:
CA = Carrying amount
L1 = Level 1
L2 = Level 2
L3 = Level 3

For financial instruments recognised in the financial statements at amortised cost and classified as loans and advances to banks or customers and as financial liabilities, a fair value was determined for disclosure purposes in the notes to the financial statements, as required by the reference accounting standard IFRS 7.

The item "financial assets measured at amortised cost" includes debt securities due to banks and customers measured at amortised cost with a carrying amount as at 31 December 2025 totalling 4.480,8 million Euro (of which 1.950,6 million Euro related to the illimity Group). This perimeter includes government bonds at amortised cost with a carrying amount at the end of December 2025 of 2.770,8 million Euro (of which 1.000,2 million Euro relative to the illimity Group), corresponding to a Level 1 fair value of 2.744,9 million Euro. The balance reported at Level 3 includes customer debt securities related to the illimity Group perimeter (mainly senior tranches of securitisation securities), characterised by a total fair value of 924,3 million Euro. Net of this component, the remaining balance of Level 3 financial assets measured at amortised cost consists mainly of credit exposures.

“Non-current assets and disposal groups” refers:

- for 85,0 million Euro to the equity investment in Hype S.p.A., a jointly controlled company within the illimity Group's perimeter. With regard to this equity investment, the 85 million Euro offer received from the Banca Sella Group was accepted on 3 November 2025 and, following the obtaining of regulatory authorisations at the beginning of 2026, on 6 February 2026 it was sold at the agreed price (for further details, refer to the specific paragraphs included in the sections "Significant events during the year" and "Subsequent events" of the Directors’ Report on the Group);
- for 64,6 million Euro to credit portfolios of the illimity Group, one portfolio of which was subsequently sold on 28 January 2026 for an equivalent value of 41 million Euro, in line with the carrying value as at 31 December 2025 (for further details, refer to the above-mentioned section "Subsequent events");
- for 8,0 million Euro to loan portfolios of the Parent company Banca Ifis that are expected to be sold in the short term.

Level 1 amortised cost financial liabilities relate to bonds issued by the Parent company Banca Ifis and by illimity Bank.

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A.5 - Disclosure on day one profit/loss

With reference to the provisions of IFRS 7 par. 28, a financial instrument must initially be recognised at a value equal to its fair value which, unless there is evidence to the contrary, is equal to the price paid/collected in trading. The above standard governs such cases by establishing that an entity may recognise a financial instrument at a fair value other than the consideration given or received only if the fair value is evidenced:

- by comparison with other observable current market transactions in the same instrument;
- through valuation techniques using exclusively, as variables, data from observable markets.

In other words, the assumption under IFRS 9, whereby fair value is equal to the consideration given or received, may be overcome only if there is objective evidence that the consideration given or received is not representative of the actual market value of the financial instrument being traded.

Such evidence must be derived only from objective and non-refutable parameters, thus eliminating any hypothesis of discretion on the part of the evaluator.

The difference between the fair value and the negotiated price, only when the above conditions are met, is representative of the day one profit and is immediately recognised in the income statement.

No such transactions were carried out as part of the Group's operations during 2025.

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Part B - Information on the Consolidated Statement of Financial Position

ASSETS

Section 1 - Cash and cash equivalents - Item 10

1.1 Cash and cash equivalents: breakdown

	31.12.2025	31.12.2024
a) Cash	13	19
b) Current accounts and on demand deposits at Central banks	303.514	220.000
c) Current accounts and on demand deposits at banks	483.763	284.997
Total	**787.290**	**505.016**

The item includes bank current accounts on demand and at 31 December 2025 amount to 787,3 million Euro, of which 229,7 million Euro from the acquisition of the illimity Group. Net of the effect of the illimity Group's contribution, the item amounts to 557,6 million Euro, up from 505,0 million Euro at the end of 2024, and this trend in 2025 is driven by a decrease in overnight deposits of the Parent company Banca Ifis, and an increase in liquidity to banks in relation to the trend in underlying loans.

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

2.1 Financial assets held for trading: breakdown by type

Items/Amounts	31.12.2025			31.12.2024		
	L1	L2	L3	L1	L2	L3
A. Cash assets						
1. Debt securities	-	-	-	-	-	-
1.1 Structured	-	-	-	-	-	-
1.2 Other debt securities	-	-	-	-	-	-
2. Equity securities	47	-	-	-	-	-
3. UCITS units	-	-	25	-	-	-
4. Loans	-	-	-	-	-	-
4.1 Reverse repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	-	-	-	-
Total (A)	**47**	**-**	**25**	**-**	**-**	**-**
B. Derivatives				**-**	**-**	**-**
1. Financial derivatives	-	27.401	-	-	12.069	-
1.1 for trading	-	27.401	-	-	12.069	-
1.2 connected to the fair value option	-	-	-	-	-	-
1.3 other	-	-	-	-	-	-
2. Credit derivatives	-	-	-	-	-	-
2.1 for trading	-	-	-	-	-	-
2.2 connected to the fair value option	-	-	-	-	-	-
2.3 other	-	-	-	-	-	-
Total (B)	**-**	**27.401**	**-**	**-**	**12.069**	**-**
Total (A+B)	**47**	**27.401**	**25**	**-**	**12.069**	**-**

Financial assets held for trading at 31 December 2025 amount to 27,5 million Euro, of which 12,5 million Euro related to the proprietary portfolio of the illimity Group. Net of this component, the item amounts to 15,0 million Euro (an increase on the figure of 12,1 million Euro at 31 December 2024), referring almost entirely to derivative transactions offset by mirror positions recorded among financial liabilities held for trading.

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2.2 Financial assets held for trading: breakdown by debtor/issuer/counterparty

Items/Amounts	31.12.2025	31.12.2024
A. Cash assets		
1. Debt securities	**-**	**-**
a) Central Banks	-	-
b) Public Administrations	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non-financial companies	-	-
2. Equity securities	**47**	**-**
a) Banks	-	-
b) Other financial companies	-	-
of which: insurance companies	-	-
c) Non-financial companies	47	-
d) Other issuers	-	-
3. UCITS units	**25**	**-**
4. Loans	**-**	**-**
a) Central Banks	-	-
b) Public Administrations	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non-financial companies	-	-
f) Households	-	-
Total (A)	**72**	**-**
B. Derivatives	**-**	
a) Central Counterparties	-	-
b) Other	27.401	12.069
Total (B)	**27.401**	**12.069**
Total (A+B)	**27.473**	**12.069**

2.3 Financial assets designated at fair value: breakdown by type

In these Consolidated Financial Statements, this item has no value.

2.4 Financial assets designated at fair value: breakdown by debtor/issuer

In these Consolidated Financial Statements, this item has no value.

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2.5 Other financial assets mandatorily measured at fair value: breakdown by type

Items/Amounts	31.12.2025			31.12.2024		
	L1	L2	L3	L1	L2	L3
1. Debt securities	**-**	**-**	**95.227**	**-**	**-**	**69.042**
1.1. Structured	-	-	-	-	-	-
1.2. Other debt securities	-	-	95.227	-	-	69.042
2. Equity securities	**-**	**-**	**90.228**	**-**	**-**	**68.725**
3. UCITS units	**8.838**	**-**	**549.779**	**5.785**	**-**	**92.273**
4. Loans	**-**	**-**	**36.547**	**-**	**-**	**1.207**
4.1. Reverse repurchase agreements	-	-	-	-	-	-
4.2. Others	-	-	36.547	-	-	1.207
Total	**8.838**	**-**	**771.781**	**5.785**	**-**	**231.247**

Key:
L1 = Level 1
L2 = Level 2
L3 = Level 3

The financial assets mandatorily measured at fair value through profit or loss total 780,6 million Euro at 31 December 2025, and include the portfolio of the illimity Group with a value of 501,4 million Euro. This item consists of loans and debt securities that did not pass the SPPI test, equity securities from minority shares and UCITS units.

Debt securities classified as Level 3 amounted to 95,2 million Euro as at 31 December 2025, of which 37,8 million Euro came from the illimity Group's contribution. Net of this component, they amount to 57,4 million Euro (69,0 million Euro at the end of 2024). These Level 3 debt securities are almost entirely represented by securities related to securitisation transactions.

Equities, totalling 90,2 million Euro as at 31 December 2025, include the contribution of the illimity Group's portfolio in the amount of 10,2 million Euro. Net of this component, they amounted to Euro 80,0 million Euro (up from the figure of Euro 68,7 million Euro as of 31 December 2024), and refer to transactions in minority interests in companies carried out by the equity investment division of the Parent company Banca Ifis.

The item "UCITS units", totalling 558,6 million Euro as at 31 December 2025, consists of:

- 417,7 million Euro related to instruments held by the illimity Group;
- 135,0 million Euro relating to units held by the Parent company Banca Ifis in equity and bond funds, real estate funds and multi-fund funds. The values classified as Level 1 totalling 8,8 million Euro (5,8 million Euro as of 31 December 2024) refer to two investments of the Parent company in listed equity funds, one of which was made during 2023 and the other during 2025;
- 5,9 million Euro related to shares held by the subsidiary Ifis Npl Investing in funds specialised in the management of performing and non-performing loans.

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2.6 Financial assets mandatorily measured at fair value: breakdown by debtor/issuer

	31.12.2025	31.12.2024
1. Equity securities	**90.228**	**68.725**
of which: banks	-	-
of which: other financial companies	*5.662*	*1.166*
of which: non-financial companies	*84.565*	*67.559*
2. Debt securities	**95.227**	**69.042**
a) Central Banks	-	-
b) Public Administrations	-	-
c) Banks	-	-
d) Other financial companies	95.227	69.042
of which: insurance companies	-	-
e) Non-financial companies	-	-
3. UCITS units	**558.617**	**98.058**
4. Loans	**36.547**	**1.207**
a) Central Banks	-	-
b) Public Administrations	-	-
c) Banks	-	-
d) Other financial companies	-	13
of which: insurance companies	-	-
e) Non-financial companies	36.547	1.194
f) Households	-	-
Total	**780.619**	**237.032**

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

3.1 Financial assets measured at fair value through other comprehensive income: breakdown by type

Items/Amounts	31.12.2025			31.12.2024		
	L1	L2	L3	L1	L2	L3
1. Debt securities	**1.254.762**	**169.733**	**-**	**539.362**	**5.574**	**-**
1.1 Structured	90	-	-	4.462	-	-
1.2 Other debt securities	1.254.672	169.733	-	534.900	5.574	-
2. Equity securities	**156.145**	**-**	**78.631**	**84.160**	**-**	**72.734**
3. Loans	**-**	**-**	**-**	**-**	**-**	**-**
Total	**1.410.907**	**169.733**	**78.631**	**623.522**	**5.574**	**72.734**

Key:
L1 = Level 1
L2 = Level 2
L3 = Level 3

Debt securities owned measured at fair value through other comprehensive income amount to 1.424,5 million Euro at 31 December 2025, including the contribution of the illimity Group of 538,7 million Euro. Net of this contribution, the item amounts to 885,8 million Euro, an increase of 340,9 million Euro (+62,6%) compared to the balance at 31 December 2024, mainly due to the net positive effect between new investments and disposals for the year by the Parent company Banca Ifis (+344,0 million Euro), which more than offset the decrease in the fair value measurements of Banca Ifis's proprietary portfolio (-3,1 million Euro, mainly attributable to government securities). The related associated net negative fair value reserve amounts to 10,5 million Euro at 31 December 2025, almost entirely associated with Government securities. The illimity Group's contribution to this reserve is a positive 1,0 million Euro, of which 0,7 million Euro is a positive reserve on government bonds. Without the contribution of the illimity Group, the negative net reserve on debt securities at 31 December 2025 amounts to 11,4 million Euro.

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Level 1 'other debt securities', totalling 1,3 billion Euro, included 1,2 billion Euro in Italian and foreign government bonds, of which 373,0 million Euro related to the illimity Group's contribution. Net of this component, government bonds amounted to 825,8 million Euro (455,3 million Euro at the end of 2024).

Equity securities are attributable to minority interests, which amount to 234,8 million Euro at 31 December 2025, of which 5,5 million Euro are associated with securities of the illimity Group. Without this effect, this item totals 229,3 million Euro, up 46,2% compared to 31 December 2024. This residual change derives from the net positive effect between investments and divestments made during the year by Banca Ifis (+66,5 million Euro) as well as the increase in FV values recorded during 2025 on Banca Ifis's proprietary portfolio (+6,0 million Euro). The net fair value reserve associated with FVOCI equity securities as at 31 December 2025 showed a positive value of 2,5 million Euro, which includes the negative contribution of 0,8 million Euro relating to the illimity Group. Net of this component, the positive net reserve on FVOCI equity securities amounted to 3,3 million Euro. This figure is a significant improvement compared to the negative value at the end of 2024, which amounted to 7,7 million Euro, both due to the effect of the disposals of securities during the year and the positive fair value changes recorded during 2025 on Banca Ifis's proprietary portfolio.

Level 3 securities mainly include shares in the share capital of the Bank of Italy (50,0 million Euro) and minority interests. With specific reference to the shares held in the share capital of the Bank of Italy (2.000 shares) corresponding to 0,7% of the entire share capital, the carrying amount of 50 million Euro is obtained by valuing each share at a unit value of 25.000 Euro. In this regard, it should be noted that these units derive from the capital increase transaction carried out by the Bank of Italy in 2013 as a result of Decree-Law No. 133 of 30 November 2013, converted by Law No. 5 of 29 January 2014, which resulted in the issuance of new quotas, for a value of 25.000 Euro per unit.

3.2 Financial assets measured at fair value through other comprehensive income: breakdown by debtor/issuer

Items/Amounts	31.12.2025	31.12.2024
1. Debt securities	**1.424.495**	**544.936**
a) Central Banks	-	-
b) Public Administrations	1.198.777	455.312
c) Banks	28.521	34.310
d) Other financial companies	175.701	20.103
of which: insurance companies	-	-
e) Non-financial companies	21.496	35.211
2. Equity securities	**234.776**	**156.894**
a) Banks	115.533	61.959
b) Other issuers:	119.243	94.935
- other financial companies	1.265	5.712
of which: insurance companies	-	*1.750*
- non-financial companies	117.978	89.223
- other	-	-
3. Loans	**-**	**-**
a) Central Banks	-	-
b) Public Administrations	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non-financial companies	-	-
f) Households	-	-
Total	**1.659.271**	**701.830**

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3.3 Financial assets measured at fair value through other comprehensive income: gross amount and overall impairment losses/reversals

	Gross amount					Overall impairment losses/reversals				Overall partial write-offs[1]
	Stage 1	*of which: Low credit risk instruments*	Stage 2	Stage 3	Purchased or originated impaired	Stage 1	Stage 2	Stage 3	Purchased or originated impaired	
Debt securities	1.423.175	*1.258.011*	2.386	2.757	421	(1.126)	(601)	(2.517)	-	-
Loans	-	-	-	-	-	-	-	-	-	-
Total 31.12.2025	**1.423.175**	***1.258.011***	**2.386**	**2.757**	**421**	**(1.126)**	**(601)**	**(2.517)**	**-**	**-**
Total 31.12.2024	**541.982**	***541.982***	**3.635**	**-**	**-**	**(363)**	**(318)**	**-**	**-**	**-**

(1) Amount to be reported for disclosure purposes.

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Section 4 - Financial assets measured at amortised cost - Item 40

4.1 Financial assets measured at amortised cost: breakdown of receivables due from banks by type

Type of transaction/Amounts	31.12.2025						31.12.2024					
	Carrying amount			Fair value			Carrying amount			Fair value		
	Stages 1 and 2	Stage 3	Purchased or originated impaired	L1	L2	L3	Stages 1 and 2	Stage 3	Purchased or originated impaired	L1	L2	L3
A. Receivables due from Central banks	**50.804**	**-**	**-**	**-**	**-**	**50.804**	**73.189**	**-**	**-**	**-**	**-**	**73.189**
1. Term deposits	-	-	-	X	X	X	-	-	-	X	X	X
2. Compulsory reserve	50.742	-	-	X	X	X	73.189	-	-	X	X	X
3. Reverse repurchase agreements	-	-	-	X	X	X	-	-	-	X	X	X
4. Others	62	-	-	X	X	X	-	-	-	X	X	X
B. Receivables due from banks	**649.472**	**-**	**-**	**356.870**	**-**	**295.473**	**630.574**	**-**	**-**	**546.011**	**2.089**	**94.635**
1. Loans	267.125	-	-	-	-	267.125	74.514	-	-	-	-	74.513
1.1. Current accounts	-	-	-	X	X	X	-	-	-	X	X	X
1.2 Term deposits	132.860	-	-	X	X	X	2.381	-	-	X	X	X
1.3 Other loans:	134.265	-	-	X	X	X	72.133	-	-	X	X	X
- Reverse repurchase agreements	-	-	-	*X*	*X*	*X*	*25.181*	-	-	*X*	*X*	*X*
- Financing for leasing	*240*	-	-	*X*	*X*	*X*	*278*	-	-	*X*	*X*	*X*
- Other	*134.025*	-	-	*X*	*X*	*X*	*46.674*	-	-	*X*	*X*	*X*
2. Debt securities	382.347	-	-	356.870	-	28.348	556.060	-	-	546.011	2.089	20.122
2.1 Structured	-	-	-	-	-	-	2.045	-	-	-	2.089	-
2.2 Other debt securities	382.347	-	-	356.870	-	28.348	554.015	-	-	546.011	-	20.122
Total	**700.276**	**-**	**-**	**356.870**	**-**	**346.277**	**703.763**	**-**	**-**	**546.011**	**2.089**	**167.824**

Key:
L1 = Level 1
L2 = Level 2
L3 = Level 3

The sub-item '2. Compulsory reserve" of the item "A. Receivables due from Central Banks" includes the compulsory reserve disbursed directly by the Parent company Banca Ifis. On the other hand, with regard to Banca Credifarma and illimity Bank, the related obligations to maintain the reserve requirement are fulfilled indirectly, and the associated balance is recorded under the sub-item "1.2 Term deposits" of the item "B. Receivables due from banks".

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4.2 Financial assets measured at amortised cost: breakdown of receivables due from customers by type

Type of transaction/Amounts	31.12.2025						31.12.2024					
	Carrying amount			Fair value			Carrying amount			Fair value		
	Stages 1 and 2	Stage 3	Purchased or originated impaired	L1	L2	L3	Stages 1 and 2	Stage 3	Purchased or originated impaired	L1	L2	L3
1. Loans	**9.587.362**	**315.624**	**2.134.577**	**-**	**-**	**12.101.375**	**7.119.274**	**209.252**	**1.532.921**	**-**	**-**	**8.921.742**
1.1. Current accounts	62.738	8.746	198.725	X	X	X	61.052	8.546	193.604	X	X	X
1.2. Reverse repurchase agreements	23.586	-	32	X	X	X	153.628	-	18	X	X	X
1.3. Loans/mortgages	2.500.130	95.749	361.069	X	X	X	2.224.207	77.939	115.892	X	X	X
1.4. Credit cards, personal loans and salary-backed loans	357.594	7.491	565.585	X	X	X	151.878	7.171	545.879	X	X	X
1.5. Financing for leasing	1.424.945	14.954	71.935	X	X	X	1.384.065	12.832	14.422	X	X	X
1.6. Factoring	2.788.620	52.739	12.010	X	X	X	2.375.738	65.276	2.212	X	X	X
1.7. Other loans	2.429.749	135.945	925.221	X	X	X	768.706	37.488	660.894	X	X	X
2. Debt securities	**3.551.631**	**15.305**	**531.497**	**2.888.777**	**22.334**	**1.161.129**	**1.946.365**	**2.206**	**-**	**1.694.225**	**-**	**211.343**
2.1. Structured	14.063	-	2.460	11.102	-	5.637	13.246	-	-	8.857	-	4.491
2.2. Other debt securities	3.537.568	15.305	529.037	2.877.675	22.334	1.155.492	1.933.119	2.206	-	1.685.368	-	206.852
Total	**13.138.993**	**330.929**	**2.666.074**	**2.888.777**	**22.334**	**13.262.504**	**9.065.639**	**211.458**	**1.532.921**	**1.694.225**	**-**	**9.133.085**

Key:
L1 = Level 1
L2 = Level 2
L3 = Level 3

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The item "Impaired acquired or originated", equal to a carrying amount of 2.666,1 million Euro at 31 December 2025, includes:

- 1.548,8 million Euro in impaired purchased loans of the Npl Segment (which constitute the core business of this Segment; for further details, please refer to the section "Contribution of operating segments to Group results" and “Part L - Segment reporting” of these Notes to the Consolidated Financial Statements), of which 1.541,0 million Euro as impaired loans at 31 December 2025 and 7,8 million Euro performing;
- 1.093,2 million Euro of financial assets measured at amortised cost purchased impaired by the illimity Group (currently allocated at management level to the newly-formed illimity Segment), of which 1.045,1 million Euro with impaired credit quality as at 31 December 2025 and 48,1 million Euro performing;
- for the remainder of 24,1 million Euro mainly impaired assets from the business combinations carried out in previous years.

Other debt securities include 2.770,8 million Euro of Italian and foreign government bonds as at 31 December 2025, of which 1.000,2 million Euro related to the illimity Group. Net of this component, the item amounts to 1.770,6 million Euro and refers to securities purchased by Banca Ifis with the aim of optimising the Group's liquidity (1.579,0 million Euro as at 31 December 2024). Level 3 securities mainly include investments in securitisation securities and minibonds and include the illimity Group contribution for a carrying amount of 924,3 million Euro.

4.3 Financial assets measured at amortised cost: breakdown of receivables due from customers by debtor/issuer

Type of transaction/Amounts	31.12.2025			31.12.2024		
	Stages 1 and 2	Stage 3	Purchased or originated impaired	Stages 1 and 2	Stage 3	Purchased or originated impaired
1. Debt securities	**3.551.631**	**15.305**	**531.497**	**1.946.365**	**2.206**	**-**
a) Public Administrations	2.788.416	-	-	1.603.377	-	-
b) Other financial companies	691.566	15.305	529.037	265.863	2.206	-
of which: insurance companies	*10.598*	-	-	-	-	-
c) Non-financial companies	71.649	-	2.460	77.125	-	-
2. Loans to:	**9.587.362**	**315.624**	**2.134.577**	**7.119.274**	**209.252**	**1.532.921**
a) Public Administrations	269.789	21.831	2.824	251.370	30.958	64
b) Other financial companies	585.239	697	8.846	520.576	427	2.028
of which: insurance companies	*1.339*	*72*	-	*2.052*	-	-
c) Non-financial companies	7.701.096	266.045	688.111	5.602.416	146.308	168.236
d) Households	1.031.238	27.051	1.434.796	744.912	31.559	1.362.593
Total	**13.138.993**	**330.929**	**2.666.074**	**9.065.639**	**211.458**	**1.532.921**

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4.4 Financial assets measured at amortised cost: gross amount and overall impairment losses/reversals

	Gross amount					Overall impairment losses/reversals				Overall partial write-offs[1]
	Stage 1	*of which: low credit risk instruments*	Stage 2	Stage 3	Purchased or originated impaired	Stage 1	Stage 2	Stage 3	Purchased or originated impaired	
Debt securities	3.916.546	*3.506.826*	22.048	17.149	531.497	(3.946)	(670)	(1.844)	-	-
Loans	9.348.969	*1.104.245*	833.207	551.019	2.134.577	(258.744)	(18.141)	(235.395)	-	(11.183)
Total 31.12.2025	**13.265.515**	***4.611.071***	**855.255**	**568.168**	**2.666.074**	**(262.690)**	**(18.811)**	**(237.239)**	**-**	**(11.183)**
Total 31.12.2024	**9.236.025**	***3.150.832***	**606.576**	**419.407**	**1.532.921**	**(46.552)**	**(26.647)**	**(207.949)**	**-**	**(12.219)**

(1) Amount to be reported for disclosure purposes

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Section 5 - Hedging derivatives - Item 50

5.1 Hedging derivatives: breakdown by hedge type and levels

	Fair value 31.12.2025			NA 31.12.2025	Fair value 31.12.2024			NA 31.12.2024
	L1	L2	L3		L1	L2	L3	
A. Financial derivatives								
1) Fair value	-	60.880	-	1.332.739	-	7.404	-	188.163
2) Cash flows	-	-	-	-	-	-	-	-
3) Foreign investments	-	-	-	-	-	-	-	-
B. Credit derivatives								
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	**-**	**60.880**	**-**	**1.332.739**	**-**	**7.404**	**-**	**188.163**

Key:
NA = notional amount
L1 = Level 1
L2 = Level 2
L3 = Level 3

Hedging derivative assets, which have a positive fair value of 60,9 million Euro at 31 December 2025, of which 37,5 million Euro related to hedging strategies referred to the illimity Group. Overall, these hedging strategies concern:

- micro fair value hedging on the price risk associated with equity securities measured at fair value with an impact on comprehensive income;
- micro fair value hedging on interest rate risk related to debt securities;
- micro fair value hedging on the interest rate risk associated with outstanding securities issued by illimity Bank.

5.2 Hedging derivatives: breakdown by hedged portfolio and type of hedge

Transactions/Hedge type	Fair value							Cash flows		Foreign investments
	Specific						Generic	Specific	Generic	
	debt securities and interest rates	equity securities and stock indexes	currencies and gold	credit	commodities	other				
1. Financial assets measured at fair value through other comprehensive income	26.975	9.728	-	-	X	X	X	-	X	X
2. Financial assets measured at amortised cost	16.376	X	-	-	X	X	X	-	X	X
3. Portfolio	X	X	X	X	X	X	-	X	-	X
4. Other transactions	-	-	-	-	-	-	X	-	X	-
Total assets	**43.351**	**9.728**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Financial liabilities	7.801	X	-	-	-	-	X	-	X	X
2. Portfolio	X	X	X	X	X	X	-	X	-	X
Total liabilities	**7.801**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
1. Expected transactions	X	X	X	X	X	X	X	-	X	X
2. Portfolio of financial assets and liabilities	X	X	X	X	X	X	-	X	-	-

Section 6 - Value adjustment of financial assets generically hedged - Item 60

In these Consolidated Financial Statements, this item has no value.

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Section 7 - Equity investments - Item 70

7.1 Equity investments: information on investments

Company name	Registered office	Head office	Type of relationship	Investment		Availability votes %
				Investing company	Share %	
A. Joint Ventures						
B. Companies under significant influence [(1)]						
1. Justlex Italia S.T.A.P.A.	Rome	Rome	8	Ifis Npl Investing S.p.A.	20%	20%
2. Redacta S.T.A. a r.l.	Ravenna	Ravenna	8	Ifis Npl Servicing S.p.A.	33%	33%
3. Edulia S.r.l.	Rome	Rome	8	Banca Ifis S.p.A.	20%	20%
4. AltermAInd S.r.l.	Milan	Milan	8	illimity Bank S.p.A.	48%	48%
5. LAISA - Società tra Avvocati per Azioni	Milan	Milan	8	ARECneprix S.p.A.	9,99%	9,99%

(1) This item includes some companies excluded from the scope of consolidation, as they are small in amount.
Type of relationship:
1 = majority of voting rights in the Annual Shareholders' Meeting
2 = dominant influence in the Annual Shareholders' Meeting
3 = agreements with other shareholders
4 = other forms of control
5 = joint management pursuant to Article 26, paragraph 1, Italian Legislative Decree No. 87/92
6 = joint management pursuant to Article 26, paragraph 2, Italian Legislative Decree No. 87/92
7 = joint control
8 = company under significant influence
9 = other type of relationship

Compared to the situation as at 31 December 2024, the companies Edulia S.r.l., 20% of which was acquired by Banca Ifis during the fourth quarter of 2025, as well as the companies AltermAInd S.r.l. and LAISA - Società tra Avvocati per Azioni as a result of the acquisition of control of illimity Bank by Banca Ifis as of 4 July 2025, were added.

For more details on the logic of including or not including in the consolidation area the equity investments held by the Group, refer to "Section 3 - Scope and methods of consolidation" of "A.1 - General part" of "Part A - Accounting policies" of these Notes to the Consolidated Financial Statements.

7.2 Significant shareholdings: carrying amount, fair value and dividends received

Company Name	Carrying amount	Fair value	Dividends received
A. Joint Ventures			
B. Companies under significant influence			
1. Edulia S.r.l.	1.500	1.500	-
2. AltermAInd S.r.l.	31.927	31.927	-
3. LAISA - Società tra Avvocati per Azioni	129	129	-
Total	**33.056**	**33.056**	**-**

The substantial coincidence as at 31 December 2025 between the carrying amount and fair value of significant equity investments derives from the fact that they are all recently acquired. Specifically, Edulia was acquired in Q4 2025 while AltermAInd and LAISA - Società tra Avvocati per Azioni belong to the perimeter acquired by the illimity Group.

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7.3 Significant shareholdings: accounting information

Company Name	Cash and cash equivalents	Financial assets	Non-financial assets	Financial liabilities	Non-financial liabilities	Total revenues	Net interest income	Value adjustments and reversals on tangible and intangible assets	Pre-tax profit (loss) from continuing operations	Profit (loss) from continuing operations, net of taxes	Profit (loss) from discontinued operations, net of taxes	Profit (loss) for the period (1)	Other comprehensive income, net of taxes (2)	Comprehensive income (3)=(1)+(2)
A. Joint Ventures														
B. Companies under significant influence														
1. Edulia S.r.l.	X	473	1.338	(137)	(487)	839	X	X	(1.657)	(1.591)	-	(1.591)	-	(1.591)
2. AltermAInd S.r.l.	X	11	77.580	910	21.759	45.060	X	X	635	370	-	370	-	370
3. LAISA - Società tra Avvocati per Azioni	X	-	3.872	3.076	792	3.674	X	X	(185)	(185)	-	(185)	-	(185)

7.4 Non-significant shareholdings: accounting information

Company name	Carrying amount of equity investments	Total assets	Total liabilities	Total revenues	Profit (loss) from continuing operations, net of taxes	Profit (loss) from operations, net of taxes	Profit (Loss) for the period (1)	Other comprehensive income, net of taxes (2)	Comprehensive Income (3)=(1) + (2)
Joint ventures	-	-	-	-	-	-	-	-	-
Companies under significant influence [1]	24	9.353	8.910	15.047	(78)	(78)	(78)	-	(78)

(1) This item includes some companies excluded from the scope of consolidation, as they are small in amount.

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7.5 Equity investments: annual changes

	31.12.2025	31.12.2024
A. Opening balance	**24**	**24**
B. Increases	**118.556**	**-**
B.1 Purchases	118.358	-
- of which for business combinations	*116.861*	-
B.2 Reversals of impairment losses	-	-
B.3 Revaluations	198	-
B.4 Other changes	-	-
C. Decreases	**85.000**	**-**
C.1 Sales	-	-
C.2 Impairment losses/reversals	-	-
C.3 Devaluations	-	-
C.4 Other changes	85.000	-
D. Closing balance	**33.580**	**24**
E. Total revaluations	**-**	**-**
F. Total adjustments	**-**	**-**

Item "B.1 Purchases" includes equity investments with significant influence or joint control acquired as a result of the business combination carried out on illimity Bank. Subsequent to this acquisition, the jointly controlled equity investment in Hype S.p.A. was classified under "Non-current assets and groups of assets held for sale" (for further details, see the section "Significant events during the year" in the Directors' Report on the Group), and on 6 February 2026, it was subject to disposal (see the section "Events subsequent to the consolidated balance sheet date" in the Directors' Report on the Group). This reclassification is explained in item "C.4 Other Changes" of the table.

7.6 Significant assessments and assumptions to establish the existence of joint control or significant influence

With regard to significant evaluations and assumptions to establish the existence of joint control or significant influence, refer to "Section 3 - Scope and Methods of Consolidation" in paragraph "A.1 - General Part" of "Part A - Accounting Policies" of these Notes to the Consolidated Financial Statements.

7.7 Commitments in respect of interests in companies held jointly

The Banca Ifis Group has no shareholdings in Joint ventures classified under “Item 70 - Equity investments”, so there are no commitments as set out in this disclosure.

7.8 Commitments in respect of interests in companies subject to significant influence

There are no commitments in respect of the equity investments under this item.

7.9 Significant restrictions

There are no significant restrictions with regard to the participations recorded in these Consolidated Financial Statements.

7.10 Other information

There is no further information to report than that already presented in the preceding paragraphs.

Section 8 - Insurance assets - Item 80

The Banca Ifis Group does not engage in insurance business.

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Section 9 - Property, plant and equipment - Item 90

9.1 Property, plant and equipment for functional use: breakdown of assets measured at cost

Assets/Amounts	31.12.2025	31.12.2024
1. Owned	**181.442**	**142.769**
a) Land	27.591	20.297
b) Buildings	89.890	74.246
c) Furniture	3.913	3.496
d) Electronic equipment	6.018	5.326
e) Other	54.030	39.404
2. Rights of use acquired through leases	**50.947**	**23.686**
a) Land	-	-
b) Buildings	37.106	19.412
c) Furniture	-	-
d) Electronic equipment	-	-
e) Other	13.841	4.274
Total	**232.389**	**166.455**
of which: obtained by enforcing collateral	-	-

Property, plant and equipment used in operations amounted to 232,4 million Euro, of which 30,6 million Euro related to the illimity Group and 0,2 million Euro to Euclidea SIM[97]. Net of these components, property, plant and equipment for functional use amounted to 201,6 million Euro, an increase of 21,1% compared to the figure of 166,5 million Euro as at 31 December 2024, mainly as a result of investments in real estate during the year by the Parent company Banca Ifis.

At the end of December 2025, the properties recognised under property, plant and equipment included the important historical building "Villa Fürstenberg" ("Villa Marocco"), located in Mestre – Venice and housing Banca Ifis's registered office.

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

Assets/Amounts	31.12.2025				31.12.2024			
	Carrying amount	Fair value			Carrying amount	Fair value		
		L1	L2	L3		L1	L2	L3
1. Owned	**210**	**-**	**-**	**210**	**210**	**-**	**-**	**210**
a) Land	-	-	-	-	-	-	-	-
b) Buildings	210	-	-	210	210	-	-	210
2. Rights of use acquired through leases	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
a) Land	-	-	-	-	-	-	-	-
b) Buildings	-	-	-	-	-	-	-	-
Total	**210**	**-**	**-**	**210**	**210**	**-**	**-**	**210**
of which: obtained by enforcing collateral	-	-	-	-	-	-	-	-

Key:
L1 = Level 1
L2 = Level 2
L3 = Level 3

[97] *Euclidea SIM S.p.A. was renamed Fürstenberg SIM S.p.A. with effect from 26 January 2026.*

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9.3 Property, plant and equipment for functional use: breakdown of assets written back

In these Consolidated Financial Statements, there are no property, plant and equipment for functional use that are subject to revaluation.

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

In these Consolidated Financial Statements, there are no property, plant and equipment held for investment purposes measured at fair value.

9.5 Inventories of tangible assets covered by IAS 2: composition

Assets/Amounts	Total 31.12.2025	Total 31.12.2024
1. Inventories of tangible assets obtained through the enforcement of guarantees received	**23.611**	**-**
a) Land	-	-
b) Buildings	23.611	-
c) Furniture	-	-
d) Electronic equipment	-	-
e) Other	-	-
2. Other inventories of tangible assets	**-**	**-**
Total	**23.611**	**-**
of which: measured at fair value less costs to sell	-	-

The inventories of tangible assets within the meaning of IAS 2 as at 31 December 2025 are all related to the scope of the illimity Group, which will be acquired during 2025.

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9.6 Property, plant and equipment for functional use: annual changes

	Land	Buildings	Furnishings	Electronic equipment	Other	Total 31.12.2025
A. Gross opening balance	**20.297**	**167.954**	**7.880**	**18.944**	**62.148**	**277.223**
A.1 Total net amortisation and impairment losses	-	(74.296)	(4.384)	(13.618)	(18.470)	(110.768)
A.2 Net opening balance	**20.297**	**93.658**	**3.496**	**5.326**	**43.678**	**166.455**
B. Increases	**7.294**	**43.412**	**1.241**	**3.085**	**32.433**	**87.465**
B.1 Purchases	7.294	41.497	1.241	3.085	27.207	80.324
- of which from business combinations	-	*18.590*	*190*	*100*	*13.431*	*32.311*
B.2 Capitalised improvement expenses	-	-	-	-	1.675	1.675
B.3 Reversals of impairment losses	-	-	-	-	-	-
B.4 Fair value gains taken to:	-	-	-	-	-	-
a) equity	-	-	-	-	-	-
b) profit or loss	-	-	-	-	-	-
B.5 Exchange gains	-	-	-	-	-	-
B.6 Transfers from investment property	-	-	X	X	X	-
B.7 Other changes	-	1.915	-	-	3.551	5.466
C. Decreases	**-**	**10.074**	**824**	**2.393**	**8.240**	**21.531**
C.1 Sales	-	37	3	-	1	41
C.2 Depreciation	-	6.243	821	2.383	7.409	16.856
C.3 Impairment losses taken to:	-	-	-	-	-	-
a) equity	-	-	-	-	-	-
b) profit or loss	-	-	-	-	-	-
C.4 Fair value losses taken to:	-	-	-	-	-	-
a) equity	-	-	-	-	-	-
b) profit or loss	-	-	-	-	-	-
C.5 Exchange losses	-	-	-	-	-	-
C.6 Transfers to:	-	-	-	-	-	-
a) Investment property	-	-	X	X	X	-
b) Non-current assets and disposal groups	-	-	-	-	-	-
C.7 Other changes	-	3.794	-	10	830	4.634
D. Net closing balance	**27.591**	**126.996**	**3.913**	**6.018**	**67.871**	**232.389**
D.1 Total net amortisation and impairment losses	-	(80.539)	(5.205)	(16.001)	(25.879)	(127.624)
D.2 Gross closing balance	**27.591**	**207.535**	**9.118**	**22.019**	**93.750**	**360.013**
E. Measurement at cost	**-**	**-**	**-**	**-**	**-**	**-**

Property, plant and equipment for functional use are measured at cost and are depreciated on a straight-line basis over their useful life, with the exclusion of land with an indefinite useful life, the Group's artistic assets and the "Villa Fürstenberg" ("Villa Marocco") property, whose residual value at the end of its useful life is expected to be higher than its carrying amount.

Property, plant and equipment not yet brought into use at the reporting date are not depreciated.

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9.7 Property, plant and equipment held for investment purpose: annual changes

	31.12.2025	
	Land	Buildings
A. Opening balance	**-**	**210**
B. Increases	**-**	**-**
B.1 Purchases	-	-
B.2 Capitalised improvement expenses	-	-
B.3 Fair value gains	-	-
B.4 Reversals of impairment losses	-	-
B.5 Exchange gains	-	-
B.6 Transfers from property for functional use	-	-
B.7 Other changes	-	-
C. Decreases	**-**	**-**
C.1 Sales	-	-
C.2 Depreciation	-	-
C.3 Fair value losses	-	-
C.4 Impairment losses	-	-
C.5 Exchange losses	-	-
C.6 Transfers to:	-	-
a) property for functional use	-	-
b) Non-current assets and disposal groups	-	-
C.7 Other changes	-	-
D. Closing balance	**-**	**210**
E. Measurement at fair value	**-**	**210**

9.8 Inventories of tangible assets covered by IAS 2: annual changes

Assets/Amounts	Inventories of tangible assets obtained through the enforcement of guarantees received					Other inventories of tangible assets	Total 31.12.2025
	Land	Buildings	Furnishings	Electronic equipment	Other		
A. Opening balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**
B. Increases	**-**	**24.941**	**-**	**-**	**-**	**-**	**24.941**
B.1 Purchases	-	24.941	-	-	-	-	24.941
- of which from business combinations	-	*24.941*	-	-	-	-	*24.941*
B.2 Reversals of impairment losses	-	-	-	-	-	-	-
B.3 Exchange gains	-	-	-	-	-	-	-
B.4 Other changes	-	-	-	-	-	-	-
C. Decreases	**-**	**1.330**	**-**	**-**	**-**	**-**	**1.330**
C.1 Sales	-	1.096	-	-	-	-	1.096
C.2 Impairment losses	-	234	-	-	-	-	234
C.3 Exchange losses	-	-	-	-	-	-	-
C.4 Other changes	-	-	-	-	-	-	-
D. Closing balance	**-**	**23.611**	**-**	**-**	**-**	**-**	**23.611**

The inventories of tangible assets within the meaning of IAS 2 as at 31 December 2025 are all related to the scope of the illimity Group, which will be acquired during 2025.

9.9 Commitments to purchase property, plant and equipment

There are no commitments to purchase property, plant and equipment.

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Section 10 - Intangible assets - Item 100

10.1 Intangible assets: breakdown by asset type

Assets/Amounts	31.12.2025		31.12.2024	
	Finite life	Indefinite life	Finite life	Indefinite life
A.1 Goodwill	**X**	**55.268**	**X**	**38.020**
A.1.1 attributable to the Group	X	55.268	X	38.020
A.1.2 attributable to non-controlling interests	X	-	X	-
A.2 Other intangible assets	**73.731**	**-**	**47.468**	**-**
of which: software	*73.674*	-	*47.468*	-
A.2.1 Assets measured at cost:	73.731	-	47.468	-
a) Internally generated intangible assets	4.030	-	2.748	-
b) Other assets	69.701	-	44.720	-
A.2.2 Assets measured at fair value:	-	-	-	-
a) Internally generated intangible assets	-	-	-	-
b) Other assets	-	-	-	-
Total	**73.731**	**55.268**	**47.468**	**38.020**

Goodwill consists of 38,0 million Euro relating to goodwill arising from the acquisition of the former Fbs Group and 17,2 million Euro arising from the provisional recognition of a positive difference to be allocated (provisional goodwill) in connection with the acquisition of Euclidea SIM[98] by Banca Ifis in November 2025 (for more details on this transaction, refer to the section "Significant events during the year" of the Directors' Report on the Group and to "Part G - Business combinations" of the Notes to the Consolidated Financial Statements). More details on goodwill can be found in section "10.3 Other information" below.

Other intangible assets at 31 December 2025 refer mainly to software purchase and development, amortised on a straight-line basis over the estimated useful life, which is five years from deployment. The end-2025 balance amounts to 73,7 million Euro, of which 19,8 million Euro related to the illimity Group. Net of this effect, the balance amounts to 53,9 million Euro, a decrease of 13,5% compared to the figure of 47,5 million Euro at 31 December 2024.

[98] *Euclidea SIM was renamed Fürstenberg SIM with effect from 26 January 2026.*

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10.2 Intangible assets: annual changes

	Goodwill	Other intangible assets: internally generated		Other intangible assets: other		Total
		FINITE	INDEF	FINITE	INDEF	
A. Opening balance	**39.482**	**3.267**	**-**	**122.113**	**-**	**164.862**
A.1 Total net amortisation and impairment losses	(1.462)	(519)	-	(77.393)	-	(79.374)
A.2 Net opening balance	**38.020**	**2.748**	**-**	**44.720**	**-**	**85.488**
B. Increases	17.248	2.363	-	43.673	-	63.284
B.1 Purchases	17.248	996	-	43.333	-	61.577
- of which from business combinations	*17.248*	*996*	-	*23.089*	-	*41.333*
B.2 Increases in internally generated intangible assets	X	1.109	-	340	-	1.449
B.3 Reversals of impairment losses	X	-	-	-	-	-
B.4 Fair value gains	-	-	-	-	-	-
- to equity	X	-	-	-	-	-
- to profit or loss	X	-	-	-	-	-
B.5 Exchange gains	-	-	-	-	-	-
B.6 Other changes	-	258	-	-	-	258
C. Decreases	**-**	**1.081**	**-**	**18.692**	**-**	**19.773**
C.1 Sales	-	-	-	-	-	-
C.2 Impairment losses/reversals	-	1.081	-	18.643	-	19.724
- Amortisation	X	1.081	-	18.311	-	19.392
- Impairment losses:	-	-	-	332	-	332
+ equity	X	-	-	-	-	-
+ profit or loss	-	-	-	332	-	332
C.3 Fair value losses:	-	-	-	-	-	-
- to equity	X	-	-	-	-	-
- to profit or loss	X	-	-	-	-	-
C.4 Transfer to non-current assets under disposal	-	-	-	-	-	-
C.5 Exchange losses	-	-	-	-	-	-
C.6 Other changes	-	-	-	49	-	49
D. Net closing balance	**55.268**	**4.030**	**-**	**69.701**	**-**	**128.999**
D.1 Total net amortisation, impairment losses and reversals of impairment losses	-	(5.389)	-	(28.615)	-	(34.004)
E. Gross closing balance	**55.268**	**9.419**	**-**	**98.316**	**-**	**163.003**
F. Measurement at cost	-	-	-	-	-	-

Key:
FIN: finite useful life
INDEF: indefinite useful life

The increases in the year include, at the level of goodwill, the provisional recognition of a positive difference to be allocated (provisional goodwill) in connection with the acquisition of Euclidea SIM (subsequently renamed Fürstenberg SIM as of 26 January 2026) by Banca Ifis in November 2025 while, at the level of other intangible assets, the intangible assets acquired as a result of the business combination of illimity Bank. Net of these effects, purchases and increases in internal intangible assets refer, respectively, mainly to investments for the upgrading of computer systems and the related costs associated with internal activities for their development.

10.3 Other information

Consistent with the requirements of IAS 38, the following information is provided:

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- there are no revalued intangible assets or impediments to the distribution of the related capital gains to shareholders;
- there are no intangible assets acquired by government concession;
- there are no intangible assets pledged as collateral for own debts nor commitments for the purchase of such assets;
- there are no lease transactions involving intangible assets.

With regard to detailed information on goodwill and the annual impairment test, please see below.

Information on goodwill

The application of accounting standard IFRS 3 in booking acquisitions may entail the entry of new intangible assets and the recording of goodwill.

In the case of the Banca Ifis Group, the specified acquisition of the former Fbs Group in 2019 entailed the recognition of goodwill in the amount of 38,0 million Euro, allocated to the Npl Segment at the Cash Generating Unit (CGU) level, which represents the business combination at whose level any impairment tests on goodwill must be performed to verify its recoverable amount. In line with the Group Policy, the CGUs have been identified with the operating Segments as defined in this information accompanying the Consolidated Financial Statements. The Npl Segment CGU associated with the goodwill of the former Fbs Group is the same as that adopted for the purpose of impairment testing the Group's goodwill at 31 December 2024.

On November 21, 2025, Banca Ifis acquired control of Euclidea SIM[99]. The transaction was accounted for as a business combination pursuant to IFRS 3 Business Combinations. At the acquisition date, a difference to be allocated ("provisional goodwill") of 17,2 million Euro was recognized, calculated based on the provisional values assigned to the assets acquired and liabilities assumed pending completion of the Purchase Price Allocation (PPA) process, which will be finalized within 12 months of the acquisition date as permitted by the accounting standard. The cost of the business combination totalled 19,9 million Euro, including deferred consideration of 7,6 million Euro, and was supported by a fairness opinion issued by an independent expert. Based on the information available at the reporting date and the initial stage of the integration process, the CGU to which the provisional goodwill was allocated coincides with the set of assets attributable to the acquired entity, as it represents the smallest independent cash-generating unit. Given the very recent acquisition (which took place at the end of November 2025) and the absence of significant changes in the entity's economic and financial fundamentals in the short period up to the reporting date, the recoverable amount of the CGU was estimated using the transaction price, deemed representative of the fair value at December 31, 2025. For further details on the acquisition of Euclidea SIM, please refer to the "Significant events during the year" section of the Directors' Report on the Group and to "Part G - Business combinations" of the Notes to the Consolidated Financial Statements.

In accordance with IAS 36, goodwill must be impairment tested at least annually, to check that the value can be recovered. The recoverable value is the greater of Value in Use (VIU) and fair value, net of the costs of sale.

Finally, please note that IAS 36, in order to determine the Value in Use of the intangibles subject to impairment testing, rules that reference must be made to the cash flows relative to the intangible in its current condition (at the date of impairment testing), without drawing any distinction between the cash flows referring to the asset originally noted during application of IFRS 3 and those relative to the assets in place at the time of impairment testing; this insofar as it would be difficult, particularly in the case of extraordinary transactions between businesses or changes to the asset following significant turnover of assets, customers, contracts, etc., to distinguish between the flows referring to the original asset and others.

[99] *Euclidea SIM S.p.A. was renamed Fürstenberg SIM S.p.A. with effect from 26 January 2026.*

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Also, please note that the methods and assumptions underlying the goodwill impairment testing procedure and the related results defined by the management, were approved by Banca Ifis's Board of Directors on 11 February 2026.

The impairment test

The definition of Cash Generating Units (CGUs)

The estimate of the Value in Use, in order to perform impairment testing, in accordance with IAS 36 of intangible assets with undefined life (including goodwill), which do not generate cash flow except jointly with other corporate assets, requires the preliminary attribution of such intangible assets to organisational units of relatively autonomous management, able to generate flows of financial resources that are largely independent of those produced by other business areas, but inter-dependent within the organisational unit that generates them. These organisational units are called "Cash Generating Units" (or "CGUs").

The text of IAS 36 reveals the need to correlate the level at which goodwill is tested with the level of internal reporting at which the management controls the growth and reductions of said value. In these terms, the definition of said level is closely linked to the organisational models and the attribution of the management responsibilities in order to define operative guidelines and consequent monitoring. The organisational models can be regardless (and indeed in the case of the Banca Ifis Group are regardless) of the structure of the legal entities through which operations take place and, very often, are closely linked to the definition of the operating segments that underlie the Segment reporting envisaged by IFRS 8. These considerations with reference to the criteria employed to determine the CGUs for impairment testing the goodwill are, moreover, consistent with the definition of the recoverable value of an asset - the determination of which underlies the impairment testing - according to which the amount is relevant that the company expects to recover from said asset, considering synergies with other assets.

Therefore, consistently with the logics of price formation that gave rise to the booking of goodwill, the recoverable value for the purpose of the impairment testing of the CGU to which goodwill is allocated, must include the valuation of not only external (or universal) synergies, but also internal synergies, which the specific buyer can obtain from the integration of the assets acquired in its economic combinations, evidently according to the defined business management models.

In view of the foregoing and in line with the Group Policy, the CGUs have been identified with the operating Segments as defined in the information accompanying the Consolidated Financial Statements.

The carrying amount of the CGUs

The carrying amount of the CGUs must be determined consistently with the criterion whereby their recoverable value was estimated. For a bank, it is not possible to identify the flows generated by a CGU without considering the flows deriving from financial assets/liabilities, given that the latter represent its core business. In other words, the recoverable value of the CGU is impacted by said flows and, accordingly, their carrying amount must be determined consistently with the scope of estimate of the recoverable value and must, therefore, also include the financial assets/liabilities.

Taking this approach, the carrying amount of the CGU of the Banca Ifis Group can be determined in terms of contribution towards the consolidated equity, including any part attributable to minorities. In any case, in the context of the two business combinations from which goodwill was recognised (that of the former Fbs Group and that of Euclidea SIM, both of which were carried out by the Parent company Banca Ifis), no portion of goodwill pertaining to third parties was recognised, since they resulted in 100% control.

Therefore, the carrying amount of the CGUs comprising companies belonging to a single Segment has been determined through the sum of the individual equity contributions on a consolidated level.

With reference to the situation of the Npl Segment CGU before being subjected to the annual impairment test, the carrying value as at 31 December 2025 amounted to 453,4 million Euro, of which 38,0 million Euro related to the portion of goodwill allocated to it.

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Criterion for determining the recoverable amount

According to IAS 36, the amount of any impairment is determined by the difference between the carrying value of the CGU, identified on the basis of the criteria described above, and its recoverable amount, if lower. Recoverable amount is defined as the greater of:

- Value in Use (VIU) i.e. the present value of future cash flows expected to arise from the continued use of a specific asset or CGU;
- fair value less costs to sell, i.e. the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable and willing parties.

For the Npl Segment CGU, the impairment test was conducted using the Value in Use as a reference.

The Value in Use is the current value of estimated future cash flows deriving from the continuous use of the assets and its disposal at the end of its useful life.

Cash flows comprise cash flows generated from the business in its current condition and cash flows deriving from budget forecasts, short-term forecasts and "Terminal Value" (TV), adjusted for the company's specific risks.

More specifically, IAS 36 requires cash flow forecasts based on reasonable, sustainable assumptions that are specific for CGUs, which reflect the value of the CGU in its current condition and represent the best estimate management can make in regard to all existing economic circumstances during the rest of the useful life of the CGU.

For the purpose of impairment testing, reference was made to the value in use estimated according to the valuation approach that can be identified with the method known in doctrine as "Discounted Cash Flow - DCF". The method estimates the Value in Use of an asset by discounting the forecast cash flows, determined according to economic-financial forecasts prepared by the management in respect of the asset valued.

In the case of banks and financial institutions in general, the available cash flow is understood as the distributable cash flow, taking into account the equity restrictions imposed by the Supervisory Authorities or held to be appropriate to monitor the risk typical of the asset analysed. As concerns the determination of the Value in Use of the CGU in question, the choice was made to apply the Excess Capital variant of the Dividend Discount Model ("DDM") valuation method. The method in question is one of the methods based on prospective cash flow, in this case represented by future dividends, recognised by most doctrine and standard practice, above all with reference to the companies or business units subject to compliance with the minimum regulatory capital requirements.

This method makes it possible to consider the current equity of the companies/business units valued, with respect to the supervisory requirements and their income prospects reflected in the forecasts. The flow of the last year of the analytical forecast is forecast perpetually through an appropriate long-term growth rate ("g"), in order to estimate the Terminal Value.

Future cash flows must be discounted at a rate that reflects the current valuations of the time value of money and specific risks of the business. More specifically, the discounting rates to be used must incorporate current market values with reference to the risk-free component (r_f) and risk premium correlated with the share component observed over a sufficiently extensive time frame to reflect market conditions and different economic cycles, and using an appropriate Beta (β) coefficient in consideration of the risk levels of the respective operating areas.

Cash flow forecasts

Forecast cash flow is understood as the distributable cash flow, taking into account the equity restrictions imposed by the Supervisory Authorities or held to be appropriate to monitor the risk typical of the asset analysed. Therefore, future cash flows can be identified as the flows that may potentially be distributed after having satisfied the minimum allocated capital restrictions. In the forecasts of available cash flows, consideration was given to maintaining a level of CET1 in line with the supervisory provisions, of 9,00%, i.e. minimum value envisaged by the last SREP received and relative to the Banca Ifis Group, including the target component, in view of greater exposure to risk in stress conditions. The consolidated SREP limit is considered insofar as higher thresholds are imposed internally in respect of a control context, envisaging alert and warning thresholds. The consolidated limit is

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respected as required by the Supervisory Body. Implicitly, this limit sets limits that exceed the regulatory minimums for the subsidiaries. The internal audits, with higher thresholds in RAF, prudently avoid any overrun.

Determination of the recoverable amount is hinged on the discounting of forecast cash flow and relates to 2026-2028 for the reference CGUs, as approved by the Parent company's Board of Directors on 11 February 2026.

Under the scope of the financial matrix measurement criteria, as is that used to estimate the Value in Use, the value of a business at the end of the analytical flow forecasting period (the "Terminal Value") is generally determined by capitalising infinitely at an appropriate "g" rate, equal to 2,0%, the cash flow that can be achieved when "fully up and running".

Flow discounting rates

The Value in Use is estimated by discounting cash flows at a rate of 9,1% that considers the current market rates referring to both the time value component and the country risk component, as well as specific risks of the assets considered.

The discounting rate has been determined using the "Capital Asset Pricing Model" (CAPM). On the basis of this model, the discounting rate is determined as the sum of the returns on risk-free investments and a risk premium, in turn dependent on the specific risk level of the asset (thereby meaning both the risk level of the operating segment and the geographic risk level represented by the "country risk").

If we take a more detailed look at the various components that go towards determining the discounting rate, we note that:

- with reference to the risk free (r_f) component and the risk premium, it was decided, for the 2025 Financial Statements, to use:
  - the risk free rate (r_f) for the Npl Segment CGU is the point value of the gross yield of the Italian ten-year BTP (3,5%), measured on 31 December 2025;
  - as Equity Risk Premium (ERP) the Market Risk Premium figure ("average" figure of 6,0%) determined on the basis of the long-term yield differential between Italian equities and bonds (source: Fernandez 2025);
- the Beta coefficient (β), equal to 0,9, which measures the specific riskiness of the individual company or operating Segment, was determined using the average of the betas of comparable listed players with an observation period of 2 years and a weekly survey frequency.

Results of the impairment testing

The results of the impairment testing revealed that, at 31 December 2025, the Value in Use of the Npl Segment CGU easily exceeded the respective carrying amount. There was therefore no need to impair the related impairment-tested goodwill booked.

Sensitivity analyses

As the Value in Use is determined by using estimates and assumptions that may include elements of uncertainty, as required by IAS 36, sensitivity analyses have been performed to verify the sensitivity of the results obtained to changes in certain underlying parameters and hypotheses.

More specifically, for the Npl Segment CGU, the impact was verified on the Value in Use of a change in the "g" growth rate of +/-1,0% (with respect to the rate used of 2,0%) and a delta of the k_e of +/-1,0% (with respect to the rate used of 9,1%), keeping the other hypotheses unchanged. The table below shows the percentage changes in terms of Value in Use resulting from the above-mentioned changes in "g" and k_e rates. All the scenarios analysed do not show any cases of impairment.

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Data in %		Changes in the cost of capital (ke)				
		8,1%	8,6%	9,1%	9,6%	10,1%
Growth rate changes (g)	1,0%	2,26%	(3,21)%	(8,01)%	(12,27)%	(16,07)%
	1,5%	7,31%	1,13%	(4,28)%	(9,00)%	(13,19)%
	2,0%	13,20%	6,11%	0,00%	(5,31)%	(9,98)%
	2,5%	20,14%	11,92%	4,93%	(1,09)%	(6,33)%
	3,0%	28,44%	18,77%	10,65%	3,76%	(2,16)%

In addition, scenarios were analysed in which the recoverable value of the CGU was tested as Excess Capital against, instead of the CET1 Ratio requirement, the Tier 1 Ratio or Total Capital Ratio.

The sensitivity analyses performed did not reveal any situations of potential impairment loss.

Section 11 - Tax assets and liabilities - Item 110 of assets and Item 60 of liabilities

11.1 Deferred tax assets: breakdown

The main types of deferred tax assets are set out below.

Deferred tax assets	31.12.2025	31.12.2024
With a counter entry in the profit and loss account	230.174	160.933
With a counter entry in equity	20.594	10.498
Total deferred tax assets	**250.768**	**171.431**

Deferred Tax Assets (DTAs) amount to 250,8 million Euro, and include 91,3 million Euro of DTAs recognised with reference to the illimity Group, of which 25,4 million Euro due to the tax impact of adjustments related to the provisional PPA on the data of the illimity Group being acquired. After removing the components attributable to the illimity Group, DTAs amount to 159,5 million Euro, a decrease of 12,0 million Euro compared to 31 December 2024. These deferred tax assets, totalling 250,8 million Euro, consist mainly of:

- 63,4 million Euro from assets recognised for value adjustments on loans to customers, potentially convertible into tax credits pursuant to Law 214/2011. This figure includes 0,4 million Euro from the illimity Group, net of which the balance was 63,0 million Euro at 31 December 2025 (85,1 million Euro at 31 December 2024);
- 65,4 million Euro from assets recognised on tax loss carry-forwards and aid for economic growth (“ACE”) benefit (including 26,5 million Euro relative to the illimity Group; without this contribution, the figure at 31 December 2025 was 38,9 million Euro, down from 40,0 million Euro at 31 December 2024);
- 121,9 million Euro from tax misalignments mainly related to financial assets measured at fair value through other comprehensive income (FVOCI), provisions for risks and charges, and write-offs of goodwill and other intangible assets. This balance includes the amount from the illimity Group of 64,4 million Euro, without which the figure would amount to 57,5 million Euro (46,3 million Euro at 31 December 2024).

In accordance with the rules set forth in IAS 12, the Banca Ifis Group recognised Deferred Tax Assets (DTAs), after verifying that the amounts so recognised are supported by a probability opinion on their recoverability. For the purpose of expressing the aforementioned opinion, current tax provisions were taken into consideration, with particular reference to the rules for transforming certain deferred tax assets into tax credits, and the Group's ability to generate future taxable income also taking into account the "tax consolidation" option.

As for the qualified DTAs convertible into tax credits, amounting to 63,4 million Euro at 31 December 2025, the tax regulations introduced by Law 214/2011, together with the exercise of the annual fee regime option, make their recoverability certain. This treatment is in line with the rules contained in Bank of Italy/Consob/Isvap Document No. 5 of 15 May 2012 "Accounting treatment of deferred tax assets under Law No. 214/2011".

For the remaining tax assets (non-transformable DTAs), totalling 187,3 million Euro, the recognition and subsequent maintenance in the financial statements are strictly dependent on the ability of the Group and/or individual companies to generate future taxable income (referred to as "tax capability").

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Details on the assumptions used for the probability test and their outcomes are given below.

Estimated future taxable income

Future taxable income was estimated based on specific income projections of Banca Ifis for the three-year period 2026-2028 prepared on the basis of the Group's 2026 budget.

In order to properly take into account the uncertainty in the estimation of future income, the last available income without any growth assumptions was used as a reference for long-term profitability.

Probability test results and sensitivity analysis

On the basis of the assessment carried out with the model described previously, out of the overall total of 250,8 million Euro, the 63,4 million Euro portion attributable to Law 214/2011 (equal to 25,3% of the total DTA) will be reversed by 2029 due to express regulatory provision. It is recalled that such deferred tax assets, which meet the requirements set forth by the specified Law, can be transformed into tax credits in the event of the recognition of a "statutory loss", a "tax loss" for IRES tax purposes and a "negative net production value" for IRAP tax purposes; their recovery is therefore certain regardless of the capacity to generate future income. The maintenance of convertibility into tax credits is subject to the exercise of the option provided for by D.L. No. 59 of 3 May 2016, converted with amendments by Law No. 119 of 30 June 2016, which the Group decided to avail itself of in accordance with the envisaged terms and conditions.

On the basis of the valuation exercise conducted on the residual amount, for the deferred tax assets already recognised, the relative recovery was assessed as probable, albeit over a medium- to long-term time horizon. A significant portion of past tax losses and ACE surpluses would be fully recovered (greater than 85%) by 2033. The remaining portion refers mainly to financial assets measured at fair value through other comprehensive income (FVOCI) and is therefore related to the performance of the related reserve.

In view of the uncertainty surrounding the estimate of future income described above, on a conservative basis, no deferred tax assets totalling 76,8 million Euro were recognised as at 31 December 2025 in respect of the loss realised during the year by illimity Bank.

Also, in consideration of the applicable recovery methods and the uncertainty about future profitability that can be assumed, no deferred tax assets have been recognised as follows for the following Group entities:

- Cap.Ital.Fin. in the amount of 2,9 million Euro, relating to tax losses accrued prior to joining the Banca Ifis Group in 2018;
- Euclidea SIM (from 26 January 2026 renamed Fürstenberg SIM) in the amount of 3,6 million Euro, relating to tax losses and ACE surpluses accrued until the 2025 tax year;
- Quimmo Agency (a company included in the illimity Group) in the amount of 0,4 million Euro, relating to tax losses accrued prior to its inclusion in the tax consolidation of illimity Bank.

11.2 Deferred tax liabilities: breakdown

The main types of deferred tax liabilities are shown below.

Deferred tax liabilities	31.12.2025	31.12.2024
With a counter entry in the profit and loss account	41.903	27.232
With a counter entry in equity	5.521	1.347
Total deferred tax liabilities	**47.424**	**28.579**

Tax liabilities amount to 117,3 million Euro, of which 24,2 million Euro from the illimity Group. Net of this component, they amount to 93,1 million Euro (51,9 million Euro at 31 December 2024), and are composed as follows:

- current tax liabilities, net of the contribution made by the illimity Group, of 69,4 million Euro (23,3 million Euro at 31 December 2024) representing the tax burden accrued during the year;

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- deferred tax liabilities, amounting to 23,7 million Euro without the component relating to the illimity Group (28,6 million Euro at 31 December 2024), mainly include 19,6 million Euro on receivables recognised for interest on arrears that will be taxed upon collection.

11.3 Changes in deferred tax assets (recognised through profit or loss)

	31.12.2025	31.12.2024
1. Opening balance	**160.933**	**226.905**
2. Increases	**157.287**	**37.720**
2.1 Deferred tax assets recognised in the year	44.385	37.720
a) relative to previous years	8.207	18
b) due to change in accounting standards	-	-
c) reversals of impairment losses	-	-
d) other	36.178	37.702
2.2 New taxes or increases in tax rates	1.685	-
2.3 Other increases	111.217	-
- business combinations	*95.602*	-
3. Decreases	**88.046**	**103.692**
3.1 Deferred tax assets reversed during the year	57.892	75.090
a) reversals	46.478	74.916
b) impairment losses due to unrecoverability	1.035	174
c) change in accounting standards	-	-
d) other	10.379	-
3.2 Reductions in tax rates	-	-
3.3 Other decreases	30.154	28.602
a) conversion into tax credits as per Italian Law No. 214/2011	29.443	28.602
b) other	711	-
4. Closing balance	**230.174**	**160.933**

Concerning the changes in deferred tax assets (recognised through profit or losses), please note that:

- The line "2.3 Other increases" includes the DTAs acquired in 2025 as a result of the business combination transaction relating to illimity Bank;
- decreases include transformed deferred tax assets in the amount of 29,4 million Euro (see section below "11.4 Changes in deferred tax assets pursuant to Law 214/2011");
- deferred tax assets relating to the tax result for the year are not included, as they are recorded under the items "Other Assets" and "Other Liabilities" respectively as a receivable from and payable to the Parent company Banca Ifis, i.e. the consolidating company from a tax point of view, as a result of the consolidation agreements in force (these receivables and payables to the Parent company are however not included in the balance of the items "Other Assets" and "Other Liabilities" in the consolidated balance sheet, as they are eliminated upon 'intra-group' consolidation).

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11.4 Changes in deferred tax assets pursuant to Law No. 214/2011

	31.12.2025	31.12.2024
1. Opening balance	**85.115**	**144.711**
2. Increases	7.759	**19**
- business combinations	*465*	-
3. Decreases	**29.443**	**59.615**
3.1 Reversals	-	31.013
3.2 Conversion in tax credits	29.443	28.602
a) deriving from losses for the year	9	11
b) deriving from tax losses	29.434	28.591
3.3 Other decreases	-	-
4. Closing balance	**63.431**	**85.115**

11.5 Changes in deferred tax liabilities (recognised through profit or loss)

	31.12.2025	31.12.2024
1. Opening balance	**27.232**	**30.659**
2. Increases	**65.978**	**26.318**
2.1 Deferred tax assets recognised in the year	22.399	26.318
a) relative to previous years	-	-
b) due to change in accounting standards	-	-
c) other	22.399	26.318
2.2 New taxes or increases in tax rates	7	-
2.3 Other increases	43.572	-
- business combinations	*29.013*	-
3. Decreases	**51.307**	**29.745**
3.1 Deferred tax liabilities reversed during the year	51.307	29.745
a) reversals	29.974	29.745
b) due to change in accounting standards	-	-
c) other	21.333	-
3.2 Reductions in tax rates	-	-
3.3 Other decreases	-	-
4. Closing balance	**41.903**	**27.232**

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11.6 Changes in deferred tax assets (recognised through equity)

	31.12.2025	31.12.2024
1. Opening balance	**10.498**	**11.929**
2. Increases	13.695	**1**
2.1 Deferred tax assets recognised in the year	1.852	1
a) relative to previous years	-	-
b) due to change in accounting standards	-	-
c) other	1.852	1
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	11.843	-
- business combinations	*8.387*	-
3. Decreases	**3.599**	**1.432**
3.1 Deferred tax assets reversed during the year	3.599	1.432
a) reversals	3.598	1.432
b) impairment losses due to unrecoverability	-	-
c) due to change in accounting standards	-	-
d) other	1	-
3.2 Reductions in tax rates	-	-
3.3 Other decreases	-	-
4. Closing balance	**20.594**	**10.498**

11.7 Changes in deferred tax liabilities (recognised through equity)

	31.12.2025	31.12.2024
1. Opening balance	**1.347**	**1.033**
2. Increases	**14.929**	**314**
2.1 Deferred tax assets recognised in the year	11.781	314
a) relative to previous years	-	-
b) due to change in accounting standards	-	-
c) other	11.781	314
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	3.148	-
- business combinations	*592*	-
3. Decreases	**10.755**	**-**
3.1 Deferred tax liabilities reversed during the year	10.755	-
a) reversals	10.666	-
b) due to change in accounting standards	-	-
c) other	89	-
3.2 Reductions in tax rates	-	-
3.3 Other decreases	-	-
4. Closing balance	**5.521**	**1.347**

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11.8 Other information

Current taxes for the year and prior years, to the extent that they have not been paid, are recognised as a liability; any excess paid as an advance over the amount due is recognised as an asset. Current tax assets and liabilities, for the current and prior years, are determined at the amount expected to be recovered from or paid to the tax authorities, respectively, by applying current tax rates and tax laws. Current tax assets and liabilities are derecognised in the year in which the assets are realised or the liabilities are settled.

The following tables show the stocks of current tax assets and liabilities.

Current tax assets: breakdown

	31.12.2025	31.12.2024
IRAP (regional tax on productive activities)	15.932	15.014
IRES (corporate income tax)	72.813	16.280
Credits from DTA conversion	22.006	8.554
Other	6.976	2.185
Total current tax assets	117.727	**42.033**

Current tax liabilities: breakdown

	31.12.2025	31.12.2024
IRAP balance	17.867	16.969
IRES balance	51.981	6.376
Total current tax liabilities	**69.848**	**23.345**

Section 12 - Non-current assets and disposal groups and associated liabilities - Item 120

12.1 Non-current assets and disposal groups: breakdown by type of asset

	Total 31.12.2025	Total 31.12.2024
A. Assets held for sale		
A.1 Financial assets	72.555	-
A.2 Equity investments	85.000	-
A.3 Property, plant and equipment	-	-
of which: obtained by enforcing collateral	-	-
A.4 Intangible assets	-	-
A.5 Other non-current assets	-	-
Total (A)	**157.555**	**-**
of which measured at cost	-	-
of which measured at fair value Level 1	-	-
of which measured at fair value Level 2	-	-
of which measured at fair value Level 3	*157.555*	-

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	Total 31.12.2025	Total 31.12.2024
B. Discontinued operations		
B.1 Financial assets measured at fair value through profit or loss	-	-
- financial assets held for trading	-	-
- financial assets measured at fair value	-	-
- other financial assets mandatorily measured at fair value	-	-
B.2 Financial assets measured at fair value through other comprehensive income	-	-
B.3 Financial assets measured at amortised cost	-	-
B.4 Equity investments	-	-
B.5 Property, plant and equipment	-	-
of which: obtained by enforcing collateral	-	-
B.6 Intangible assets	-	-
B.7 Other assets	-	-
Total (B)	**-**	**-**
of which measured at cost	-	-
of which measured at fair value Level 1	-	-
of which measured at fair value Level 2	-	-
of which measured at fair value Level 3	-	-
C. Liabilities associated with assets held for sale		
C.1 Debts	-	-
C.2 Securities	-	-
C.3 Other liabilities	-	-
Total (C)	**-**	**-**
of which measured at cost	-	-
of which measured at fair value Level 1	-	-
of which measured at fair value Level 2	-	-
of which measured at fair value Level 3	-	-
D. Liabilities associated with discontinued operations		
C.1 Financial liabilities measured at amortised cost	-	-
C.2 Financial liabilities held for trading	-	-
D.3 Financial liabilities designated as at fair value	-	-
D.4 Provisions	-	-
D.5 Other liabilities	-	-
Total (D)	**-**	**-**
of which measured at cost	-	-
of which measured at fair value Level 1	-	-
of which measured at fair value Level 2	-	-
of which measured at fair value Level 3	**-**	**-**

12.2 Other information

Non-current assets and groups of assets held for sale totalled 157,6 million Euro at 31 December 2025, and related to:

- for 85,0 million Euro to the equity investment in Hype S.p.A., a jointly controlled company within the illimity Group's perimeter. With regard to this equity investment, the 85 million Euro offer received from the Banca Sella Group was accepted on 3 November 2025 and, following the obtaining of regulatory authorisations at the beginning of 2026, on 6 February 2026 it was sold at the agreed price (for further details, refer to

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the specific paragraphs included in the sections "Significant events during the year" and "Subsequent events" of the Directors' Report on the Group);

- for 64,6 million Euro to credit portfolios of the illimity Group, one portfolio of which was subsequently sold on 28 January 2026 for an equivalent value of 41 million Euro, in line with the carrying value as at 31 December 2025 (for further details, refer to the above-mentioned section "Subsequent events");
- for 8,0 million Euro to loan portfolios of the Parent company Banca Ifis that are expected to be sold in the short term.

Section 13 - Other assets - Item 130

13.1 Other assets: breakdown

	31.12.2025	31.12.2024
Tax receivables	262.260	181.070
of which tax credits for superbonus and other building tax bonuses	*191.797*	*163.000*
Accrued income and deferred expenses	82.182	68.464
Guarantee deposits	1.735	802
Debtors for invoices	42.234	13.519
Sundry receivables	81.522	57.881
of which: tax consolidation receivables	-	*24.990*
of which: other receivables	*81.522*	*32.891*
Miscellaneous provisional items	45.697	22.705
Portfolio of effects subject to collection	36.110	38.524
Total other assets	**551.740**	**382.965**

Tax receivables' include 123,7 million Euro relating to the illimity Group. The total balance includes 191,8 million Euro related to tax credits for Super Ecobonus and other building tax bonuses with a nominal amount of 209,1 million Euro (of which 77,1 million Euro related to building tax bonus credits from the illimity Group with a nominal value of 82,7 million Euro).

"Sundry receivables" are characterised by the absence in the figures as at 31 December 2025 of receivables from Fürstenberg Scogliera Holding (formerly La Scogliera) related to the Group's tax consolidation, as the balance as at 31 December 2024 related to the receivable from Fürstenberg Scogliera Holding (amounting to 25,0 million Euro) was fully collected during the first half of 2025 and, moreover, since no new receivables from Fürstenberg Scogliera Holding accrued during 2025 as a result of the termination of the tax consolidation arrangement with this entity (for further details, please see "Part A - Accounting Policies", "A.1 - General Part", "Section 5 - Other Aspects", paragraph "Significant Transactions during the Year").

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LIABILITIES

Section 1 - Financial liabilities measured at amortised cost - Item 10

1.1 Financial liabilities at amortised cost: breakdown of payables due to banks by type

Type of transaction/Amounts	31.12.2025				31.12.2024			
	CA	Fair Value			CA	Fair Value		
		L1	L2	L3		L1	L2	L3
1. Payables due to Central banks	**721.826**	**X**	**X**	**X**	**419.316**	**X**	**X**	**X**
2. Payables due to banks	**3.296.367**	**X**	**X**	**X**	**1.023.934**	**X**	**X**	**X**
2.1 Current accounts and on demand deposits	4.333	X	X	X	7.388	X	X	X
2.2 Term deposits	346.874	X	X	X	91.222	X	X	X
2.3 Loans	2.907.972	X	X	X	919.144	X	X	X
2.3.1 Repurchase agreements	2.546.864	X	X	X	630.539	X	X	X
2.3.2 Other	361.108	X	X	X	288.605	X	X	X
2.4 Debt from buyback commitments on treasury equity instruments	-	X	X	X	-	X	X	X
2.5 Lease payables	-	X	X	X	-	X	X	X
2.6 Other payables	37.188	X	X	X	6.180	X	X	X
Total	**4.018.193**	**-**	**-**	**4.018.193**	**1.443.250**	**-**	**-**	**1.443.250**

Key:
CA = Carrying amount
L1 = Level 1
L2 = Level 2
L3 = Level 3

Payables due to banks total 4,0 billion Euro, including 0,7 billion Euro from the illimity Group. The balance excluding this contribution amounts to 3,3 billion Euro, up 128,1% compared to the end of December 2024, mainly due to an increase in repurchase agreements with banks of the Parent company Banca Ifis of 1,6 billion Euro. In the MRO area, at 31 December 2025, an MRO transaction of 500 million Euro was in place, carried out late December and repaid on 07 January 2026. In addition, as of the same date, there was also an OT (Other Type of operation) transaction with the ECB for 260 million US Dollar (equal to 221 million Euro), repaid on 8 January 2026. As a result of Decision ECB/2022/37 of 27 October 2022 for FY 2025, the fees were determined on the basis of the rate provided for as of the aforementioned decision.

The fair value of payables due to banks is essentially in line with the relevant carrying amount, considering the counterparty and the fact that interbank deposits are short- or very short-term.

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1.2 Financial liabilities measured at amortised cost: breakdown of payables due to customers by type

Type of transaction/Amounts	31.12.2025				31.12.2024			
	CA	Fair Value			CA	Fair Value		
		L1	L2	L3		L1	L2	L3
1. Current accounts and on demand deposits	2.193.388	X	X	X	970.892	X	X	X
2. Term deposits	7.824.867	X	X	X	4.748.399	X	X	X
3. Loans	1.184.780	X	X	X	1.249.556	X	X	X
3.1 Repurchase agreements	604.214	X	X	X	1.045.734	X	X	X
3.2 Other	580.566	X	X	X	203.822	X	X	X
4. Debt from buyback commitments on treasury equity instruments	-	X	X	X	-	X	X	X
5. Lease payables	45.881	X	X	X	23.525	X	X	X
6. Other payables	7.920	X	X	X	9.391	X	X	X
Total	**11.256.836**	**-**	**-**	**11.140.710**	**7.001.763**	**-**	**-**	**6.829.046**

Key:
CA = Carrying amount
L1 = Level 1
L2 = Level 2
L3 = Level 3

At 31 December 2025, debt to customers amount to 11,3 billion Euro, of which 5,0 billion Euro from the illimity Group. The balance of this item net of the illimity Group's contribution amounts to 6,3 billion Euro, down 10,5% from 31 December 2024. The decrease is mainly attributable to repurchase agreements with customers of the Parent company Banca Ifis, equal to 251,9 million Euro (-793,9 million Euro compared to the balance at the end of 2024) and to funding through term deposits (excluding those of the illimity Group), which amounts to 4,5 billion Euro at the end of December 2025 (-5,6% compared to 31 December 2024).

1.3 Financial liabilities measured at amortised cost: breakdown of debt securities issued by type

Type of securities/Amounts	31.12.2025				31.12.2024			
	CA	Fair Value			CA	Fair Value		
		L1	L2	L3		L1	L2	L3
A. Securities								
1. Bonds	3.441.361	2.535.144	-	957.919	3.152.700	1.455.245	112.439	1.645.386
1.1 structured bonds	-	-	-	-	-	-	-	-
1.2 other bonds	3.441.361	2.535.144	-	957.919	3.152.700	1.455.245	112.439	1.645.386
2. Other securities	32	-	-	32	37	-	-	37
2.1 structured	-	-	-	-	-	-	-	-
2.2 other	32	-	-	32	37	-	-	37
Total	**3.441.393**	**2.535.144**	**-**	**957.951**	**3.152.737**	**1.455.245**	**112.439**	**1.645.423**

Key:
CA = Carrying amount
L1 = Level 1
L2 = Level 2
L3 = Level 3

Securities outstanding amount to 3,4 billion Euro as at 31 December 2025, of which 0,6 billion Euro related to the illimity Group (referring to securities issued by illimity Bank and to securitisation notes issued to third parties by vehicles within the perimeter of that Group). Adjusting for the balances associated with the illimity Group, securities outstanding amount to 2,9 billion Euro, down by 0,3 billion Euro compared to 31 December 2024 (-9,2%) as a result of the total repurchase of the senior securities of the Emma and Indigo Lease securitisations (which had a total carrying amount of 668,8 million Euro as at 31 December 2024). For more details on these securitisations, refer to 'Section 2 - Risks of the Consolidated Prudential Framework', subsection '1.4 Liquidity risk',

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paragraph 'Self-securitisation transactions' of 'Part E - Information on risks and related hedging policies' of these Notes to the Consolidated Financial Statements. This buy-back more than offset the increase recorded in 2025 for 402,4 million Euro at the level of the value of bonds issued by the Parent company Banca Ifis, mainly following the issue on 8 July 2025 of a 400 million Euro bond maturing in November 2029 as part of the EMTN programme (for more details on this, refer to the section "Significant events during the year" of the Directors' Report on the Group).

Total debt securities issued at 31 December 2025 are composed of:

- securities issued by the SPV ABCP Programme for 952,6 million Euro relating to the senior tranche;
- securities issued by securitisation vehicles belonging to the illimity Group for a total of 5,3 million Euro;
- a subordinated loan issued by the Parent company Banca Ifis for 373,2 million Euro, substantially in line with 31 December 2024;
- 5 senior bonds issued by Banca Ifis for a total of 1,5 billion Euro, an increase of 402,2 million Euro compared to the figure at the end of December 2024 due to the aforementioned issue of a new bond in July 2025;
- bonds issued by illimity Bank for a total of 573,7 million Euro, of which 197,3 million Euro relating to subordinated loans.

1.4 Breakdown of subordinated debts/securities

The item "Debt securities issued" includes subordinated securities amounting to 570,5 million Euro, of which 197,3 million Euro related to subordinated loans to customers issued by illimity Bank and 373,2 million Euro related to the issue by the Parent company Banca Ifis of the Tier 2 Bond in mid-October 2017 for a nominal 400 million Euro.

1.5 Breakdown of structured debts

There are no structured debts in these Consolidated Financial Statements.

1.6 Lease payables

As of the reporting date, the Banca Ifis Group had outstanding finance lease payables totalling 45,9 million Euro, entirely classified under amounts due to customers.

Lease payables to customers include 43,7 million Euro in respect of leases on buildings, cars and equipment falling within the scope of application of IFRS 16, as more fully discussed in 'Part M - Lease Disclosures' of these Consolidated Financial Statements, and include 23,4 million Euro in lease payables to customers relating to the illimity Group and 0,2 million Euro in IFRS 16 liabilities of Euclidea SIM[100].

They also include 2,1 million Euro for the real estate lease the former company Toscana Finanza S.p.A. entered into in 2009 for the property located in Florence, which housed the headquarters of the Npl Segment until August 2016. The term of the lease entered into with Centro Leasing S.p.A. is 18 years (from March 2009 to March 2027) and provides for the payment of 216 monthly instalments of about 28 thousand Euro, including the principal, interest and an option to buy the asset at the end of the lease for 1,9 million Euro. At the date of this document, the property is used as an additional operational headquarters of Banca Ifis.

The rate applied to lease payables expresses the Group's average cost of funding taking into account the creditworthiness of the lessee and the economic environment in which the transaction takes place, in line with the requirements of IFRS 16.

[100] *Euclidea SIM was renamed Fürstenberg SIM with effect from 26 January 2026.*

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Section 2 - Financial liabilities held for trading - item 20

2.1 Financial liabilities held for trading: breakdown by type

Type of transaction/Amounts	31.12.2025					31.12.2024				
	NA	Fair value			Fair value*	NA	Fair value			Fair value*
		L1	L2	L3			L1	L2	L3	
A. On-balance-sheet liabilities										
1. Payables due to banks	-	-	-	-	-	-	-	-	-	-
2. Payables due to customers	-	-	-	-	-	-	-	-	-	-
3. Debt securities	-	-	-	-	-	-	-	-	-	X
3.1 Bonds	-	-	-	-	-	-	-	-	-	X
3.1.1 Structured	-	-	-	-	X	-	-	-	-	X
3.1.2 Other bonds	-	-	-	-	X	-	-	-	-	X
3.2 Other securities	-	-	-	-	-	-	-	-	-	X
3.2.1 Structured	-	-	-	-	X	-	-	-	-	X
3.2.2 Other	-	-	-	-	X	-	-	-	-	X
Total A	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
B. Derivatives										
1. Financial derivatives	-	-	26.566	-	-	X	-	13.765	-	X
1.1 For trading	X	-	26.566	-	X	X	-	13.765	-	X
1.2 Connected to the fair value option	X	-	-	-	X	X	-	-	-	X
1.3 Other	X	-	-	-	X	X	-	-	-	X
2. Credit derivatives	-	-	-	-	-	X	-	-	-	X
2.1 For trading	X	-	-	-	X	X	-	-	-	X
2.2 Connected to the fair value option	X	-	-	-	X	X	-	-	-	X
2.3 Other	X	-	-	-	X	X	-	-	-	X
Total B	**X**	**-**	**26.566**	**-**	**X**	**X**	**-**	**13.765**	**-**	**X**
Total (A+B)	**X**	**-**	**26.566**	**-**	**X**	**X**	**-**	**13.765**	**-**	**X**

Key:
NA = Nominal or notional amount
L1 = Level 1
L2 = Level 2
L3 = Level 3
Fair value = Fair value calculated excluding changes in value due to changes in the issuer's creditworthiness compared to the date of issuance*

With regard to Level 2 trading liabilities, see the comments in "Section 2 - Financial assets measured at fair value through profit or loss - Item 20" of Assets.

2.2 Details of “Financial liabilities held for trading”: subordinated liabilities

There are no subordinated liabilities recognised in the item of this section.

2.3 Details of “Financial liabilities held for trading”: structured debts

There are no structured debts recorded in the item of this section.

Section 3 - Financial liabilities designated at fair value - Item 30

The Group has no financial liabilities designated at fair value at the reporting date.

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Section 4 - Hedging derivatives - Item 40

4.1 Hedging derivatives: breakdown by hedge type and Levels

	Fair value 31.12.2025			NA 31.12.2025	Fair value 31.12.2024			NA 31.12.2024
	L1	L2	L3		L1	L2	L3	
A. Financial derivatives	**-**	**33.748**	**-**	**2.235.759**	**-**	**14.868**	**-**	**389.381**
1) Fair value	-	33.748	-	2.235.759	-	14.868	-	389.381
2) Cash flows	-	-	-	-	-	-	-	-
3) Foreign investments	-	-	-	-	-	-	-	-
B. Credit derivatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	**-**	**33.748**	**-**	**2.235.759**	**-**	**14.868**	**-**	**389.381**

Key:
NA = notional amount
L1 = Level 1
L2 = Level 2
L3 = Level 3

hedging derivative liabilities, which have a negative fair value of 33,7 million Euro at 31 December 2025, of which 16,6 million Euro related to hedging strategies referred to the illimity Group. Net of this component, the item amounts to 17,2 million Euro, up from the balance of 14,9 million Euro at 31 December 2024. Overall, these hedging strategies concern:

- micro fair value hedging on the price risk associated with equity securities measured at fair value with an impact on comprehensive income;
- micro fair value hedging on interest rate risk related to debt securities;
- macro fair value hedging on the interest rate risk related to the illimity Group's deposit liabilities.

4.2 Hedging derivatives: breakdown by hedged portfolio and type of hedge

Transactions/Hedge type	Fair value							Cash flows		
	Specific						Generic	Specific	Generic	Foreign investments
	Debt securities and interest rates	Equity securities and stock indexes	Currencies and gold	Loans and receivables	Commodities	Other				
1. Financial assets measured at fair value through other comprehensive income	12.748	8.348	-	-	X	X	X	-	X	X
2. Financial assets measured at amortised cost	8.839	X	-	-	X	X	X	-	X	X
3. Portfolio	X	X	X	X	X	X	-	X	-	X
4. Other transactions	-	-	-	-	-	-	X	-	X	-
Total assets	**21.587**	**8.348**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Financial liabilities	-	X	-	-	-	-	X	-	X	X
2. Portfolio	X	X	X	X	X	X	3.813	X	-	X
Total liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**3.813**	**-**	**-**	**-**
1. Expected transactions	X	X	X	X	X	X	X	-	X	X
2. Portfolio of financial assets and liabilities	X	X	X	X	X	X	-	X	-	-

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Section 5 - Value adjustment to financial liabilities with generic hedges (+/-) - Item 50

5.1 Value adjustment of hedged financial liabilities

Value adjustment of hedged liabilities/group components	31.12.2025	31.12.2024
1. Positive adjustment of financial liabilities	-	-
2. Negative adjustment of financial liabilities	(2.936)	-
Total	**(2.936)**	**-**

The above table reflects the illimity Group's macro fair value hedging strategies on interest rate risk related to deposit liabilities.

Section 6 - Tax liabilities - Item 60

Current tax liabilities amounted to 69,8 million Euro (23,3 million Euro as of 31 December 2024), and include the tax liability for the year in respect of IRES (taking into account the national tax consolidation mechanism), IRAP and IRES surcharge for the entire Group. The tax burden relating to the settlement of the tax consolidation is instead represented in the balance sheet items 'Other Assets' and 'Other Liabilities' respectively as a receivable from and payable to the entity constituting the tax consolidating body (Banca Ifis or illimity Bank depending on the Group companies and the relevant tax consolidation agreement). Constituting so-called "intercompany" receivables/payables within the meaning of the consolidated accounts, they are eliminated as part of the consolidation entries and are therefore not included within the items "Other assets" and "Other liabilities" in the consolidated balance sheet of the Banca Ifis Group.

Deferred tax liabilities, amounting to 47,4 million Euro, are better described in "Section 11 - Tax assets and liabilities - Item 110 of assets and Item 60 of liabilities" of the Assets of this part B, to which reference is made.

Section 7 - Liabilities associated with assets held for sale - Item 70

In these Consolidated Financial Statements, this item has no value.

Section 8 - Other liabilities - Item 80

8.1 Other liabilities: breakdown

	31.12.2025	31.12.2024
Payables due to suppliers	189.813	105.240
Payables due to personnel	27.020	26.050
Payables due to the Tax Office and Social Security agencies	75.210	32.162
of which payables for: Extraordinary contribution Law No. 199 of 2025	14.989	-
Sums available to customers	15.111	15.350
Accrued liabilities and deferred income	12.378	4.940
Other items	94.418	115.571
of which: tax consolidation payables	-	*29.116*
of which: other payables	*94.418*	*86.455*
Miscellaneous provisional items	84.497	40.064
Total other liabilities	**498.447**	**339.377**

The item "Due to Tax Authorities and Social Security Institutions" as of 31 December 2025 includes liabilities for a total of 15,0 million Euro relating to the extraordinary contribution of 27,5% on the extra-profits reserve established pursuant to Article 1, paragraph 69, of Law No. 199 of 30 December 2005 for the Group's banks (Banca Ifis, illimity Bank and Banca Credifarma), which will be paid in 2026 based on the relevant resolutions of the respective Boards of Directors. For further details, refer to the specific paragraph "Extraordinary Contribution Law No. 199 of 2025"

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within "Part A - Accounting Policies", "A.1 - General Part", "Section 5 - Other Aspects" of these Notes to the Consolidated Financial Statements;

The item "Other items" is characterised by the absence in the balances as at 31 December 2025 of payables to Fürstenberg Scogliera Holding (formerly La Scogliera) related to the Group's tax consolidation (similarly to what was commented above for other assets), because the balance as at 31 December 2024 related to the debt to the tax consolidating company Fürstenberg Scogliera Holding (amounting to 29,1 million Euro) was fully settled during the first half of 2025 and, in addition, because no new payables to Fürstenberg Scogliera Holding accrued during 2025 as a result of the discontinuation of the tax consolidation arrangement with this entity (for further details, refer to the comments in "Section 11 - Tax assets and liabilities - Item 110 of assets and Item 60 of liabilities" above).

Section 9 - Post-employment benefits - Item 90

9.1 Post-employment benefits: annual changes

	31.12.2025	31.12.2024
A. Opening balance	**7.569**	**7.906**
B. Increases	**7.393**	**1.670**
B.1 Provisions for the year	2.110	1.599
B.2 Other changes	5.283	71
business combinations	*4.752*	-
C. Decreases	**3.521**	**2.007**
C.1 Payments made	1.324	312
C.2 Other changes	2.197	1.695
D. Closing balance	**11.441**	**7.569**
Total	**11.441**	**7.569**

Payments made represent the portions liquidated to employees during the year.

Other increases include the liability for termination indemnities acquired during the year as a result of the business combinations relating to illimity Bank and Euclidea SIM (the latter renamed Fürstenberg SIM as of 26 January 2026).

Other decreases include the impact of the discounting of benefits earned up to 31 December 2006 and still held in the company, which, based on the changes introduced by the new IAS 19, are recognised through valuation reserves entered as equity.

9.2 Other information

Under IAS/IFRS standards, a company's liabilities regarding benefits that will be paid to employees at the conclusion of the employer/employee relationship (post-employment benefits) should be recognised based on actuarial calculations of the amount that will be paid at maturity.

Specifically, these allocations must take into account the amount already earned over the period at the reporting date, projecting it into the future in order to calculate the amount that will be paid at the conclusion of the employer/employee relationship. This amount must then be discounted to take into account the time that will pass until payment.

Following the reform of supplementary pensions under Legislative Decree No. 252 of 5 December 2005, the severance pay accrued from 1 January 2007 is, at the employee's choice, either allocated to supplementary pension schemes or transferred to the fund managed by INPS.

The actuarial valuation of the severance indemnity was conducted with the support of an independent external actuary, based on the “accrued benefits” methodology using the “Projected Unit Credit” criterion, as required by

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IAS 19. The following table shows the main demographic, economic and financial assumptions on which the valuation at 31 December 2025 is based compared to the valuation at 31 December 2024.

Main actuarial assumptions for the valuation of the severance indemnity ("TFR")	
Demographic assumptions (2025-2024):	
Employee mortality rate	From Istat table resident population
Probability of the request for advance payment of severance indemnity	1,7%
Measure required in the case of severance indemnity advance	70,0%
Frequency of turnover	1,4%
Financial assumptions (2025-2024):	
Annual discount rate	3,74%
Annual inflation rate	2,25%

The update of the actuarial assumptions for the valuation of the severance indemnity at 31 December 2025, compared to the previous year, resulted in an overall decrease in the provision for severance indemnity of 0,1 million Euro, equal to the combined effect of the following elements:

- changes in financial assumptions, for an overall positive net effect of 0,2 million Euro;
- changes in other actuarial assumptions, for an overall positive net effect of 0,1 million Euro.

With regard to the discount rate of 3,74%, which is one of the most important assumptions used in the measurement of defined benefit plan obligations, reference was made to an average rate calculated on the basis of the duration of the settlements using reference indices on corporate bonds in Euro currency and with a maturity > 6 years as benchmarks.

In fact, IAS 19 requires that this rate should reflect the time value of money, but not the entity-specific credit risk, actuarial or investment risk, and the risk that the actual data experienced may differ in the future from the actuarial assumptions used. The standard further specifies that this rate shall be determined by reference to market yields, at the end of the reporting period, of securities of primary corporations of the country in which the entity operates (referred to as the "High Quality Corporate Bond yield") and, alternatively, in the absence of a market for such securities, by reference to market yields of government securities.

Sensitivity analyses

As required by IAS 19, a sensitivity analysis of the severance pay obligation was conducted assuming an increase or decrease in the discount rate and inflation rate of 50 basis points. The analysis is intended to show how much the balance sheet liability would vary in relation to reasonably possible fluctuations in these actuarial assumptions.

The results of the sensitivity analysis, in terms of absolute and percentage changes in the consolidated severance indemnity liability, are shown in the table below.

	Change in TFR in absolute terms (in thousands of Euro)	Change in TFR in percentage terms
Modification of actuarial assumptions:		
Discounting rate		
+ 0,5%	(468,6)	(4,1)%
- 0,5%	508,8	4,4%
Inflation rate		
+ 0,5%	269,6	2,4%
- 0,5%	(265,8)	(2,3)%

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Section 10 - Provision for risks and charges - Item 100

10.1 Provisions for risks and charges: breakdown

Items/Components	31.12.2025	31.12.2024
1. Provisions for credit risk related to commitments and financial guarantees granted	8.538	5.222
2. Provisions on other commitments and financial guarantees granted	62	337
3. Provisions for pensions	364	231
4. Other provisions for risks and charges	97.913	46.549
4.1 legal and tax disputes	*18.678*	*28.337*
4.2 personnel expenses	*48.976*	*1.931*
4.3 other	*30.259*	*16.281*
Total	**106.877**	**52.339**

At 31 December 2025, total provisions for risks and charges amount to 106,9 million Euro, of which 22,9 million Euro relate to the illimity Group. Net of this component, the balance amounts to Euro 84,0 million Euro, an increase of Euro 31,7 million Euro compared to the previous year, mainly due to the provisions for the year at the level of personnel expenses (for more details, refer to section "10.6 Provisions for Risks and Charges - Other Provisions" below).

10.2 Provisions for risks and charges: annual changes

	Provisions on other commitments and financial guarantees granted	Provisions for pensions	Other provisions for risks and charges	Total 31.12.2025
A. Opening balance	**337**	**231**	**46.549**	**47.117**
B. Increases	**555**	**176**	**133.992**	**134.723**
B.1 Provisions for the year	555	39	78.734	79.328
B.2 Changes due to the passage of time	-	15	-	15
B.3 Changes due to changes in the discount rate	-	-	-	-
B.4 Other changes	-	122	55.258	55.380
- business combinations	-	-	*46.580*	*46.580*
C. Decreases	**830**	**43**	**82.628**	**83.501**
C.1 Used in the year	-	-	46.544	46.544
C.2 Changes due to changes in the discount rate	-	43	-	43
C.3 Other changes	830	-	36.084	36.914
D. Closing balance	**62**	**364**	**97.913**	**98.339**

Other increases include provisions for risks and charges acquired during the year as a result of the business combinations relating to illimity Bank and Euclidea SIM (the latter renamed Fürstenberg SIM as of 26 January 2026).

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10.3 Provisions for credit risk related to commitments and financial guarantees granted

	Provisions for credit risk related to commitments and financial guarantees granted				
	Stage 1	Stage 2	Stage 3	Purchased and/or originated impaired	Total
Loan commitments	2.742	374	3	606	3.725
Guarantees granted	1.752	714	2.256	91	4.813
Total	**4.494**	**1.088**	**2.259**	**697**	**8.538**

At 31 December 2025, the balance of 8,5 million Euro reflects the write-down of irrevocable commitments to disburse funds and financial guarantees issued by the Group, and includes 2,2 million Euro in contributions from the illimity Group. Net of this effect, the item totals 6,3 million Euro, an increase of 1,1 million Euro compared to the figure at 31 December 2024.

10.4 Provisions on other commitments and other guarantees given

At 31 December 2025, the balance of this item is 62 thousand Euro, and does not include balances from the illimity Group. This item decreased compared to the figure as at 31 December 2024, amounting to 337.000. For more details on the changes during the year, refer to the sections above.

10.5 Defined-benefit corporate pension funds

1. Illustration of fund characteristics and related risks

The item includes the provision related to the post-retirement medical plan in favour of certain employees of the Banca Ifis Group: this is a defined benefit plan that provides for healthcare and other benefits to employees, even after retirement.

Specifically, the Banca Ifis Group has provided, for all Group managerial staff, insurance cover for the reimbursement of medical expenses (RSMO) valid and effective until the age of 85. This cover is therefore in continuity with the cover in place during employment, even after retirement. The only condition for access is the termination of employment with the Parent company or other Group companies due to retirement. The policy premium will be borne by the Bank with an annual contribution from the retired manager. Therefore, the Group is responsible for the costs and risks associated with the provision of such benefits.

2. Changes in net defined benefit liabilities (assets) and redemption rights during the year

The opening balance as at January 2025 of the net defined benefit liabilities was 231 thousand Euro. As at 31 December 2025, mainly as a result of accruals for the year, this provision increased to 364 thousand Euro, and does not include contributions from the illimity Group.

3. Disclosure of fair value of plan assets

There is no information to be reported in this paragraph.

4. Description of the main actuarial assumptions

For this fund, as a supplementary defined-benefit pension fund, the determination of the actuarial values required by the application of IAS 19 "Employee Benefits" is carried out using the "Project Unit Credit Method". The liability is recognised in the balance sheet net of any plan assets, and actuarial gains and losses calculated in the plan valuation process are recognised in the statement of comprehensive income and, therefore, in equity.

The main actuarial assumptions adopted are as follows:

- discount rate of 3,96%, calculated as an average rate on the basis of the duration of the liquidations and using reference indices on corporate bonds in euro currency and with maturity > 10 years as benchmarks;
- premium inflation rate of 2,25%;
- annual turnover rate of 2,0%;

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- frequency of “waiver” (non-payment of the premium component of pensioners) of 2,0%.

5. Information on amount, timing and uncertainty of cash flows

Given that the healthcare benefits are provided through a policy and that they constitute a benefit for the recipients until they reach the age of 85, the obligation subject to discounting under IAS 19 is that relating to the period in retirement and up to the age of 85.

A sensitivity analysis was also conducted on these net defined benefit liabilities, analysing what the amount of the net liabilities would be in the event of:

- a change in the discount rate of +/- 0,5% (50 bps);
- a change in the growth rate of payments to the insurance company of +/- 0,5% (50 bps);
- a change in the inflation rate of +/- 0,5% (50 bps);
- a change in the wage growth rate of +/- 0,5% (50 bps);
- a change in retirement age of +/- 1 year;
- a change in average longevity of +/- 1 year.

The maximum and minimum values of the net defined-benefit liabilities at 31 December 2025 resulting from the aforementioned sensitivities are 421 thousand Euro and 271 thousand Euro, respectively.

6. Multi-employer plans

There is no information to be reported in this paragraph.

7. Defined benefit plans that share risks between entities under common control

There is no information to be reported in this paragraph.

10.6 Provisions for risks and charges - Other provisions

Legal and tax disputes

At 31 December 2025, provisions for legal and tax disputes totalling 18,7 million Euro are recorded, of which 4,1 million Euro relate to funds associated with the illimity Group. Without this contribution, the funds in question amount to 14,6 million Euro, down from 28,3 million Euro at 31 December 2024. The decrease of 13,7 million Euro is mainly due to the release of provisions for risks and charges attributable to some individually significant positions of the Parent company Banca Ifis, of which 4,1 million Euro was attributable to the positive resolution of an outstanding dispute related to the Factoring Area.

These provisions refer to legal and tax disputes in respect of which the Group is deemed to have a present obligation that may lead to the use of financial resources. Information on the amount of the allocation to the provisions for risks and charges is not provided by individual dispute but by type, both in consideration of the number of disputes and in order to avoid prejudicing the Group in the evolution of the dispute with the counterparty, either through legal proceedings or settlements.

The illimity Group's provisions refer to disputes over contractual compensation for 1,3 million Euro, while the remaining amount is connected to disputes over credit positions.

Personnel expenses

As at 31 December 2025, there are provisions for personnel expenses of 49,0 million Euro, of which 8,9 million Euro arose from the illimity Group and related to the provision for the year for the management of the departures of certain executives of the illimity Group as part of the acquisition by Banca Ifis. Without considering the contribution of the illimity Group, the balance amounts to 40,1 million Euro, an increase of 38,1 million Euro compared to the figure as at 31 December 2024, mainly due to the provision of 40,0 million Euro for the year against the signing by the Parent company Banca Ifis on 29 December 2025 of an agreement with the trade unions concerning a voluntary redundancy plan aimed at accompanying 120 employees to retirement, also through recourse to extraordinary benefits from the Solidarity Fund for the credit sector. For more details, refer to 'Part A -

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Accounting Policies', 'A.1 - General', 'Section 5 - Other Aspects', paragraph 'Significant Transactions during the Year' of the Notes to the Consolidated Financial Statements.

Other provisions for risks and charges

At 31 December 2025, there are "Other provisions" of 30,3 million Euro outstanding, of which 7,6 million Euro are associated with illimity Group events. Net of this effect, other provisions amount to 22,6 million Euro, an increase of 38,9% compared to the figure at 31 December 2024, which was 16,3 million Euro.

Net of the illimity Group's contribution, the item consists mainly of:

- 9,4 million Euro to cover risks related to outstanding disputes on tax credits for Super Ecobonus and other building tax bonuses purchased by the Parent company Banca Ifis;
- 3,4 million Euro for Supplementary Customer Indemnity, almost entirely attributable to the operations of the Leasing Area;
- 2,3 million Euro for the provision for risks related to the disposal transactions carried out by the Parent company Banca Ifis;
- 2,6 million Euro for the indemnity provision set aside for transactions carried out by the subsidiary Ifis Npl Investing;
- 0,5 million Euro for the complaints fund.

Provisions related to the illimity Group amount to a total of 7,6 million Euro, of which 5,8 million Euro emerged following the conclusion of the PPA process required by IFRS 3 and mainly related to commercial disputes.

Contingent liabilities

The most significant contingent liabilities within the meaning of IAS 37 existing at 31 December 2025, the negative outcome of which is deemed not probable by the Group and its legal advisors, although possible, are detailed below. Such disclosures are not provided with respect to situations where the likelihood of deploying resources capable of producing economic benefits is remote.

Litigation related to insolvency proceedings

During 2022, Banca Ifis was sued by the bodies of two bankruptcy proceedings, which requested that it be ordered to pay 389,3 million Euro in one case and 47,7 million Euro in the other, as compensation for damages for the unlawful forbearance in its capacity as lender, albeit marginal, of the companies now in proceedings. The first claim was made jointly and severally with 23 other institutions, while the second claim was made jointly and severally with 8 other institutions.

Tax dispute concerning the assumed "permanent establishment" in Italy of the Polish company Ifis Finance Sp. z o.o.

Following a tax audit, Notices of Assessment were served for the years 2013/2017 in which the "concealed permanent establishment" of Ifis Finance Sp. z o.o., the subsidiary based in Poland, was contested.

The Financial Administration hypothesised that the office in Poland was used in the Group's strategies more as a branch/office for the promotion and sale of services offered, *de facto*, by the Parent company Banca Ifis rather than constituting an independent and autonomous legal entity in the exercise of its activity.

For all the years 2013/2017, the courts of first and second instance fully upheld the arguments of the Parent company Banca Ifis, rejecting the Internal Revenue Agency's objections. In the course of 2024, the appeal was notified by the Attorney General's Office before the Court of Cassation for the years 2013/2015.

Tax litigation regarding value added tax (VAT)

For the years 2017-2019, the Revenue Agency carried out VAT audits challenging Banca Ifis for non-payment of tax on 'car leasing' transactions carried out in favour of habitual exporters on the basis of their letters of intent submitted electronically.

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With reference to the year 2019, the Parent company Banca Ifis, considering the most recent jurisprudential orientations and the penalty savings, used the institution of adherence to the Formal Report of Findings paying 0,3 million Euro, while for the years 2017-2018, also considering the loss at first instance for both years, it deemed it appropriate to set aside a provision for risks and charges amounting to approximately 1 million Euro.

Outline of the Assessment Notice - Super-amortisation of the subsidiary Ifis Rental Services

On 17 March 2025, following a tax audit on the year 2018, the Inland Revenue served the subsidiary Ifis Rental Services with a notice of assessment contesting, on the basis of principle of law no. 2/2020, the use of the "Super-amortisation" in the amount of 4,7 million Euro, plus penalties and interest.

The Tax Court (CJT) of first instance dismissed the appeal with reference to the year 2018. The judgement failed to rule on the grounds of appeal relating to the unlawfulness of the contested notice of assessment on the grounds of incorrect identification of the objective profile (rental contract) and on the relevance or otherwise of the risks borne by the company.

On 24 December 2025, the Inland Revenue also forwarded a deed for the tax year 2019 in the amount of 4,4 million Euro, plus penalties and interest, with similar objections. The relevant assessment notice is expected by June 2026.

On the basis of the discussions with the tax advisors, taking into account the arguments that will be developed in litigation, the risk of losing the case is considered possible but not probable.

Section 11 - Insurance liabilities - Item 110

The Banca Ifis Group does not engage in insurance business.

Section 12 - Redeemable shares - Item 130

The Banca Ifis Group does not hold any redeemable shares at the reporting date.

Section 13 - Group Equity - Items 120, 130, 140, 150, 160, 170 and 180

13.1 "Share capital" and "Treasury shares": breakdown

Item		31.12.2025	31.12.2024
170	Share capital (in thousands of Euro)	61.819	53.811
	Number of ordinary shares	61.818.925	53.811.095
	Nominal amount of ordinary shares	1 euro	1 euro
180	Treasury shares (in thousands of Euro)	(13.701)	(20.971)
	Number of treasury shares	739.255	1.238.886

The changes in share capital between the balances as at 31 December 2025 and those as at 31 December 2024 are attributable to the cumulative effect of the issue of new Banca Ifis shares to service the offer on illimity Bank (for more details on this, refer to the specific paragraph "Significant events during the year" within the Directors' Report on the Group).

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13.2 Share capital - number of Parent company shares: annual changes

Items/Types	Ordinary	Other
A. Shares held at the beginning of the year	**53.811.095**	**-**
- fully paid-up	*53.811.095*	-
- not fully paid-up	-	-
A.1 Treasury shares (-)	(1.238.886)	-
A.2 Outstanding shares: opening balance	52.572.209	-
B. Increases	**8.507.461**	**-**
B.1 New issues	8.007.830	-
- paid:	8.007.830	-
- business combinations	-	-
- conversion of bonds	-	-
- exercise of warrants	-	-
- other	8.007.830	-
- free:	-	-
- in favour of employees	-	-
- in favour of directors	-	-
- other	-	-
B.2 Sale of treasury shares	378.600	-
B.3 Other changes	121.031	-
C. Decreases	**-**	**-**
C.1 Annulments	-	-
C.2 Buybacks of treasury shares	-	-
C.3 Company sell-offs	-	-
C.4 Other changes	-	-
D. Outstanding shares: closing balance	**61.079.670**	**-**
D.1 Treasury shares (+)	739.255	-
D.2 Shares held at the end of the year	61.818.925	-
- fully paid-up	*61.818.925*	-
- not fully paid-up	-	-

The item "new issues" represents the cumulative effect of the issuance of new Banca Ifis shares to service the offer on illimity Bank (for more details on this, see the specific section "Significant events during the year" in the Directors' Report on the Group).

The sale of treasury shares is connected with the exercise by Banca Ifis Group employees of stock options under the 2021-2023 Long Term Incentive (LTI) Plan. In this case, a total of 378.600 options were exercised in 2025 at a strike price of 12,92 Euro (of which 243.600 by the Chief Executive Officer and 135.000 by the additional beneficiaries of the plan), to which the sale of 378.600 Banca Ifis treasury shares to these beneficiaries corresponded. For more information, refer to 'Part I - Share-based payments' of these Notes to the Consolidated Financial Statements.

Other increases in the number of shares refer to the allocation of shares during the year as part of additional remuneration mechanisms for the Banca Ifis Group's Top Management, which were included in treasury shares at the start of the year. For further details, refer to the specific paragraph in 'Section 1 - Consolidated equity' of 'Part F - Information on consolidated equity' of these Consolidated Financial Statements

13.3 Share capital: other information

The share capital is composed of 61.818.925 ordinary shares with a nominal value of 1 Euro each, bearing no rights, liens and obligations, including those relating to dividend distribution and capital redemption.

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13.4 Profit reserves: other information

Items/Components	31.12.2025	31.12.2024
Banca Ifis legal reserve	10.762	10.762
Banca Ifis extraordinary reserve	551.122	523.729
Buyback reserve	13.701	20.971
Other profit reserves	992.348	975.334
Total profit reserves	**1.567.933**	**1.530.796**
Stock option reserve	1.132	2.213
Extraordinary contribution reserve Law no. 199/2025	(14.881)	-
Other reserves, not “profit reserves”	50.489	10.720
Total item 150 Reserves	**1.604.673**	**1.543.729**

The item "Banca Ifis extraordinary reserve" shows an increase of 27,4 million Euro corresponding to the portion of the profit of the Parent company, Banca Ifis, of 31 December 2024 allocated to reserves.

Pursuant to Article 1, paragraph 147 of the 2014 Stability Law (Italian Law No. 147 of 27 December 2013) and Article 1, paragraph 704 of the 2020 Budget Law (Italian Law No. 160 of 27 December 2019), the Banca Ifis Group has realigned the spread between the statutory value and tax value on certain properties. The amount corresponding to the higher values following the realignment, net of the substitute tax, generated a 15,3 million Euro untaxed reserve.

In addition, following the 2017 merger of Interbanca S.p.A. into Banca Ifis S.p.A., in accordance with Article 172 paragraph 5 of the Consolidated Law on Income Tax, the surviving entity restored the merging entity's deferred tax reserves as follows:

- 4,6 million Euro special reserve as per Article 15 paragraph 10 of Italian Law No. 516 of 07/08/1982;
- 2,3 million Euro revaluation reserve as per Italian Law No. 408/90.

Finally, there are an additional 20,7 million Euro in deferred tax reserves recognised by Banca Ifis and arising from the merger of Interbanca, in accordance with the following laws: No. 576/75, No. 83/72 and No. 408/90, that had been previously recognised as share capital of the latter.

With reference to the extraordinary tax on the "extra-profits" of the banks under Italian Law No. 136/2023, it should be noted that the corresponding allocations to reserves proposed by the directors to the relevant shareholders' meetings in 2024 have been approved by them and amount to 23.905.112 Euro for Banca Ifis (resolution dated 18 April 2024) and 3.252.404 Euro for Banca Credifarma (resolution dated 10 April 2024). Finally, it should be noted that the provision of the last part of paragraph 5-bis of Italian Law No. 136/2023 determines an obligation to be considered new and autonomous and consisting in the maintenance of the non-distributable restriction on the reserve recorded by each bank in their respective separate financial statements. In this regard, the directors currently confirm their intention not to proceed with any distribution of the reserves thus constituted.

The aforementioned types of reserves are all included in the sub-item "Other revenue reserves" in the table above.

The stock option reserve was set up as part of the 2021-2023 Long Term Incentive (LTI) Plan, and its reduction in 2025 was due to the exercise under this plan of 378.600 options at a strike price of 12,92, which was associated with a stock option reserve totalling 1,1 million Euro. For more information, refer to 'Part I - Share-based payments' of these Notes to the Consolidated Financial Statements.

The sub-item “Extraordinary contribution reserve Law no. 199/2025” has a negative balance of 14,9 million Euro at 31 December 2025, relating to the recognition under the item “other liabilities” of the extraordinary contribution of 27,5% on the excess profits reserve, established pursuant to Article 1, paragraph 69, of Law No. 199 of 30 December 2005, for the Group’s banks (Banca Ifis, illimity Bank and Banca Credifarma), which will be paid during 2026 following the relevant resolutions of the respective Boards of Directors. For further details, refer to the

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specific paragraph "Extraordinary Contribution Law No. 199 of 2025" within "Part A - Accounting Policies", "A.1 - General Part", "Section 5 - Other Aspects" of these Notes to the Consolidated Financial Statements;

The sub-item "Other reserves, other than profit reserves" as at 31 December 2025 recorded a positive change of 39,8 million Euro compared to the previous year, reflecting the cumulative effect of the issue of new Banca Ifis shares to service the offer on illimity Bank (for more details on this, refer to the specific section "Significant events during the year" within the Directors' Report on the Group).

13.5 Equity instruments: breakdown and annual changes

The Banca Ifis Group does not hold any equity instruments.

13.6 Other information

With reference to valuation reserves, refer to the details in “Part F - Information on consolidated equity” of these Notes to the Consolidated Financial Statements.

Section 14 - Equity attributable to non-controlling interests - Item 190

14.1 Breakdown of Item 210 “Equity attributable to non-controlling interests”

Company name	31.12.2025	31.12.2024
Equity investments in consolidated companies with significant minority interests	20.801	15.834
1. Banca Credifarma S.p.A.	15.874	15.834
2. illimity Group companies with non-controlling interests	4.927	-
Other equity investments	2	2
Total	**20.803**	**15.836**

14.2 Equity instruments: breakdown and annual changes

There are no equity instruments.

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Other information

1. Commitments and financial guarantees granted

	Nominal amount of commitments and financial guarantees granted				Total 31.12.2025	Total 31.12.2024
	Stage 1	Stage 2	Stage 3	Purchased and/or originated impaired		
1. Loan commitments	**1.294.901**	**43.497**	**20.233**	**11.267**	**1.369.898**	**1.152.291**
a) Central Banks	-	-	-	-	-	-
b) Public Administrations	1	-	-	-	1	-
c) Banks	490	-	-	-	490	14.798
d) Other financial companies	277.375	16	-	-	277.391	177.594
e) Non-financial companies	883.309	38.702	18.583	10.877	951.471	810.371
f) Households	133.726	4.779	1.650	390	140.545	149.528
2. Guarantees granted	**213.527**	**32.678**	**8.176**	**6.040**	**260.421**	**124.033**
a) Central Banks	-	-	-	-	-	-
b) Public Administrations	-	-	-	-	-	-
c) Banks	84	-	-	-	84	-
d) Other financial companies	35	69	-	-	104	35
e) Non-financial companies	213.196	32.582	8.132	6.040	259.950	122.080
f) Households	212	27	44	-	283	1.918

2. Other commitments and guarantees granted

	Nominal amount	
	31.12.2025	31.12.2024
Other guarantees granted	**40.952**	**42.922**
of which: non-performing loans	-	*1.683*
a) Central Banks	-	-
b) Public Administrations	-	-
c) Banks	-	-
d) Other financial companies	-	-
e) Non-financial companies	40.952	42.922
f) Households	-	-
Other commitments	**99.653**	**68.536**
of which: non-performing loans	*619*	-
a) Central Banks	-	-
b) Public Administrations	-	-
c) Banks	-	-
d) Other financial companies	79.515	65.536
e) Non-financial companies	20.088	3.000
f) Households	50	-

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3. Assets used as collateral for own liabilities and commitments

Portfolios	31.12.2025	31.12.2024
1. Financial assets measured at fair value through profit or loss	-	-
2. Financial assets measured at fair value through other comprehensive income	813.562	168.604
3. Financial assets measured at amortised cost	2.402.675	2.187.792
4. Property, plant and equipment	-	-
of which: property, plant and equipment qualifying as inventories	-	-

Financial assets measured at fair value through other comprehensive income, just like financial assets measured at amortised cost, refer mainly to Government securities guaranteeing loans on the Eurosystem.

The rest of the financial assets measured at amortised cost mainly refer to bank deposits backing derivative transactions.

4. Breakdown of investments against unit-linked and index-linked policies

In these Consolidated Financial Statements, this item has no value.

5. Administration and mediation on behalf of third parties

Type of services	Amount
1. Execution of orders on behalf of clients	
a) purchases	-
1. settled	-
2. unsettled	-
b) sales	-
1. settled	-
2. unsettled	-
2. Portfolio management	
a) individual	365.156
b) collective	-
3. Safekeeping and administration of securities	
a) third party securities in custody: associated with depositary bank services (excluding portfolio management)	-
1. securities issued by consolidated companies	-
2. other securities	-
b) other third party securities in custody (excluding portfolio management): other	1.298.182
1. securities issued by consolidated companies	234
2. other securities	1.297.948
c) third party securities held with third parties	1.251.250
d) own securities held with third parties	11.170.867
4. Other transactions	-

Item '2. Portfolio management - a) individual' includes the contribution received from the newly acquired Euclidea SIM (renamed Fürstenberg SIM as of 26 January 2026).

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6. Financial assets subject to on-balance sheet netting, or subject to master netting agreements or similar arrangements

Technical forms	Gross amount of financial assets (a)	Amount of financial liabilities offset in the balance sheet (b)	Net amount of financial assets reported in the balance sheet (c=a-b)	Related amounts not offset in the balance sheet		Net balance at 31.12.2025 (f=c-d-e)	Net balance at 31.12.2024
				Financial instruments (d)	Cash deposits received as collateral (e)		
1. Derivatives	43.157	-	43.157	-	43.157	-	-
2. Reverse repurchase agreements	23.284	-	23.284	23.284	-	-	-
3. Securities lending	-	-	-	-	-	-	-
4. Other	-	-	-	-	-	-	-
Total 31.12.2025	**66.441**	**-**	**66.441**	**23.284**	**43.157**	**-**	**X**
Total 31.12.2024	**-**	**-**	**-**	**-**	**-**	**X**	**-**

The financial assets disclosed in this section are entirely attributable to the illimity Group, which was acquired during the year.

7. Financial liabilities subject to on-balance sheet netting, or subject to master netting agreements or similar arrangements

Technical forms	Gross amount of financial liabilities (a)	Amount of financial assets offset in the balance sheet (b)	Net amount of financial liabilities reported in the balance sheet (c=a-b)	Related amounts not offset in the balance sheet		Net balance at 31.12.2025 (f=c-d-e)	Net balance at 31.12.2024
				Financial instruments (d)	Cash deposits placed as collateral (e)		
1. Derivatives	30.488	-	30.488	-	30.488	-	-
2. Reverse repurchase agreements	677.101	-	677.101	677.101	-	-	-
3. Securities lending	-	-	-	-	-	-	-
4. Other transactions	-	-	-	-	-	-	-
Total 31.12.2025	**707.589**	**-**	**707.589**	**677.101**	**30.488**	**-**	**X**
Total 31.12.2024	**-**	**-**	**-**	**-**	**-**	**X**	**-**

The financial liabilities disclosed in this section are entirely attributable to the illimity Group, which was acquired during the year.

As of 1 January 2013, the amendments to IFRS 7 concerning the disclosure of netting agreements, endorsed with Reg. No. 1256 of 13 December 2012, became mandatory. IFRS 7 requires specific disclosure of financial instruments that have been offset in the balance sheet in accordance with IAS 32 and that are potentially eligible for offsetting, under certain conditions, but are shown in the balance sheet with open balances because they are governed by 'master netting arrangements or similar agreements' that do not, however, meet the criteria set out in IAS 32 for offsetting in the balance sheet.

In providing disclosure of such arrangements, the standard also requires consideration of the effects of financial collateral (including cash collateral) received and provided.

8. Securities lending transactions

No securities lending transactions were in place at the reporting date.

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9. Disclosure of joint operations

As from the current financial year, Hype S.p.A. is included in the consolidation perimeter of the Banca Ifis Group, following the acquisition by Banca Ifis of illimity Bank and, consequently, of all the companies included in the consolidation perimeter of the aforementioned. In this case, illimity Bank holds a 50% interest in the share capital of Hype.

This equity investment, which has a carrying amount of 85,0 million Euro at 31 December 2025, is classified under "Non-current assets and disposal groups" and is therefore measured in compliance with the provisions of IFRS 5.

On 3 November 2025, the Board of Directors of illimity Bank accepted Banca Sella Holding's offer to acquire the entire interest held by illimity Bank in Hype for a consideration of 85 million Euro. Following the obtainment of regulatory authorisations at the beginning of 2026, this equity investment was sold on 6 February 2026 at the agreed price (for further details, refer to the specific paragraphs included in the sections "Significant events during the year" and "Subsequent events" of the Directors' Report on the Group).

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Part C - Information on the Consolidated Income Statement

Section 1 - Interest - Items 10 and 20

1.1 Interest receivable and similar income: breakdown

Items/Technical forms	Debt securities	Loans	Other transactions	Total 31.12.2025	Total 31.12.2024
1. Financial assets measured at fair value through profit or loss:	**7.129**	**15**	**-**	**7.144**	**7.514**
1.1. Financial assets held for trading	8	-	-	8	6
1.2. Financial assets designated at fair value	-	-	-	-	-
1.3. Other financial assets mandatorily measured at fair value	7.121	15	-	7.136	7.508
2. Financial assets measured at fair value through other comprehensive income	**29.184**	**-**	**X**	**29.184**	**11.487**
3. Financial assets measured at amortised cost:	**147.823**	**719.061**	**-**	**866.884**	**806.224**
3.1. Receivables due from banks	16.769	6.078	X	22.847	51.828
3.2. Receivables due from customers	131.054	712.983	X	844.037	754.396
4. Hedging derivatives	**X**	**X**	**(3.164)**	**(3.164)**	**2.468**
5. Other assets	**X**	**X**	**7.275**	**7.275**	**7.674**
6. Financial liabilities	**X**	**X**	**X**	**160**	**-**
Total	**184.136**	**719.076**	**4.111**	**907.483**	**835.367**
of which: interest income on impaired financial assets	*34.104*	*253.895*	-	*287.999*	*204.286*
of which: interest income on financial leases	*X*	*80.848*	*X*	*80.848*	*88.865*

As for "Financial assets measured at fair value through profit or loss", the amounts refer to debt securities and loans that failed the SPPI test, whereas in the case of "Financial assets measured at fair value through other comprehensive income", the reported amounts are securities, mainly government bonds, in the portfolio.

Interest income from receivables due from customers at amortised cost referring to debt securities is associated mainly with the senior tranche of a securitisation of bad loans guaranteed by Italian Treasury Department ("GACS") that the Group, as well as with the securities portfolio, established as a use of liquidity.

Under "Hedging derivatives" in the "Other transactions" column, the amount, positive or negative, of accrued differentials or margins on these derivatives that correct the interest income recognised on the hedged financial instruments is reported.

With reference to interest income on impaired financial assets totalling 288,0 million Euro as at 31 December 2025, it should be noted that

- 182,3 million Euro (185,1 million Euro as at 31 December 2024) are related to the specific activity of the Npl Segment, dedicated to the non-recourse acquisition and management of hard-to-collect receivables;
- 85,7 million Euro refers to the contribution of the illimity Group;
- the remainder relates to interest income on impaired loans acquired as a result of the various business combinations in recent years.

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1.2 Interest receivable and similar income: other information

1.2.1 Interest income on foreign currency financial assets

	31.12.2025	31.12.2024
Interest income on foreign currency financial assets	13.396	9.745

1.3 Interest due and similar expenses: breakdown

Items/Technical forms	Payables	Securities	Other transactions	Total 31.12.2025	Total 31.12.2024
1. Financial liabilities measured at amortised cost	(352.205)	(121.375)	X	(473.580)	(433.069)
1.1 Payables due to central banks	(7.610)	X	X	(7.610)	(26.961)
1.2 Payables due to banks	(53.003)	X	X	(53.003)	(15.328)
1.3 Payables due to customers	(291.592)	X	X	(291.592)	(295.124)
1.4 Debt securities issued	X	(121.375)	X	(121.375)	(95.656)
2. Financial liabilities held for trading	-	-	-	-	-
3. Financial liabilities designated at fair value	-	-	-	-	-
4. Other liabilities and provisions	X	X	(239)	(239)	(28)
5. Hedging derivatives	X	X	(593)	(593)	-
6. Financial assets	X	X	X	(201)	(252)
Total	**(352.205)**	**(121.375)**	**(832)**	**(474.613)**	**(433.349)**
of which: interest expense on lease payables	*(1.245)*	*X*	*X*	*(1.245)*	*(521)*

The balance of interest expenses as at 31 December 2025 of 474,6 million Euro includes 95,7 million Euro related to the illimity Group. Net of this component, the balance amounted to 378,9 million Euro, down from the figure of 433,3 million Euro as at 31 December 2024, mainly due to the reduction in the Group's average funding cost (which, excluding the effect related to the acquisition of the illimity Group's funding, fell from an average 2024 figure of 3,87% to 3,30% in 2025, following the funding dynamics during the year).

1.4 Interest due and similar expenses: other information

1.4.1 Interest expense on foreign currency liabilities

	31.12.2025	31.12.2024
Interest expense on foreign currency liabilities	(7.830)	(4.207)

1.5 Hedging differentials

ITEMS	31.12.2025	31.12.2024
A. Positive differentials on hedging transactions:	19.182	13.882
B. Negative differentials on hedging transactions:	(22.939)	(11.414)
C. Balance (A-B)	**(3.757)**	**2.468**

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Section 2 - Commissions - Items 40 and 50

2.1 Commission income: breakdown

Type of services/Amounts	31.12.2025	31.12.2024
a) Financial instruments	226	-
1. Placement of securities	-	-
1.1 On a firm and/or irrevocable commitment basis	-	-
1.2 Without irrevocable commitment	-	-
2. Receipt and transmission of orders and execution of orders on behalf of customers	-	-
2.1 Receipt and transmission of orders for one or more financial instruments	-	-
2.2 Execution of orders on behalf of clients	-	-
3. Other commissions related to activities linked to financial instruments	226	-
of which: trading on own account	-	-
of which: individual portfolio management	*226*	-
b) Corporate finance	2.177	23
1. Mergers and acquisitions advisory services	-	-
2. Treasury services	-	-
3. Other commissions related to corporate finance services	2.177	23
c) Investment advisory activities	-	-
d) Clearing and settlement	-	-
e) Collective portfolio management	4.160	-
f) Custody and administration	-	-
1. Depository bank	-	-
2. Other commissions related to custody and administration activities	-	-
g) Central administrative services for collective portfolio management	-	-
h) Fiduciary activities	-	-
i) Payment services	11.969	8.890
1. Current accounts	4.393	3.554
2. Credit cards	1.219	407
3. Debit cards and other payment cards	1.170	1.147
4. Bank transfers and other payment orders	142	141
5. Other fees related to payment services	5.045	3.641
j) Distribution of third-party services	5.614	4.688
1. Collective portfolio management	-	-
2. Insurance products	5.440	4.677
3. Other products	174	11
of which: individual portfolio management	-	-
k) Structured finance	-	-
l) Servicing for securitisation transactions	9.921	1.543
m) Loan commitments	-	-
n) Guarantees given	5.010	2.533
of which: credit derivatives	-	-
o) Loans	101.004	90.596
of which: for factoring transactions	*61.767*	*60.404*
p) Trading in currencies	14	-
q) Commodities	-	-
r) Other commission income	10.625	3.301
of which: for management of multi-lateral trading facilities	-	-
of which: for management of organised trading facilities	-	-
Total	**150.720**	**111.574**

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Commission income amounts to 150,7 million Euro, of which 38,5 million Euro related to the second-half figure for the illimity Group. Net of this effect, commission income amounts to 112,2 million Euro, substantially in line with the figure at 31 December 2024.

The main contribution in terms of commission income comes from commissions related to financing transactions, which amounted to 101,0 million Euro as at 31 December 2025, of which 14,7 million Euro related to the contribution for the six months June-December 2025 of the illimity Group. Net of this contribution, commission income amounted to 86,3 million Euro, down 4,3 million Euro from the previous year's figure.

2.2 Commission expense: breakdown

Services/Amounts	31.12.2025	31.12.2024
a) Financial instruments	(508)	(397)
of which: trading in financial instruments	*(508)*	*(397)*
of which: placement of financial instruments	-	-
of which: individual portfolio management	-	-
- Own	-	-
- Delegated to third parties	-	-
b) Clearing and Settlement	-	-
c) Collective portfolio management	-	-
1. Own	-	-
2. Delegated to third parties	-	-
d) Custody and administration	(654)	(181)
e) Collection and payment services	(3.932)	(1.012)
of which: credit cards, debit cards and other payment cards	*(1.060)*	-
f) Servicing for securitisation transactions	(733)	-
g) Loan commitments	-	-
h) Financial guarantees received	(41)	(101)
of which: credit derivatives	-	-
i) Out-of-office canvassing of financial instruments, services and products	(2.730)	(4.037)
j) Trading in currencies	-	-
k) Other commissions payable	(19.548)	(14.071)
Total	**(28.146)**	**(19.799)**

Commission expenses amount to 28,1 million Euro at 31 December 2025, and this figure includes 7,1 million Euro in commission costs associated with the illimity Group for the six months July-December 2025. Without this effect, commission expenses amount to 21,0 million Euro, up 1,3 million Euro compared with the figure at 31 December 2024, and essentially refer to commissions paid to banks and financial intermediaries such as management commissions, commissions paid to third parties for the distribution of Leasing Area products as well as the intermediation activity of affiliated banks and other credit brokers.

Section 3 - Dividends and similar income - Item 70

3.1 Dividends and similar income: breakdown

Items/Income	31.12.2025		31.12.2024	
	Dividends	Similar income	Dividends	Similar income
A. Financial assets held for trading	-	-	-	-
B. Other financial assets mandatorily measured at fair value	2.092	9.501	-	1.852
C. Financial assets measured at fair value through other comprehensive income	20.466	-	10.691	-
D. Equity investments	-	-	-	-
Total	**22.558**	**9.501**	**10.691**	**1.852**

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Dividends and similar income generated from shares in the Banca Ifis Group's proprietary portfolio in the amount of 32,1 million Euro, of which 1,1 million Euro came from dividends recorded in the second half of 2025 on the proprietary portfolio of the illimity Group. Net of this contribution, the item amounts to 31,0 million Euro (+18,5 million Euro compared to the figure for 2024).

Section 4 – Net profit (loss) from trading – Item 80

4.1 Net profit (loss) from trading: breakdown

Transactions/Income items	Capital gains (A)	Profit from trading (B)	Capital losses (C)	Losses from trading (D)	Net result [(A+B) - (C+D)]
1. Financial assets held for trading	**-**	**1.397**	**(3)**	**(368)**	**1.026**
1.1 Debt securities	-	499	-	(33)	466
1.2 Equity instruments	-	898	(3)	(335)	560
1.3 UCITS units	-	-	-	-	-
1.4 Loans	-	-	-	-	-
1.5 Other	-	-	-	-	-
2. Financial liabilities held for trading	**-**	**-**	**-**	**-**	**-**
2.1 Debt securities	-	-	-	-	-
2.2 Payables	-	-	-	-	-
2.3 Other	-	-	-	-	-
3. Financial assets and liabilities: exchange differences	**X**	**X**	**X**	**X**	**575**
4. Derivatives	**114.626**	**64.361**	**(112.652)**	**(61.139)**	**4.234**
4.1. Financial derivatives:	114.626	64.361	(112.652)	(61.139)	4.234
- On debt securities and interest rates	65.442	37.529	(52.466)	(36.034)	14.471
- On equity instruments and share indexes	49.184	26.832	(60.186)	(25.105)	(9.275)
- On currencies and gold	X	X	X	X	(962)
- Other	-	-	-	-	-
4.2 Derivatives on loans	-	-	-	-	-
of which: natural hedges connected to the fair value option	*X*	*X*	*X*	*X*	-
Total	**114.626**	**65.758**	**(112.655)**	**(61.507)**	**5.835**

The net result from trading activities as at 31 December 2025 was a positive 5,8 million Euro, of which 0,8 million Euro related to the positive result recorded in the second half of 2025 by the illimity Group. Excluding this effect, the result of trading activities is positive by 5,0 million Euro, an improvement of 6,9 million Euro compared to the negative net result of 1,9 million Euro in 2024, mainly due to the better performance of trading derivatives (+6,6 million Euro compared to the balance at 31 December 2024).

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Section 5 – Net result from hedging – Item 90

5.1 Net result from hedging: breakdown

Income components/Values	31.12.2025	31.12.2024
A. Income related to:		
A.1 Fair value hedging derivatives	24.647	2.231
A.2 Financial assets hedged (fair value)	269	168
A.3 Financial liabilities hedged (fair value)	6.000	-
A.4 Cash flow hedging derivatives	-	-
A.5 Foreign currency assets and liabilities	-	-
Total income from hedges (A)	**30.916**	**2.399**
B. Charges relating to:		
B.1 Fair value hedging derivatives	(6.098)	(977)
B.2 Financial assets hedged (fair value)	(22.944)	(2.562)
B.3 Financial liabilities hedged (fair value)	-	-
B.4 Cash flow hedging derivatives	-	-
B.5 Foreign currency assets and liabilities	-	-
Total charges from hedges (B)	**(29.042)**	**(3.539)**
C. Net result from hedging (A - B)	**1.874**	**(1.140)**
of which: result of hedges of net positions	-	-

The net result of hedging activities as at 31 December 2025 is a positive 1,9 million Euro, and includes the net negative result of 0,1 million Euro related to the ineffectiveness on the July-December 2025 period of the hedging strategies activated by the illimity Group. Without considering this contribution, the net result is a positive 2,0 million Euro, a significant improvement over the negative figure of 1,1 million Euro at 31 December 2024.

Section 6 - Profit (loss) from sale or buyback - Item 100

6.1 Profit (loss) from sale or buyback: breakdown

Items/Income items	31.12.2025			31.12.2024		
	Profit	Losses	Net result	Profit	Losses	Net result
Financial assets						
1. Financial assets measured at amortised cost	47.459	(996)	46.463	33.835	(1.169)	32.666
1.1 Receivables due from banks	8.330	-	8.330	10.948	(458)	10.490
1.2 Receivables due from customers	39.129	(996)	38.133	22.887	(711)	22.176
2. Financial assets measured at fair value through other comprehensive income	6.985	(6.617)	368	10.425	(2.221)	8.204
2.1 Debt securities	6.985	(6.617)	368	10.425	(2.221)	8.204
2.2 Loans	-	-	-	-	-	-
Total assets (A)	**54.444**	**(7.613)**	**46.831**	**44.260**	**(3.390)**	**40.870**
Financial liabilities measured at amortised cost						
1. Payables due to banks	-	-	-	-	-	-
2. Payables due to customers	-	-	-	-	-	-
3. Debt securities issued	-	(265)	(265)	86	(22)	64
Total liabilities (B)	**-**	**(265)**	**(265)**	**86**	**(22)**	**64**

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Net gains from the sale or repurchase of financial assets and liabilities total 46,6 million Euro at 31 December 2025 and include net losses of 0,7 million Euro related to the economic effect of the disposals carried out in July-September 2025 by the illimity Group. Net of this effect, net profits amount to 47,3 million Euro (an increase of 6,3 million Euro compared to net profits of 40,9 million Euro as at 31 December 2024), of which 32,6 million Euro came from the sale of loans in the Npl Segment (all belonging to the so-called POCI category, which represents the Segment's core business).

Section 7 - Net result of other financial assets and liabilities measured at fair value through profit or loss - Item 110

7.1 Net change in other financial assets and liabilities measured at fair value through profit or loss: breakdown of financial assets and liabilities designated at fair value

The Banca Ifis Group recorded no gains/losses on financial assets and liabilities designated at fair value during the reporting period.

7.2 Net change in other financial assets and liabilities measured at fair value through profit or loss: breakdown of financial assets mandatorily measured at fair value

Transactions/Income items	Capital gains (A)	Gains on sale (B)	Capital losses (C)	Losses on sale (D)	Net result [(A+B)-(C+D)]
1. Financial assets	**37.640**	**7.859**	**(22.131)**	**(2.011)**	**21.357**
1.1 Debt securities	3.465	-	(826)	(2.011)	628
1.2 Equity instruments	11.179	6.136	(3.994)	-	13.321
1.3 UCITS units	20.371	-	(13.887)	-	6.484
1.4 Loans	2.625	1.723	(3.424)	-	924
2. Financial assets: exchange differences	**X**	**X**	**X**	**X**	**-**
Total	**37.640**	**7.859**	**(22.131)**	**(2.011)**	**21.357**

The net result of other financial assets and liabilities at fair value through profit or loss was positive and amounted to 21,4 million Euro as at 31 December 2025, and included the positive contribution of the illimity Group of 1.7 million Euro relating to July-December 2025. Net of this contribution, the item amounts to 19,7 million Euro, down 4,4 million Euro compared to the figure at 31 December 2024, mainly reflecting the net positive changes in fair value in 2025 of the UCITS fund units of Banca Ifis and the Npl Segment for 7,3 million Euro (+0,7 million Euro compared to 31 December 2024) and equity securities of the Parent Company for 12,0 million Euro, a decrease of 4,8 million Euro compared to the figure at 31 December 2024 (which, however, included the capital gain from the sale of 6,2 million Euro of equity financial instruments arising from a debt restructuring transaction of a position in the Non-Core division);

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Section 8 - Net credit risk losses/reversals - Item 130

8.1 Net credit risk losses related to financial assets measured at amortised cost: breakdown

Transactions/ Income items	Losses (1)						Reversals (2)				Total 31.12.2025	Total 31.12.2024
	Stage 1	Stage 2	Stage 3		Purchased or originated impaired		Stage 1	Stage 2	Stage 3	Purcha-sed or originated impaired		
			Write-offs	Other	Write-offs	Other						
A. Receivables due from banks	**(1.327)**	**-**	**-**	**-**	**-**	**-**	**1.277**	**-**	**-**	**-**	**(51)**	**1.265**
- Loans	(1.253)	-	-	-	-	-	898	-	-	-	(355)	589
- Debt securities	(74)	-	-	-	-	-	379	-	-	-	304	676
B. Receivables due from customers	**(37.510)**	**(8.598)**	**(4.605)**	**(118.962)**	**(169.689)**	**(297.328)**	**31.471**	**7.332**	**53.102**	**565.852**	**21.066**	**91.649**
- Loans	(36.397)	(8.369)	(4.605)	(118.206)	(169.689)	(293.549)	30.059	7.231	53.102	559.481	19.058	91.451
- Debt securities	(1.113)	(229)	-	(756)	-	(3.779)	1.412	101	-	6.371	2.008	198
Total	**(38.837)**	**(8.598)**	**(4.605)**	**(118.962)**	**(169.689)**	**(297.328)**	**32.748**	**7.332**	**53.102**	**565.852**	**21.015**	**92.914**

Net credit risk reversals on financial assets measured at amortised cost amount to 21,0 million Euro at 31 December 2025 and include net adjustments of 78,9 million Euro related to the credit cost for the July-December 2025 period of the illimity Group. Net of the illimity Group's contribution, net reversals amount to 99,9 million Euro, up 7,0 million Euro from 92,9 million Euro at 31 December 2024.

The net reversals on financial assets at amortised cost falling under the category "impaired acquired or originated" (referred to as “POCI”) amounted to 98,8 million Euro at 31 December 2025 (467,0 million Euro in adjustments and 565,9 million Euro in write-backs). These net write-backs refer to the Npl Segment (for which POCI represent the core business) for 125,9 million Euro and to the negative effect for the six months of July-December 2025 of the POCI attributable to the illimity Group for net write-backs of 30,6 million Euro; the remainder relates to net write-backs on POCI loans acquired as a result of business combinations carried out by the Group in previous years.

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8.2 Net credit risk losses related to financial assets measured at fair value through other comprehensive income: breakdown

Transactions/ Income items	Losses (1)						Reversals (2)				Total 31.12.2025 (1) + (2)	Total 31.12.2024
	Stage 1	Stage 2	Stage 3		Purchased or originated impaired		Stage 1	Stage 2	Stage 3	Purchased or originated impaired		
			Write-offs	Other	Write-offs	Other						
A. Debt securities	**(341)**	**(465)**	**-**	**(2.517)**	**-**	**-**	**1.224**	**293**	**-**	**-**	**(1.806)**	**483**
B. Loans	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- To customers	-	-	-	-	-	-	-	-	-	-	-	-
- To banks	-	-	-	-	-	-	-	-	-	-	-	-
Total	**(341)**	**(465)**	**-**	**(2.517)**	**-**	**-**	**1.224**	**293**	**-**	**-**	**(1.806)**	**483**

The balance as at 31 December 2025 includes the contribution for the second half of 2025 of the illimity Group, represented by net adjustments of 1,5 million Euro.

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Section 9 - Gains (Losses) on contractual modifications without derecognition - Item 140

At the reporting date, no gains or losses were recognised from contractual amendments without cancellations.

Section 10 - Income from insurance services - Item 160

In these Consolidated Financial Statements, this item is devoid of value, as the Banca Ifis Group does not engage in insurance business.

Section 11 - Balance of other income/expense from insurance management - Item 170

In these Consolidated Financial Statements, this item is devoid of value, as the Banca Ifis Group does not engage in insurance business.

Section 12 - Administrative expenses - Item 190

12.1 Personnel expenses: breakdown

Type of expense/Sectors	31.12.2025	31.12.2024
1) Employees	(249.920)	(163.118)
a) salaries and wages	(142.659)	(115.767)
b) social security contributions	(37.897)	(30.492)
c) post-employment benefits	(3.309)	(3.388)
d) pension expense	(6)	(17)
e) allocations for post-employment benefits	(5.286)	(3.819)
f) allocations to pensions and similar provisions:	(54)	(99)
- defined contribution plans	-	-
- defined benefit plans	*(54)*	*(99)*
g) payments made to supplementary external funds:	(3.544)	(2.059)
- defined contribution plans	*(3.544)*	*(2.059)*
- defined benefit plans	-	-
h) costs arising from share-based payment agreements	1.734	(155)
i) other employee benefits	(58.899)	(7.322)
2) Other serving employees	(574)	(378)
3) Directors and Statutory Auditors	(8.312)	(6.356)
4) Retired personnel	-	-
Total	**(258.806)**	**(169.852)**

Personnel expenses amount to 258,8 million Euro, and include 41,8 million Euro of the cost for the second half of 2025 related to the illimity Group. Net of this effect, personnel expenses amounted to 217,0 million Euro and recorded an increase of 47,2 million Euro (+27,8%) compared to the previous year, mainly due to the allocation in 2025 by the Parent company Banca Ifis of charges of 40,0 million Euro for the signing on 29 December 2025 of the described agreement with the Trade Unions concerning a voluntary redundancy plan aimed at accompanying no. 120 employees to retirement, also through recourse to extraordinary benefits from the Solidarity Fund for the credit sector. 120 employees also through recourse to the extraordinary benefits of the Solidarity Fund of the credit sector. This non-recurring expense of 40,0 million Euro recognised by Banca Ifis is included in sub-item 'i) other employee benefits' of the table above. For further details, refer to 'Part A - Accounting Policies', 'A.1 - General', 'Section 5 - Other Aspects', paragraph 'Significant Transactions during the Year' of these Notes to the Consolidated Financial Statements.

The sub-item 'i) other employee benefits' had a balance of 58,9 million Euro at 31 December 2025, a significant increase compared to the comparative figure of 7,3 million Euro as the 2025 balance included non-recurring items totalling 48,9 million Euro. These non-recurring charges consisted of the aforementioned 40,0 million Euro allocated by the Parent company Banca Ifis and 8,9 million Euro originating from the illimity Group and relating to

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the provision for the year for the management of the departures of certain executives of the illimity Group as part of the acquisition by Banca Ifis.

The items "allocations for post-employment benefits" and "allocations to pensions and similar provisions - defined benefit" also include interest accrued during the year due to the passage of time.

The number of Banca Ifis Group employees as at 31 December 2025 is 2.695, of which 19 relate to Euclidea SIM (renamed Fürstenberg SIM as of 26 January 2026) and 672 related to the illimity Group. Net of this perimeter, the number of employees is 2.004 (2.013 resources as at 31 December 2024).

12.2 Average number of employees by category

Employees:	31.12.2025	31.12.2024
Employees:	**2.250,9**	**1.925,3**
a) managers	125,8	99,5
b) middle managers	790,3	630,5
c) other employees	1.334,8	1.195,3
Other personnel	**29,2**	**29,5**

The changes in terms of the average number of employees per category between the figure as at 31 December 2025 and that as at 31 December 2024 are mainly attributable to the acquisition of the illimity Group (for more details, see the comment in the previous section).

12.3 Defined-benefit corporate pension funds: costs and revenues

The balance at 31 December 2025 of the Banca Ifis Group's provisions for defined-benefit corporate pension funds amounts to 54 thousand Euro, a decrease compared with the 99 thousand Euro recorded at 31 December 2024. For more information on defined-benefit pension funds, please see “Section 10 - Provisions for risks and charges - Item 100" in Part B of these Notes to the Consolidated Financial Statements.

12.4 Other employee benefits

The cost of other employee benefits for FY 2025 amounts to 58,9 million Euro. As previously reported, this and includes non-recurring items totalling 48,9 million Euro, of which 40,0 million Euro were allocated by the Parent company Banca Ifis and 8,9 million Euro by the illimity Group. Net of this component, other employee benefits amount to 10,0 million Euro, up 2,7 million Euro from the previous year's figure.

This item mainly includes costs related to the Group's welfare system, such as meal vouchers, employee insurance policies, and costs related to professional training and refresher courses.

12.5 Other administrative expenses: breakdown

Other administrative expenses at 31 December 2025 amount to 360,0 million Euro, of which 69,1 million Euro related to the contribution for the six months July-December 2025 of the illimity Group. Without this contribution, the figure would amount to 290,9 million Euro, an increase of 34,6 million Euro compared to 31 December 2024 mainly due to the presence in the 2025 figures of higher non-recurring items (mainly related to the offer carried out on illimity Bank and the related integration process within the Banca Ifis Group).

The performance of this item is detailed in the table below.

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Type of expense/Amounts	31.12.2025	31.12.2024
Expenses for professional services	**(129.643)**	**(134.731)**
Legal and consulting services	(92.278)	(92.898)
Fees to auditing firms	(1.879)	(1.173)
Outsourced services	(35.486)	(40.660)
Direct and indirect taxes	**(40.875)**	**(37.448)**
Expenses for purchasing goods and other services	**(128.780)**	**(75.359)**
Customer information	(8.105)	(8.019)
Software assistance and hire	(55.422)	(22.556)
Postage and archiving of documents	(2.996)	(3.597)
Property expenses	(12.361)	(7.966)
Advertising and inserts	(19.264)	(12.176)
Business travel and transfers	(5.825)	(5.555)
Car fleet management and maintenance	(3.940)	(3.556)
Telephone and data transmission expenses	(3.556)	(3.342)
Securitisation costs	(4.044)	(1.808)
Other sundry expenses	(13.267)	(6.784)
Charges related to the banking system	**(1.281)**	**(8.136)**
Non-recurring administrative expenses	**(59.379)**	**(610)**
Total other administrative expenses	**(359.958)**	**(256.284)**

The sub-item "expenses for professional services" amount to 129,6 million Euro at 31 December 2025, of which 11,1 million Euro for expenses accruing in the second half of 2025 related to the illimity Group. Net of this effect, the sub-item amounts to 118,5 million Euro, down 16,2 million Euro compared to 31 December 2024 (-12,0%). Expenses for professional services consist mainly of:

- costs for "legal and consulting services", which amount to 92,3 million Euro in 2025, of which 8,3 million Euro for costs in the six months of July-December 2025 related to the illimity Group. Stripping the balance from this effect, it amounts to 83,9 million Euro, down 9,6% from the previous year's figure, mainly due to lower consulting costs;
- costs for "outsourced services", which amount to 35,5 million Euro at 31 December 2025 and include 2,1 million Euro in costs for the third quarter of 2025 for outsourcing activities within the illimity Group. Without this contribution, costs for outsourced activities amount to 33,4 million Euro, a decrease of 7,3 million Euro compared to the figure for last year. The change is mainly attributable to lower recovery costs related to the Npl Segment.

The sub-item "direct and indirect taxes", amounting to 40,9 million Euro, includes 5,3 million Euro relating to expenses for indirect taxes and duties of the illimity Group pertaining to the second half of 2025. Net of this effect, the sub-item amounts to 35,5 million Euro, a reduction of 5,1% compared with the figure at 31 December 2024. The item mainly consists of the registration tax incurred for the judicial recovery of receivables belonging to non-performing loans for an amount of 20,1 million Euro at 31 December 2025 (22,5 million Euro at the end of the previous year), and also includes costs for stamp duty for 17,6 million Euro ((which, net of the contribution made by the illimity Group for 3,9 million Euro, is in line with the 31 December 2024 figure), the recharging of which to customers is included in the item "Other operating income".

The sub-item "expenses for purchasing goods and other services" amounts to 128,8 million Euro, of which 39,8 million Euro related to the July-December 2025 contribution of the illimity Group. Excluding this contribution, the sub-item amounts to 89,0 million Euro, an increase of 18,1% compared to 31 December 2024. The factors that mainly influence the balance of this sub-item are:

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- costs for "software assistance and hire", which amount to 55,4 million Euro and include the effect of the second half of 2025 from the illimity Group in the amount of 30,5 million Euro. Net of this, these costs amount to 24,9 million Euro and are up (+10,4%) compared to the figure for 31 December 2024;
- "property expenses", amounting to 12,4 million Euro and including 2,4 million Euro for the contribution of the illimity Group for the second half of 2025. After deducting this contribution, the expenses in question amount to 10,0 million Euro, an increase of 25,3% compared to December 2024 (+2,0 million Euro);
- expenses for “advertising and inserts”, which increase from 12,2 million Euro to 19,3 million Euro in December 2025, of which 0,8 million Euro for the illimity Group’s promotional costs pertaining to July-December 2025. Excluding this effect, the balance is equal to 18,4 million Euro (+6,3 million Euro compared to 31 December 2024).

The item “charges relating to the banking system” includes costs incurred during the year for the operation of the banking system guarantee funds, and amounted to 1,3 million Euro, of which 0,7 million Euro represented the contribution of the illimity Group. The balance as at 31 December 2024 amounts to 8,1 million Euro, relating to the cost of the annual contribution to the Interbank Deposit Protection Fund (FITD), of which 7,9 million Euro were attributable to Banca Ifis and the remaining amount to Banca Credifarma.

The item "non-recurring administrative expenses" shows a balance as at 31 December 2025 of 59,4 million Euro and mainly refers to non-recurring operating costs related to the offer on illimity Bank presented by Banca Ifis in January 2025 (for more details see the section "Significant events during the year" within the Directors' Report on the Group), of which 47,1 million Euro for costs incurred by the Parent company Banca Ifis and 12,3 million Euro for costs recorded by illimity Bank (the latter limited to the period from July to December 2025). The comparative figure of this item at 31 December 2024, amounting to 610 thousand Euro, instead referred to the residual costs pertaining to 2024 connected to the integration of the former Revalea within the Banca Ifis Group and, specifically, the Npl Segment.

Section 13 - Net allocations to provisions for risks and charges - Item 200

13.1 Net allocations to provisions for credit risk related to loan commitments and financial guarantees granted: breakdown

At 31 December 2025, net allocations are recorded for credit risk related to loan commitments and financial guarantees granted of 2,1 million Euro, reflecting the estimated risk on the commitments made. This amount incorporates net allocations of 0,3 million Euro in terms of contribution for the six months 2025 pertaining to the illimity Group. Net of this contribution, the item shows net allocations of 2,4 million Euro.

For more details, see Part B, “Section 10 - Provisions for risks and charges - Item 10” of the Liabilities, in these Notes to the Consolidated Financial Statements.

13.2 Net allocations to provisions for other commitments and other guarantees given: breakdown

As at 31 December 2025, there are net releases on other commitments and other guarantees given totalling 275 thousand Euro.

13.3 Net allocations to other provisions for risks and charges: breakdown

As of 31 December 2025, there are net accruals to other provisions for risks and charges totalling 4,5 million Euro; this figure incorporates the effect of the illimity Group for the six months of July-December 2025 in terms of net accruals of 152 thousand Euro. Net of this component, the balance is 4,4 million Euro. The balance as at 31 December 2024 showed net provisions of 0,5 million Euro.

For more details on year changes, see Part B, “Section 10 - Provisions for risks and charges - Item 10” of the Liabilities, in these Notes to the Consolidated Financial Statements.

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Section 14 - Net impairment losses/reversals on property, plant and equipment - Item 210

14.1 Net impairment losses on property, plant and equipment: breakdown

Assets/Income items	Amortisation (a)	Impairment losses (b)	Reversals of impairment losses (c)	Net result (a + b - c)
A. Property, plant and equipment				
1. for functional use	(16.856)	-	-	(16.856)
- owned	*(8.804)*	-	-	*(8.804)*
- rights of use acquired through leases	*(8.052)*	-	-	*(8.052)*
2. Held for investment	-	-	-	-
- owned	-	-	-	-
- rights of use acquired through leases	-	-	-	-
3. Inventories	X	(234)	-	(234)
Total	**(16.856)**	**(234)**	**-**	**(17.090)**

Net impairment losses on property, plant and equipment as at 31 December 2025, amounting to 17,1 million Euro, include the illimity Group's contribution of 3,1 million Euro for July-December 2025. Without this effect, the balance is 14,0 million Euro.

Section 15 - Net impairment losses/reversals on intangible assets - Item 220

15.1 Net impairment losses on intangible assets: breakdown

Assets/Income items	Amortisation (a)	Impairment losses (b)	Reversals of impairment losses (c)	Net result (a + b - c)
A. Intangible assets				
of which: software	*(16.774)*	*(332)*	-	*(17.106)*
A.1 Owned	(19.392)	(332)	-	(19.724)
- Internally generated	*(1.081)*	-	-	*(1.081)*
- Other	*(18.311)*	*(332)*	-	*(18.643)*
A.2 Rights of use acquired through leases	-	-	-	-
Total	**(19.392)**	**(332)**	**-**	**(19.724)**

Net impairment losses on intangible assets as at 31 December 2025, amounting to 19,7 million Euro, include 4,5 million Euro from the illimity Group (relating to the second half of 2025 only). Net of this contribution, the balance is 15,2 million Euro.

Section 16 - Other operating income (costs) - Item 230

16.1 Other operating costs: breakdown

Type of expense/Amounts	31.12.2025	31.12.2024
a) Transactions with customers	(115)	(107)
b) Capital losses	(3.039)	(1.055)
c) Other expenses	(5.323)	(3.759)
Total	**(8.477)**	**(4.921)**

Other operating costs, amounting to 8,5 million Euro at 31 December 2025, include the second half 2025 contribution of the illimity Group for 2,5 million Euro. Excluding this effect, other net expense amounts to 6,0 million Euro, up 1,1 million Euro compared to the figure at 31 December 2024.

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16.2 Other operating income: breakdown

Amounts/Income	31.12.2025	31.12.2024
a) Recovery of third party expenses	18.555	16.478
b) Rental income	313	106
c) Income from the realisation of property, plant and equipment	1.245	1.278
d) Other income	34.457	20.809
e) Gain on a bargain purchase	309.939	-
Total	**364.508**	**38.671**

Other operating income, amounting to 364,5 million Euro as at 31 December 2025, includes:

- the illimity Group's contribution of 9,2 million Euro for the second half of 2025;
- the non-recurring income relating to the "gain on a bargain purchase" in accordance with IFRS 3 amounting to 309,9 million Euro, arising from the acquisition of illimity Bank on 4 July 2025 and from the comparison between the consideration paid and the fair value of the net assets acquired (for further details on the determination of this income, refer to "Part G - Business Combination Transactions" of these consolidated notes)

Excluding these effects, other operating income amounts to 45,4 million Euro, up 6,7 million Euro compared to the figure at 31 December 2024. Excluding the gain on a bargain purchase, this item refers mainly to revenue from the recovery of expenses charged to third parties. The relevant cost item is included in other administrative expenses, namely under legal expenses and indirect taxes, as well as recoveries of expenses associated with leasing operations.

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Section 17 – Profit (loss) on equity investments – Item 250

17.1 Analysis of profit (loss) on equity investments

Income items/Sectors	Total 31.12.2025	Total 31.12.2024
1) Joint ventures		
A. Income	-	-
1. Revaluations	-	-
2. Gains on sale	-	-
3. Reversals	-	-
4. Other income	-	-
B. Expenses	-	-
1. Write-downs	-	-
2. Impairment losses	-	-
3. Losses on sale	-	-
4. Other expenses	-	-
Net result	**-**	**-**
2) Companies under significant influence		
A. Income	271	-
1. Revaluations	271	-
2. Gains on sale	-	-
3. Reversals	-	-
4. Other income	-	-
B. Expenses	(73)	-
1. Write-downs	(73)	-
2. Impairment losses	-	-
3. Losses on sale	-	-
4. Other expenses	-	-
Net result	**198**	**-**
Total	**198**	**-**

At 31 December 2025, there are net losses on equity investments of 198 thousand Euro which are entirely attributable to the illimity Group (and therefore this amount is limited to the second half of 2025). Specifically, it represents the effect on the six-month period from July to December 2025 of the valuation of investments subject to significant influence by illimity Bank.

Section 18 - Net profit (loss) from fair value measurement of property, plant and equipment and intangible assets - Item 260

The Banca Ifis Group did not hold any tangible or intangible assets measured at fair value during the year.

Section 19 - Value adjustments of goodwill - Item 270

This item has no value in these Consolidated Financial Statements.

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Section 20 - Gains (losses) on disposal of investments - item 280

20.1 Gains (losses) on disposal of investments: breakdown

Type of expense/Amounts	31.12.2025	31.12.2024
A. Property	195	-
- Gains on disposal	*195*	-
- Losses on disposal	-	-
B. Other assets	-	-
- Gains on disposal	-	-
- Losses on disposal	-	-
Net result	**195**	**-**

In 2025, there are net gains from the sale of investments in the amount of 195 thousand Euro, entirely attributable to income realised in the second half of 2025 by the illimity Group.

Section 21 - Income taxes for the year relating to current operations - Item 300

21.1 Income taxes for the year relating to current operations: breakdown

	Income items/Sectors	31.12.2025	31.12.2024
1.	Current taxes (-)	(70.493)	(53.461)
2.	Changes in current taxes of previous years (+/-)	10.282	3.026
3.	Reductions in current taxes for the year (+)	-	19
3.bis	Reductions in current taxes for the year for tax credits as per Italian Law No. 214/2011 (+)	29.443	28.602
4.	Changes in deferred tax assets (+/-)	(1.406)	(61.670)
5.	Changes in deferred tax liabilities (+/-)	(15.729)	1.315
6.	Tax expense for the year (-) (-1+/-2+3+3 bis+/-4+/-5)	(47.903)	(82.168)

Income taxes for the nine months ended 31 December 2025 amount to 47,9 million Euro, and include 7,6 million Euro in respect of taxes for the second half of 2025 of the illimity Group (including the tax effect related to the PPA).

21.2 Reconciliation between theoretical tax charges and effective tax charges for the year

At the overall level, the tax rate is 12,71% (compared to 33,49% in the previous year), reflecting the non-taxability of the 309,9 million Euro gain on a bargain purchase and the non-recognition of deferred tax assets against the tax loss accrued for the companies acquired during the year.

Section 22 - Profit (Loss) from discontinued operations after tax - Item 320

In these Consolidated Financial Statements, this item has no value.

Section 23 - Profit (Loss) for the year attributable to non-controlling interests - Item 340

23.1 Detail of item 340 Profit (loss) for the year attributable to non-controlling interests

Company Name	31.12.2025	31.12.2024
Consolidated equity investments with significant minority interests	912	1.596
1. Banca Credifarma S.p.A.	1.457	1.596
2. Companies with minority interests in the illimity Group	(545)	-
Other equity investments	-	-
Total	**912**	**1.596**

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Section 24 - Other information

24.1 Disclosure of government grants as per Article 1, paragraph 125 of Italian Law No. 124 of 4 August 2017 (the "Annual Law on the Market and Competition")

Italian Law No. 124 of 4 August 2017 (Annual Market and Competition Law), under Art. 1, paragraphs 125-129, introduced various measures aimed at increasing the transparency of contributions by administrations and public companies, including listed, in the favour of third sector subjects and businesses in general.

Specifically, with respect to the financial reporting process, the law requires all businesses to disclose subsidies, grants, paid positions, and economic benefits of any kind received from the following entities in the notes to the Annual and Consolidated Financial Statements:

- public administrations and entities with equivalent status (Article 2-bis, Italian Legislative Decree No. 33/2013);
- entities owned, either de jure or de facto, directly or indirectly, by public administrations; and
- state-owned enterprises.

Said disclosures are required if the amounts received during the reporting period exceeded 10 thousand Euro.

Consistently with the clarification issued by Italy's Council of State with opinion No. 1.149 of 1 June 2018 and the guidance provided by trade associations (Assonime), the disclosure requirements do not apply to the following:

- prices for the business provision of professional and other services and supplies or other appointments coming under the scope of the core business. Indeed, these amounts received do not come under the scope of donations/public support policies;
- tax expenditures available to all businesses that meet specific conditions, based on pre-established general requirements, which are also the subject of specific disclosures;
- extension of subsidised loans to customers, as these involve funds of third parties (e.g. interest rate subsidies from the public administration) and not funds of the bank that acts as intermediary.

For information on subsidies, contributions, paid assignments and economic advantages of any kind received by Group companies, please refer to the National Register of State Aid, "Transparency" section.

Section 25 - Earnings per share

25.1 Average number of ordinary diluted shares

Earnings per share and diluted earnings per share	31.12.2025	31.12.2024
Net profit for the year attributable to the Parent company (in thousands of Euro)	327.996	161.578
Average number of outstanding shares (1)	56.770.114	52.529.787
Average number of shares outstanding for diluted earnings per share purposes	57.376.954	53.383.843
Earnings per share (EPS)	**5,78**	**3,08**
Diluted earnings per share (EPS)	**5,72**	**3,03**

(1) Outstanding shares are net of treasury shares held in the portfolio.

Diluted earnings per share (EPS) is determined by dividing net income by the weighted average number of shares outstanding during the reference year, excluding treasury shares, plus the number of shares that could potentially be added to those outstanding as a result of the assignment or disposal of treasury shares held under stock option plans. Therefore, the difference between the average number of outstanding shares and the average number of ordinary shares on a diluted capital basis derives from the potentially dilutive effect of the stock options granted as a result of the vesting of the 2021-2023 Long Term Incentive (LTI) Plan for the Chief Executive Officer, Co-General Managers and other Group employees. For more details on this LTI Plan, refer to 'Part I - Share-based payments' of these Notes to the Consolidated Financial Statements.

The change in the average number of shares outstanding between 31 December 2025 and 31 December 2024, and the consequent effects on EPS, mainly derives from the effect of the issuance of new Banca Ifis shares to

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service the offer on illimity Bank and from the treasury share transactions carried out during 2025. For further details in this regard, refer to the specific paragraph "Significant events during the year" within the Directors' Report on the Group and to the information on changes in the number of shares of Banca Ifis within "Section 13 - Group Equity - Items 120, 130, 140, 150, 160, 170 and 180" of the Liabilities of "Part B - Information on the Consolidated Statement of Financial Position" of these Notes to the Consolidated Financial Statements .

25.2 Other information

There is no further information to report.

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Part D - Consolidated statement of comprehensive income

Consolidated statement of comprehensive income

	ITEMS (in thousands of Euro)	31.12.2025	31.12.2024
10.	**Profit (loss) for the year**	**328.908**	**163.174**
	Other comprehensive income not to be reclassified to profit or loss	**75**	**(3.657)**
20.	Equity securities measured at fair value through other comprehensive income	408	(2.441)
	a) fair value gains (losses)	2.083	8.580
	b) transfers to other components of equity	(1.675)	(11.021)
40.	Hedging of equity securities measured at fair value through other comprehensive income	934	(179)
	a) fair value gains (losses) (hedged instrument)	24.640	(1.374)
	b) fair value gains (losses) (hedging instrument)	(23.706)	1.195
70.	Defined benefit plans	462	392
110.	Income taxes related to other comprehensive income to be reclassified to profit or loss	(1.729)	(1.429)
	Other comprehensive income to be reclassified to profit or loss	**6.274**	**3.102**
130.	Exchange differences	164	709
	a) changes in value	164	709
160.	Financial assets (other than equity securities) measured at fair value through other comprehensive income	8.237	3.813
	a) fair value gains (losses)	5.881	(7.962)
	b) reclassification to profit or loss	2.356	11.775
	1. credit risk losses	1.806	(483)
	2. gains/losses on sale	550	12.258
210.	Income taxes related to other comprehensive income to be reclassified to profit or loss	(2.127)	(1.420)
220.	**Other comprehensive income**	**6.349**	**(555)**
230.	**Comprehensive income (Item 10 + 220)**	**335.257**	**162.619**
240.	Consolidated comprehensive income attributable to non-controlling interests	(915)	(1.597)
250.	**Consolidated comprehensive income attributable to the Parent company**	**334.342**	**161.022**

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Part E - Information on risks and related hedging policies

Risk governance organisation

The prudential supervisory provisions for banks continue to strengthen the system of rules and incentives that allow to measure more accurately potential risks connected to banking and financial operations as well as maintain internal capital levels more suited to the effective level of risk exposure of each intermediary.

Concerning risk governance, the Group regularly reviews the strategic guidelines set out in the so-called Risk Appetite Framework. Meanwhile, the Pillar 2 of the provisions includes the ICAAP (Internal Capital Adequacy Assessment Process) and ILAAP (Internal Liquidity Adequacy Assessment Process) processes, pursuant to which the Group autonomously assesses, respectively, its own current and expected capital adequacy in relation to both so-called Pillar 1 risks (credit risk, counterparty risk, market risk and operational risk) and other risks (banking book interest rate risk, concentration risk, etc.), and its adequacy as far as the governance and management of liquidity risk and funding is concerned.

In the period following the acquisition of illimity Bank and pending the completion of the integration, the Banca Ifis Group initiated specific activities aimed at ensuring the orderly integration of the new corporate perimeter into the risk management and control frameworks. In particular, there will be alignment of risk management and monitoring policies with the principles of sound and prudent management already adopted by Banca Ifis. With regard to financial and non-financial risks, the strategic guidelines of the Parent company Banca Ifis were naturally extended, or managed through specific transitional provisions, to the new subsidiary illimity Bank and the other companies of the illimity Group and, therefore, the latter months of 2025 saw an alignment of the two companies' strategies and procedures. As of September 2025, the Parent company Banca Ifis implements monitoring at a consolidated level of the strategic indicators defined within the Parent company's Risk Appetite Framework, including the new subsidiary illimity Bank and the other companies of the illimity Group. In addition, a Risk Appetite Framework will be prepared by the first quarter of 2026, containing indicators and thresholds appropriately calibrated in line with the risk appetite of the Banca Ifis Group as a whole.

With reference to 31 December 2025 and in compliance with the obligations provided for by the so-called Pillar 3 regulations, the Disclosure to the Public concerning capital adequacy, exposure to risks and the general characteristics of the systems designed to identify, measure and manage them is submitted for approval to the Board of Directors of Banca Ifis. Refer to the website www.bancaifis.it in the "Investor Relations & Corporate Development" section for the most up-to-date version of the Pillar 3 Disclosure available.

With reference to the above and pursuant to Circular No. 285 of 17 December 2013 as amended - Supervisory Provisions for banks - the Banca Ifis Group has set up an Internal Control System that aims to guarantee a reliable and sustainable generation of value in a context of sensible risk control and taking, so as to protect the Group's capital adequacy as well as its financial position and performance.

The Banca Ifis Group's Internal Control System consists of a series of rules, functions, structures, resources, processes, and procedures aimed at ensuring the following goals are achieved consistently with the principle of sound and prudent management:

- executing business strategies and policies;
- containing risk within the limits set out in the Group's Risk Appetite Framework ("RAF");
- safeguarding the value of assets and protecting the Bank from losses;
- maintaining effective and efficient business processes;
- ensuring the reliability and security of corporate information and IT procedures;
- preventing the risk that the Group might become involved, including involuntarily, in unlawful activities (and specifically those associated with money laundering, usury, and terrorist financing);
- ensuring operations comply with the law and supervisory regulations as well as internal policies, rules and procedures.

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Audits involve all personnel to varying degrees and constitute an integral part of day-to-day operations. They can be classified according to the relevant organisational structures. Some types of audits are highlighted below:

- line audits aim to ensure operations are carried out correctly. These audits are carried out by the operational structures themselves, incorporated in procedures, or performed as part of back office operations. The operational structures are primarily responsible for the risk management process: as part of their day-to-day operations, they shall identify, measure or assess, monitor, mitigate, and report the risks arising from ordinary operations in accordance with the risk management process; they shall comply with the operational limits assigned to them in accordance with the risk objectives and the procedures that form part of the risk management process;
- risk and compliance controls ("second line of defence") are intended to ensure the risk management process is correctly implemented in accordance with the operational limits assigned to the various functions, and that business operations comply with regulations - including corporate governance rules;
- internal auditing ("third line of defence") is aimed at identifying breaches of procedures and regulations as well as regularly assessing the comprehensiveness, adequacy, functionality (in terms of both efficiency and effectiveness), and reliability of the internal control and IT systems on a regular basis based on the nature and extent of the risks.

The role of the different players involved in the Internal Control System (the Board of Directors, the Control and Risks Committee, the Director in charge of the Internal Control and Risk Management System, the Supervisory Body pursuant to Italian Legislative Decree No. 231/2001, Internal Audit function, Risk Management function, Compliance function, Anti-Money Laundering function) in addition to the Manager charged with preparing the Company's financial reports according to the connotation of banking reality with listed shares, are described in detail in the document prepared in accordance with the third paragraph of Article 123 bis of Italian Legislative Decree no. 58 of 24 February 1998 (TUF) and subsequent updates, the latest update of which was submitted for approval to the Board of Directors of Banca Ifis at the same board meeting as these 2025 Consolidated Financial Statements. Please refer to the website www.bancaifis.it under 'Corporate Governance' for the most up-to-date version available of the 'Report on Corporate Governance and Ownership Structure'.

Risk culture

The Parent company facilitates the development and dissemination at all levels of an integrated risk culture in relation to the various types of risk and extended to the entire Group. Specifically, working together with the different corporate functions and the Human Resources function, it has developed and implemented training programmes to raise awareness about risk prevention and management responsibilities among employees.

In this context, the Parent company's control functions (Risk Management, Compliance and Anti-Money Laundering) are active parties in the training processes as far as they are concerned. A culture of widespread responsibility is promoted, with capillary staff training, aimed both at acquiring knowledge of the risk management framework (approaches, methodologies, operational applications, rules and limits, controls), and at internalising the Group's value profiles (code of ethics, behaviour, rules of conduct and relations).

This Part E of the Notes to the Consolidated Financial Statements provides information on the following risk profiles, the relevant management and hedging policies implemented by the Group, and trading in derivative financial instruments:

- credit risk;
- market risks:
  - interest rate risk;
  - price risk;
  - currency risk;
- liquidity risk;
- operational risks.

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Management of risks linked to climate change

In this regard, over the years, the Banca Ifis Group has activated processes and defined specific responsibilities to identify and manage the main risks relating to climate change and other ESG topics.

With specific reference to climate and environmental risks, the Bank of Italy's analysis of expectations on climate and environmental risks and, subsequently, the Guidelines on the Management of Environmental, Social and Governance Risks (ESG risks) published by the European Banking Authority (EBA) gave rise to the launch of a structured programme with the aim of integrating environmental factors into corporate strategies, governance and control systems, the risk management framework and disclosure. A further strategic objective is to incorporate the relevant risks into the company's main valuation processes.

The multi-year plan to align with supervisory expectations on climate-related and environmental risks, put into place by Banca Ifis and delivered to the Bank of Italy at the beginning of 2023, is divided into project streams involving several areas.

The activities already carried out by Banca Ifis include a materiality assessment used to identify climate risk factors and the causal mechanisms whereby these factors are transferred to traditional risks (transmission channels).

With regard to risk factors, physical risks and transition risks are recognised. In particular, with regard to physical risks, chronic or acute adverse weather events were analysed, and among these, those relevant to the context in which Banca Ifis operates were identified. These effects were analysed on the basis of various elements such as, for example, the georeferencing of the portfolio, the company's operations and, more generally, the main assets considered important for business continuity. With regard to transition risks, the identified drivers are grouped into three categories: technological innovation, changing regulation and consumer preferences.

The table below describes the main categories and respective risk drivers associated with physical and transitional climate risks and their time frame.

Risk type	Risk drivers		Time frame
Transition risks	Regulatory	Global policy (e.g. Paris Agreement) can limit activities and segments with a high level of emissions and environmental risk. As an example, the regulation on Energy Performance Certificates may impact the value of portfolio properties	Medium-term
	Technological	The transition to low-impact technologies requires a higher cost for companies to retrofit plants and production facilities, potentially impacting the business model and the ability to generate revenues and profits	Medium-term
	Market	A shift in consumer preferences towards more climate-friendly consumption potentially impacts all mayor sectors associated with high energy consumption and/or high levels of pollution	Medium-term
Physical risks	Acute	Heat waves, fires, floods, droughts, landslides, earthquakes	Short-term
	Chronic	Extreme temperatures, soil erosion, water stress, sea level rise	Medium-term/Long-term

The findings of the materiality assessment exercise indicate an overall moderate exposure to climate and environmental risks.

In line with the Bank of Italy's expectations on climate and environmental risks (i.e. Expectation VI), in 2025, the Parent company Banca Ifis updated the Climate Stress test analyses, which were attached to the ICAAP Report. The study of the effects of climate and environmental risks on credit risk was conducted by analysing the possible impact of severe climate change on the Income Statement through the deterioration of credit quality and risk parameters.

A short-term climate scenario was chosen, published by the UNEP Finance Initiative in July 2024, which combines the effects of both transition risks and physical risks.

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With regard to transition risks, the macroeconomic shocks of the "Stringent carbon price" scenario, which anticipates all effects of the Delayed Transition scenario of the Network for Greening the Financial System (NGFS) from 2031 to 2023, were considered. The carbon price is expected to increase between 57 US Dollars and 368 US Dollars per tonne of CO2 by 2027, gradually over five years depending on the country. Advanced economies are expected to reach a more ambitious average price of around 325 dollars per tonne of CO2 in 2027, while other regions are expected to keep prices below 231 dollars. The basic assumption is that rising carbon prices underpin coordinated global policies aimed at mitigating climate change.

With regard to physical risks, the macroeconomic shocks of the "Chronic impacts" scenario, which models the extreme chronic risks, such as high temperatures, sea-level rise and changes in precipitation of the NGFS scenarios, were considered. These risks are expected to gradually increase in importance over time, having a severe impact on the GDP within 20-30 years. However, in this scenario, these chronic risks have been brought forward to the present.

Unlike the 30-year long-term scenarios, the short-term climate scenario considered does not fully reflect the benefits of the transition and the related economic recovery. In terms of severity, it is, albeit slightly, less negative than a typical EU-wide stress test scenario. Compared to the baseline, Italy's economic growth is projected to decrease by around 5,5% at a cumulative 2-year level (compared to a reduction of 7,4% in the adverse scenario of the EU-Wide stress test 2025).

Compared to more recent climate scenarios, such as the short-term scenarios published by the NGFS on 7 May 2025, the scenario considered for the Climate Stress exercise is more severe, e.g. in terms of real GDP growth.

To align the scenario with current economic conditions, the macroeconomic projections were defined by applying the Climate scenario shocks to the latest baseline projections. This approach ensures consistency and comparability of results with the latest scenarios.

The projections of the main macroeconomic variables of the considered climate scenario are presented below.

FINANCIAL INDICATORS FINANCIAL YEAR END (%)	Climate scenario		
	2024	2025	2026
Italian real GDP growth y/y	(2,0)%	(2,2)%	(2,5)%
Italian unemployment	6,4%	6,3%	6,2%
Euribor 3M	2,2%	2,0%	2,4%
10-year BTP yield	4,7%	5,0%	5,3%
Italian inflation	2,5%	2,6%	3,1%

In addition to the Climate Stress Test exercise, the results of which were reported in the ICAAP package, in 2025 the Group decided to directly integrate climate factors in the estimation of PD and LGD parameters used for the calculation of lump-sum write-downs. In particular, a specific climate scenario was introduced to estimate the forward-looking component. More details regarding the weight applied and the description of the scenario are provided in section "2.3 Methods for measuring expected losses" within "Section 2 - Risks of the Prudential Consolidation", "1.1 Credit Risk", "2. Credit Risk Management Policies' of this Part E.

Also with regard to other risks (market risk, liquidity risk and operational risk), as discussed in more detail in the Sustainability Report (see the Sustainability Report section of the Directors' Report on the Group), the analyses conducted by the Group led to the identification of moderate impacts for operational risks, while market risk and liquidity risk were considered to be immaterial.

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Section 1 - Accounting consolidation risks

Quantitative information

The gross exposures reported in the following tables account for the positive impact of the breakdown of the difference between the fair value as measured in the business combination and the carrying amount of the receivables recognised by the subsidiaries over time.

A. Credit quality

A.1 Non-performing and performing credit exposures: amounts, impairment losses, trend, and economic breakdown

A.1.1 Breakdown of financial assets by portfolio and credit quality (carrying amounts)

Portfolio/Quality	Bad loans	Unlikely to pay	Non-performing past due exposures	Performing past due exposures	Other performing exposures	Total
1. Financial assets measured at amortised cost	1.346.529	1.467.401	114.519	371.706	13.536.117	16.836.272
2. Financial assets measured at fair value through other comprehensive income	-	661	-	-	1.423.834	1.424.495
3. Financial assets designated at fair value	-	-	-	-	-	-
4. Other financial assets mandatorily measured at fair value	-	9.284	-	-	122.490	131.774
5. Financial assets under disposal	8.455	64.100	-	-	-	72.555
Total 31.12.2025	**1.354.984**	**1.541.446**	**114.519**	**371.706**	**15.082.441**	**18.465.096**
Total 31.12.2024	**1.219.018**	**440.816**	**60.931**	**207.602**	**10.200.599**	**12.128.966**

Excluded from this table are on-demand receivables from banks (which are classified under the item "Cash and cash equivalents", in accordance with Bank of Italy instructions), equity securities and UCITS units.

A.1.2 Breakdown of financial assets by portfolio and credit quality (gross and net amounts)

Portfolio/Quality	Non-performing				Performing			Total (net exposure)
	Gross exposure	Overall impairment losses/reversals	Net exposure	Overall partial write-offs (1)	Gross exposure	Overall impairment losses/reversals	Net exposure	
1. Financial assets measured at amortised cost	3.165.687	(237.238)	2.928.449	11.183	14.189.313	(281.490)	13.907.823	16.836.272
2. Financial assets measured at fair value through other comprehensive income	3.178	(2.517)	661	-	1.425.561	(1.727)	1.423.834	1.424.495
3. Financial assets designated at fair value	-	-	-	-	X	X	-	-
4. Other financial assets mandatorily measured at fair value	9.284	-	9.284	-	X	X	122.490	131.774
5. Financial assets under disposal	77.454	(4.899)	72.555	-	-	-	-	72.555
Total 31.12.2025	**3.255.603**	**(244.654)**	**3.010.949**	**11.183**	**15.614.874**	**(283.217)**	**15.454.147**	**18.465.096**
Total 31.12.2024	**1.928.714**	**(207.949)**	**1.720.765**	**12.219**	**10.413.041**	**(73.895)**	**10.408.201**	**12.128.966**

(1) Amount to be reported for disclosure purposes

Excluded from this table are on-demand receivables from banks (which are classified under the item "Cash and cash equivalents", in accordance with Bank of Italy instructions), equity securities and UCITS units.

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Portfolio/Quality	Low credit quality assets		Other assets
	Accumulated capital losses	Net exposure	Net exposure
1. Financial assets held for trading	-	-	27.401
2. Hedging derivatives	-	-	60.880
Total 31.12.2025	**-**	**-**	**88.282**
Total 31.12.2024	**-**	**-**	**19.473**

Equity securities are not included in this table.

B. Disclosure on structured entities (other than securitisation vehicles)

There are no unconsolidated structured companies at 31 December 2025 other than the securitisation company falling within the Banca Ifis Group's scope.

Section 2 - Prudential consolidation risks

1.1 Credit risk

Qualitative information

1. General aspects

In accordance with the guidelines approved by the Parent company's Governing Body and the changes in the supervisory regulatory framework, the Group seeks to strengthen its competitive position in the market offered to small and medium enterprises (SMEs). The aim is to increase its market share in the following segments: trade receivables, including for entities with specialist needs such as pharmacies, leasing, tax receivables, and distressed loans, providing high-quality and highly customisable financial services while keeping credit risk under control and profitability in line with the level of quality offered. A complementary reference market for the Banking Group's lending activities is also the Private segment, with a product offer mainly oriented towards operating leases, salary-backed loans or operations related to the pharmaceutical sector, carried out by the subsidiary Banca Credifarma, a banking operator specialising in granting advances, medium/long-term loans and financial services to pharmacies.

As at the date of these Consolidated Financial Statements, the banking group's business activities are conducted in the following areas:

- the Factoring Area is characterised by the direct assumption of risks related to granting advances and loans, as well as guarantees, if any, on trade receivables of mainly SMEs. As part of its operations, the factoring segment purchases receivables due from public health service and local authorities outright;
- Corporate Lending and Structured Finance operations, which focus on offering medium and long-term financing and secured and unsecured products to support companies operating in Italy in their organic or inorganic growth through extraordinary operations to reposition or expand their business, establish alliances or pursue integrations, promote restructuring processes, or introduce new investors and partners into the company. The clients of this segment are usually corporations;
- investments in non-financial companies and in units of intermediaries;
- medium/long-term loans to SMEs operating in the main production sectors, covered by the public guarantee, conceived by the Ministry of Economic Development (MED) of the Central Guarantee Fund;
- the Leasing Area targets mainly small economic operators as well as SMEs. In general, finance leases help independent contractors and businesses finance company cars and commercial vehicles as well as facilitate equipment investments for businesses and resellers. Meanwhile, long-term leases mainly focus on equipment finance - specifically on office and IT products and, to a lesser extent, industrial and healthcare equipment;
- the acquisition of non-performing loans (Npls) mainly by the subsidiary Ifis Npl Investing, mainly from retail customers;

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- servicing (master and special services), management of Npl portfolios with collection both judicial and non-judicial, consultancy in due diligence activities and authorised investors in Npl transactions, mainly managed by the subsidiary Ifis Npl Servicing;
- the granting of loans to retail customers, including through the definition and refinancing of transferred non-performing loans, to be settled through salary- or pension-backed loan schemes, managed by the subsidiary Cap.Ital.Fin.;
- short- and medium-term lending to pharmacies by the subsidiary Banca Credifarma, including through the disposal of receivables due from Italy's National Health Service as well as public- and private-sector healthcare providers;
- management of the proprietary portfolio, carried out mainly via financial investments in bonds, mostly government bonds, and listed equities;
- securitisation activities, which are aimed at segment operators, in particular originators and investors, by offering finance through investments in asset-backed securities (ABS) and other exposures to securitisation schemes, and by taking on the roles of arranger and sponsor in the context of such transactions with a view to cross-selling. Investments are mainly concentrated in senior and mezzanine tranches with underlying performing assets and with a favourable trade-off in terms of expected profitability compared to risk weighting.

Given the particular business of the Group's companies, credit risk is the most important element to consider as far as the general risks assumed by the Group are concerned. Maintaining an effective credit risk management is a strategic objective for the Banca Ifis Group, pursued by adopting integrated tools and processes that ensure proper credit risk management at all stages (appraisal, lending, monitoring and management, and interventions on troubled loans).

2. Credit risk management policies

As part of its lending operations, the Banca Ifis Group is exposed to the risk that an unexpected change in the creditworthiness of a counterparty may cause an unforeseen change in the relevant credit exposure, requiring to write off all or part of the receivables. This risk is always inherent in conventional lending operations, regardless of the form of financing.

The main reasons for non-compliance are the lack of the borrower's independent capacity to service and repay the debt (due to lack of liquidity, insolvency, etc.) and the occurrence of circumstances that affect the borrower's economic and financial conditions, such as the "country risk".

With regard to impaired purchased receivables (POCI), an additional risk to which the Group is exposed is the risk of inadequate collection, i.e., losses incurred due to the failure to collect receivables from defaulting counterparties.

2.1 Organisational aspects

The principles and guidelines that the Banca Ifis Group intends to follow in granting credit are expressed in the 'Group Credit Policy'. Inside, we find:

- the roles and responsibilities of the corporate bodies and organisational structures involved in the loan process;
- the definition of the credit strategies and rules with reference to segments of customers, counterparties and types of comparable transactions, the limits of reliance assigned to non-banking counterparties, the limits to exposure assigned to the various types of economic businesses, the identification of the Most Significant Transactions (MSTs) for the preventive verification that they are indeed consistent with the risk limits and objectives defined in the Group Risk Appetite Framework (RAF), the limits to the risk assigned to transactions with related parties and/or company representatives, pursuant to Art. 136 of the Consolidated Law on Banking. The monitoring, review and update of the credit rules and strategies involve:

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  - the Parent company's CLO (Chief Lending Officer) Area, in coordinating the process of formulating proposed reviews and updates to the credit policies to be submitted for the approval of the Parent company's Board of Directors;
  - the Parent company's Risk Management function in monitoring the results achieved by the Group in terms of volumes and overall effective positioning on the credit market in line with the defined credit strategies;

- the most qualifying elements in the credit process, with specific reference:
  - to the definition of risk categories to be assigned to customers, according to the different risk profile that can be attributed to the technical loan forms involved, closely linked to the operative processes connected with the "Group System of delegated powers" on the assumption of the credit risk;
  - to the examination of all useful information, both internal and external, functional to the determination of the customer's credit rating and future solvency of the debtor, measuring the credit risk firstly using normal sources for the repayment of exposure and, thereafter, considering the use of the accessory guarantees connected with the credit intervention;
- the monitoring and review of the model used to define credit faculties or the matrix of faculties for granting credit and the related limits;
- the structuring of the credit process, in its comprehensive cycle, into two macro processes of "investigation and disbursement of credit" and "monitoring and collection of debt".

On an operative level, the various Group companies structure the specific operating procedures for the application of credit rules into Organised Procedures or Operative Notes.

Within the Banca Ifis Group, the corporate bodies of Banca Ifis and the banks and other financial subsidiaries play a key role in managing and controlling credit risk, ensuring an appropriate supervision of credit risk within the scope of their responsibilities by identifying strategic guidelines as well as risk management and control policies, assessing their efficiency and effectiveness over time, and defining the duties and responsibilities of the corporate functions involved in the relevant processes.

Under the current organisational structure, specific central areas are involved in credit risk management and governance, ensuring, with the appropriate level of segregation, the performance of management operations as well as first and second line of defence controls by adopting adequate processes and IT applications.

Overall, despite some differences deriving from the various products/portfolios, the lending process follows a shared organisational approach with various operational stages and roles, responsibilities, and controls at different levels.

Specifically, Banca Ifis's organisational structure consists of the following Business Units, dedicated to different activities, centralised in the Co-General Manager Chief Commercial Officer (CCO):

- Commercial & Corporate Banking Underwriting dedicated, both with reference to the initial granting of credit and renewal and review activities, to assessing the creditworthiness of the counterparties as well as the risk inherent in the transactions and approving credit facilities in compliance with the powers assigned to it by the Board of Directors and formalised in the Group's System of Delegated Authorities for the assumption of credit risk;
- Commercial Banking, dedicated to the promotion of financing services to domestic and foreign companies and to the care of the correct relationship with the counterparties developed directly or indirectly, as well as the debtors (domestic or foreign) acquired as part of the operations carried out;
- Corporate & Investment Banking, dedicated to Structured Finance transactions or investments in performing non-financial companies and intermediaries;
- Pharmacies, directly manages existing portfolio relationships with domestic pharmacy counterparties in close cooperation with the organisational units of the subsidiary Banca Credifarma;

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- Insurance, dedicated to the insurance products offered to its customers;
- Leasing and Rental, dedicated to offering and managing leasing and renting products;
- Marketing & Business Strategy, supporting the business units reporting to the Co-General Manager Chief Commercial Officer;
- Tax Credit & Distressed Financing, dedicated to the following activities:
  - the purchase of tax credits from companies in insolvency proceedings, in voluntary liquidation and from performing companies;
  - affording financial support to companies, not already customers of the Banca Ifis Group, that are in a state of temporary financial strain but with prospects of continuity;
- Individuals, dedicated to the development of products, services and business opportunities related to transactional and funding banking services in relation to the Private customer unit;
- Anti-Fraud, dedicated to overseeing the transversal coordination of the Group structures that manage the offer of products to customers with respect to the execution of controls on the prevention and assessment of fraud attempts and the implementation of response actions.

Finally, at the reporting date the lending process include the operations of the following subsidiaries:

- Ifis Npl Investing S.p.A., company dedicated to the acquisition and transfer of non-performing loans (Npls), mainly originated by financial institutions and banks;
- Ifis Npl Servicing S.p.A., company specialising in the management of Npls and servicing and recovery activities on behalf of third parties;
- Cap.Ital.Fin. S.p.A., which provides salary- or pension-backed loans, payment delegation as well as salary or pension deductions and distributes financial products such as mortgages and personal loans;
- Banca Credifarma S.p.A., a banking operator mainly targeting the pharmacy and healthcare sectors and operating in the business of granting advances, medium- and long-term loans and financial services to pharmacies;
- Ifis Finance Sp. z o.o. and Ifis Finance I.F.N. S.A., factoring companies operating in Poland and Romania respectively;
- Ifis Rental Services S.r.l., an unregulated entity specialising in operating leases;
- Illimity Bank S.p.A. and the other companies included in the so-called "illimity Group' (subject to acquisition by Banca Ifis on 4 July 2025), which make available to companies:
  - a Corporate Banking offering, through Structured Finance, Turnaround & Credit Opportunities, and Factoring services.
  - services in Investment Banking, from Capital Markets operations to Securitisation;
- Euclidea SIM S.p.A.[101] (a company acquired by Banca Ifis on 21 November 2025), a securities brokerage company offering portfolio analysis and management services.

Ordinary credit organisational aspects

Each organisational unit develops and manages business relationships and opportunities in its respective segment by working together with the branches located throughout Italy, in accordance with the strategic guidelines and objectives set by the Board of Directors.

As for the lending process, each business unit identifies the opportunities for new transactions in accordance with the lending policies in force and the defined risk appetite; in this context, it examines loan applications and formalises a proposal to be submitted to the competent decision-making bodies, ensuring lending policies and

[101] *Euclidea SIM S.p.A. was renamed Fürstenberg SIM S.p.A. with effect from 26 January 2026.*

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controls are implemented correctly and analysing the applicant's creditworthiness in accordance with existing internal regulations.

The proposals to grant lines of credit and/or purchase receivables are submitted to the competent decision-making bodies, which, based on the powers delegated to them, express their decision - which always refers to the overall exposure towards the counterparty (or any related groups).

Banca Ifis's branches have no independent decision-making power for the purposes of assuming credit risk; Branches manage ordinary operations with customers under the constant monitoring of the central structures in accordance with the limits and procedures established by the Head Office's competent bodies.

In carrying out their operations, the subsidiaries can independently take certain decisions within the operational and organisational limits defined by the Parent company Banca Ifis.

The line of credit is then finalised: the Bank finalises the agreement, obtains guarantees, if any, and grants the credit line. Throughout these stages, the business units are aided by specific supporting units responsible for preparing the agreement in accordance with the terms of the approval as well ensuring all activities leading to the granting of the credit facility are properly carried out.

The operational management of receivables, carried out for performing customers, mainly consists in the ordinary management and monitoring conducted by dedicated structures at each of the Group's companies with the aim of constantly and pro-actively reviewing borrowers. In addition, a specific organisational unit within the Parent company performs monitoring activities at the Group level to identify counterparties with performance issues, so as to anticipate problems and provide adequate reporting to the competent corporate functions.

If the credit position is in an objective situation of distress, it is transferred to specific functions specialised in managing and recovering non-performing exposures.

Purchased impaired credit (POCI) organisational aspects

"Purchased or Originated Credit Impaired (POCI) Financial Assets" means the exposures that were non-performing at the date they were acquired or originated.

POCI financial assets include also the exposures acquired as part of sales (of either individual assets or portfolios) and business combinations.

Interest is accounted for by applying a credit-adjusted effective interest rate, i.e. the rate that, upon initial recognition, discounts all the asset's estimated future cash collections considering also lifetime expected credit losses (“ECL lifetime”).

The Bank regularly reviews said expected credit losses, recognising impairment losses or gains through profit or loss. Favourable changes in lifetime ECLs are recognised as an impairment gain, even if said lifetime ECLs are lower than those incorporated into cash flow estimates at initial recognition.

POCIs are conventionally presented at initial registration in Stage 3.

If, as a result of an improvement in the counterparty's credit standing, the POCI assets become "performing", they are allocated to Stage 2.

Such assets are never classified in Stage 1 because the expected credit loss must always be calculated considering a time horizon equal to the residual maturity (in other words, a "lifetime" horizon must always be maintained and not a 12-month horizon, as is the case for Stage 1 positions).

“Acquired impaired assets” include loans acquired by the subsidiaries Ifis Npl Investing and Ifis Npl Servicing at values significantly lower than their nominal amount, as well as non-performing assets resulting from the various IFRS 3 business combinations carried out by the Banca Ifis Group during the reference year (i.e. those with

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reference to illimity Bank S.p.A. and Euclidea SIM S.p.A.[102]) and in the previous years (such as those relating to the former GE Capital Interbanca Group, the former Fbs Group, the companies Credifarma S.p.A., Cap.Ital.Fin. S.p.A., Farbanca S.p.A. and Revalea S.p.A. as well as the former Aigis Banca business). These non-performing assets are included within the POCI perimeter on the basis of the existence, for each individual relationship, of impaired credit quality at the time of the relative acquisition, as required by IFRS 9.

With reference to the process for the acquisition of non-performing loan portfolios (POCI) adopted by the structures of the Npl Segment, similar organisational stages are envisaged as for ordinary credit, which can be summarised as follows:

- origination: the Bank identifies the counterparties from which it plans to purchase the portfolios and assesses the economic expediency of said transactions;
- due diligence, as part of which highly-skilled analysts assess the quality of the portfolio being transferred and the relevant organisational impact. Once the due diligence is completed, the Group sets the terms and conditions for offering/acquiring the receivables portfolio and how to manage it (individual or collective method), assessing the relevant impact on operating structures;
- Approval: this stage includes the preparation of the file, the decision-making process, and the implementation of the approval by the competent decision-making body;
- finalisation: the parties prepare and finalise the purchase agreement, and the relevant consideration is paid.

Purchases are made directly by originators and/or SPVs (primary market) or, in some circumstances, by operators who have purchased on the primary market and who intend to dispose of their investment for various reasons (secondary market). Receivables - deriving from traditional consumer credit operations, credit cards and special purpose loans - are mainly unsecured; there are also current account balances in the event of transfers by banks.

Right after the acquisition, pending the completion of information retrieval operations to help decide the most appropriate debt recovery method, the receivable is classified in a so-called "staging" area and measured at cost with no contribution to profit or loss.

After this phase, which normally lasts 6-12 months, the positions are directed towards the form of management most appropriate to their characteristics (non-judicial and judicial operations), which carries out an activity closely related to the transformation into paying positions and the collection of receivables.

Collection operations for receivables deriving from purchases of distressed retail loans are the responsibility of resources within certain Banca Ifis Group subsidiaries (including Ifis Npl Investing and Ifis Npl Servicing), as well as of a broad and proven network of debt collection companies and financial agents operating across Italy.

The non-judicial operations consist mainly in the activation of the credit through the debtor's subscription of bills of exchange or voluntary settlement plans; the judicial operations consist, instead, in the transformation through legal action aimed at obtaining from the court the garnishment order of one-fifth of the pension or salary (the existence of which is the necessary prerequisite for the start of this form of transformation) or the sale on the market of the asset to guarantee the credit (secured management). Specific information regarding these operations is provided below.

Finally, there is also an assessment of the expediency of selling non-performing loan (Npl) portfolios, mainly represented by processing codes, statute-barred loans or loans owned by deceased debtors, to be submitted for approval to the competent decision-making bodies, consistently with the established profitability targets and after analysing the relevant accounting, reporting, legal, and operational impacts. To do so, it relies on the in-depth inquiries conducted by the Parent company's competent business functions within their area of expertise.

[102] *Euclidea SIM S.p.A. was renamed Fürstenberg SIM S.p.A. with effect from 26 January 2026.*

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Non-judicial operations

As for the positions not eligible for judicial operations, after completing the groundwork for processing them, they are classified in a "collective" portfolio pending that the recovery process through call centres or recovery networks can culminate with a collection of settlement plans referred to above (in the form of a proposal/acceptance from customer to bank). At this stage, the positions are measured at amortised cost, calculated as the present value of expected cash flows determined on the basis of a proprietary statistical model developed by the Risk Management function on the basis of historical internal data, referred to as "curve model"; this model projects collection expectations onto clusters of homogeneous receivables based on the recovery profile historically observed (macro region, amount of credit, seniority of the file with respect to the DBT date, transferor), in addition to prudential adjustments, such as, by way of example, the cap of simulated cash flows for debtors who are older than the life expectancy present in the mortality tables provided by Istat. This method of valuing debt collection flows means that the expected collection profile is decreasing as time passes with respect to the date of purchase of the credit, until the asset value of the credit is reduced to zero when it reaches the tenth year from the date of purchase.

With regard to the 'massive curve' model, during 2025, re-estimation activities were carried out to revise the model design in its entirety and to include the cash flows collected by management in more recent years. In particular, the estimation process was revised in order to ensure greater robustness and prudence, also incorporating the considerations outlined in previous validation reports, and the number of recovery curves was reduced through a new risk differentiation process aimed at selecting only the explanatory and statistically significant variables.

This model was subjected in parallel to development, as per internal procedure, to validation by the function responsible for validating internal models.

Expectations of collection also take into account the probability of obtaining a settlement plan net of the relative probability of default.

There are two types of settlement (collection) plans that can be entered into:

- bills of exchange: the set of credit positions for which the debtor has signed a settlement plan supported by the issue of bills of exchange. It should be noted that the volume of bills of exchange (internal collection) in the portfolio has been steadily decreasing, since, as a strategic choice, amicable plans with this payment method are no longer collected. Any new collection is therefore exclusively the result of purchased paying practices;
- Demonstrations of Will: the practices for which the recovery process has led to the collection of a voluntary formalised settlement plan by the debtor.

The moment the position obtains a paying settlement plan ("active plans"), i.e. after having observed the payment of at least three times the value of the average instalment of the plan, the cash flows of the "curve model" are replaced by the cash flows of the "deterministic model", which projects the future instalments of the settlement plan agreed with the debtor net of the historically observed default rate and taking into account also in this case a cap to the simulated cash flows if the age of the debtor exceeds what is indicated in the mortality tables of Istat in relation to life expectancy.

Positions that do not obtain a paying settlement plan remain valued by means of the "curve model"; this means that as time passes, the probability of collection is reduced also by means of the plan and consequently the expected cash flows are reduced down until zeroing.

As already started in 2021, again in 2022 and 2025, management took part in a new closure method, known as "balance and write-off of positions", in order to anticipate recovery while granting a reduction in the amount due (write-off) to the debtor. This method of collection does not replace the methods described above, but involves certain campaigns on specific positions identified by management.

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Judicial operations

Positions that meet the requirements (presence of a job or a pension) for judicial processing are initiated in the relevant operations. This also includes (minority) practices that are processed in a logic of real estate attachment of property.

Judicial processing, understood as real estate enforcement action against third parties, is characterised by several legal steps aimed at obtaining an enforcement title, which as a whole usually last 18-24 months (the durations and the relative volatility depend on the court in which the case is handled) and are thus as follows:

- obtaining a court order;
- writ;
- attachment of property; and
- garnishment order.

These positions are measured at amortised cost, calculated as the present value of expected cash flows determined on the basis of two proprietary models developed by the Risk Management function on the basis of historical internal data, referred to as “pre-garnishment order Legal Factory model” and “garnishment model”.

As regards the pre-garnishment order model, 2025 saw the conclusion of re-estimation activities aimed at updating the time series, assessing relevant changes in processes to be taken into account in the definition of the scope, quantifying target variables (e.g. modules duration, migration probability, instalment, expenses, rate of economic effectiveness of pensioners) as well as fine-tuning the methodological framework (e.g. revision of the long list of each module, clustering techniques and quantification of estimates). This model was subjected in parallel to development, as per internal procedure, to validation by the function responsible for validating internal models.

In addition to the above, judicial operations involve also collection efforts, i.e. foreclosure proceedings, which consist of several stages and apply to portfolios originated in corporate, banking, or real estate segments.

2.2 Management, measurement and control systems

Credit risk is constantly monitored by means of procedures and instruments that can rapidly identify particular anomalies.

Over time, the Banca Ifis Group has implemented instruments and procedures allowing to specifically evaluate and monitor risks for each type of customer and product.

If the applicant passes the evaluation process and is granted a credit facility, the Group starts monitoring the credit risk on an ongoing basis, ensuring repayments are made on time and the relationship remains regular, reviewing the information that the Italian banking system reports to the Central Credit Register or select databases as well as the reputational profile, and examining the underlying causes for each one of these aspects.

With reference to portfolio control activities, as mentioned above, loans to customers are monitored by specific units within the aforesaid business units, which are entrusted with the continuous and proactive verification of the customers entrusted (first-level controls); they are flanked by additional second-level control activities, carried out centrally by the Parent company's Risk Management, with the aim of identifying anomalous situations to be alerted to the reference structures. The controls are both massive, based on the use of trend analysis models, and specific on individual positions identified through sampling criteria guided by management risk indicators.

Credit risk exposures to companies are assigned a rating based on models developed in-house. These models are differentiated by segment to ensure that appropriate models are applied on homogeneous population from the point of view of characteristics and risk level. There are therefore models for corporations, differentiated by two size clusters, and a model for partnerships and sole proprietorships. The rating models are composed of different modules that investigate different areas of information depending on the type of counterparty and are integrated with qualitative information of different nature.

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The rating class represents a fundamental driver for the calculation of write-downs on performing loans; in addition to directly linking the expected loss to the specific risk level of the individual counterparty, rating models enable the activation of the quantitative stage allocation criterion, which, by comparing the riskiness at the time of granting and the current riskiness, makes it possible to assess the significant increase in risk and thus the Stage 2 allocation of the position. The framework for determining expected loss also includes satellite models functional to the introduction of forward-looking elements into the estimates of risk parameters in full compliance with the requirements of IFRS 9.

Risk Management plays a crucial role as part of the second line of defence in measuring and monitoring operations.

Concerning credit risks, the Risk Management function:

- oversees, monitors and assesses credit risks, carrying out audits and analysis in accordance with the relevant guidelines; specifically, it:
  - assesses credit quality, ensuring compliance with credit guidelines and strategies by continuously monitoring credit risk indicators;
  - constantly monitors exposure to credit risk and compliance with the operating limits assigned to the operating structures in relation to the assumption of credit risk;
  - verifies, by means of second-level controls, the correct implementation of performance monitoring on individual exposures, in particular on non-performing exposures, and assesses the consistency of classifications and the adequacy of provisions;
  - monitors exposure to concentration risk and the performance of exposures classified as "Large Exposures";
- performs quantitative analyses to support the business units in using risk measures;
- oversees the supervision of the value of collateral as well as personal and financial guarantees;
- analyses consistency with the Group's RAF in the areas of asset quality and credit cost.

The Banca Ifis Group pays particular attention to the concentration of credit risk with reference to all the Group's companies, both at an individual and consolidated level. Banca Ifis's Board of Directors has mandated the Top Management to take action to contain major risks. In line with the directives of the Board, those positions that are at risk and engage the Group to a considerable extent are subject to systematic monitoring.

Concerning the credit risk associated with investments in securities and equity, the Group constantly monitors their credit quality, and Parent company Banca Ifis's Board of Directors and Top Management receive regular reports on this matter.

In the context of Basel 3 principles for calculating capital requirements against first-pillar credit risks, Banca Ifis chose to adopt the Standardised Approach. To calculate capital requirements for single-name concentration risk, which falls under second-pillar risks, the Group adopts the Granularity Adjustment method as per Annex B, Title III of Circular No. 285 of 17 December 2013, with a capital add-on calculated using the ABI method to measure geo-segmental concentration risk.

In order to assess its vulnerabilities in terms of capital and liquidity management, the Parent company Banca Ifis has developed quantitative and qualitative techniques with which it assesses its exposure to exceptional but plausible events. These analyses, known as stress tests, measure the impact in terms of risk deriving from a combination of changes in economic-financial variables under adverse scenarios on the Bank and its subsidiaries. These analyses significantly concern credit risk.

The stress tests allow to assess the Group's resiliency by simulating and estimating the impact of adverse circumstances, providing crucial insights into its exposure to risks, the adequacy of the relevant mitigation and control systems, and it ability to deal with unexpected losses -- including in a forward-looking manner and in terms of planning. In order to perform stress tests, the Group has internally developed methodologies that allow, also by exploiting synergies with satellite models used under IFRS 9, to project asset quality in line with adverse

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macroeconomic scenarios and assess the impact in terms of various credit quality indicators, such as the incidence of impaired credit or the increase in loan adjustments.

For regulatory purposes, the Parent company Banca Ifis conducts stress tests when defining the Risk Appetite Framework (RAF) and preparing the Recovery Plan as well as the ICAAP and ILAAP report at least on an annual basis, as required by applicable prudential supervisory regulations. In this context, it assesses, among other things, the sustainability of lending strategies under adverse market conditions.

2.3 Measurement of expected credit losses

This section describes the methodological approaches currently in place for determining impairment losses on the Banca Ifis Group's performing portfolio. It should be noted that there are some differences in the collective impairment management process between the illimity Group's perimeter and the remaining perimeter of the Banca Ifis Group, and these differences will be disclosed, with priority given to providing a comprehensive overview of the Parent company's framework. Activities aimed at achieving convergence in valuation metrics are planned for the next financial year.

It should be noted preliminarily that, with reference to the measurement of expected losses, during 2025 the process of updating credit risk parameters continued with the aim of more accurately reflecting the expected losses of performing exposures, also in light of the historic evidence available and the persistent uncertainties of the current macroeconomic context.

In particular, with regard to the models developed internally, the risk parameter estimates (PD and LGD) were updated both with regard to the Through the Cycle (hereinafter also "TTC") component, by lengthening the time series, and with regard to the Point in Time (hereinafter also "PIT") and Forward Looking (hereinafter also "FL") components. In addition, the thresholds of the quantitative stage allocation model were calibrated based on the latest observations.

As regards the forward-looking component, the macroeconomic scenarios underlying the forward-looking conditioning have been updated, details of which are given later in this section, in order to allow the valuation of credits to be as compliant as possible with the accounting standard. Compared to previous updates, a climate scenario has been introduced that captures the risk of transition in the short term. Scenarios and their weighting are aligned with those of the illimity Group perimeter. The maintenance activities of the IFRS 9 impairment framework had no significant impact either in absolute terms or in terms of the level of portfolio coverage.

The expected loss defined on the basis of the model is potentially supplemented with a series of managerial adjustments (so-called "post-model adjustments" or "overlays") in order to factor in certain valuation elements not adequately captured by the models in use.

Below is an explanation of the framework used by the Group to measure expected losses, including any changes made to the models and criteria applied for calculating expected losses as part of the ongoing model revision process are illustrated below, depending on the type of intervention (SICR valuation, estimation of forward-looking information and other model changes).

According to IFRS 9, all financial assets not measured at fair value through profit or loss and other than the POCI, for which reference is made to the information given previously, represented by debt securities and loans, and off-balance sheet exposures (commitments and guarantees granted) must be subject to the impairment model based on expected losses (ECL - Expected Credit Losses).

The most significant aspects that characterise this approach, concern:

- the classification of loans into three different levels (or "Stages") to which different methods correspond for calculating the losses to be recorded; Stage 1 includes performing positions that have not undergone a significant increase in credit risk otherwise placed in Stage 2; Stage 3 includes all positions classified as non-performing, bad loans, unlikely-to-pay, non-performing past due in accordance with the criteria and rules specifically adopted by the Group;

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- the calculation of the expected loss calculated at 12 months for Stage 1 or for the entire useful life of the credit (lifetime) for Stages 2 and 3;
- the requirement to use a Point-in-Time, rather than a Through-the-Cycle, approach for regulatory purposes;
- forecast information regarding the future dynamics of macroeconomic factors (forward looking) considered to have the potential to influence the debtor's situation.

In this context, the Group has adopted a method for determining the "significant" increase in credit risk with respect to the initial recognition date, which involves classifying the instruments in Stages 1 and 2, combining statistical (quantitative) and performance (qualitative) elements, as part of the estimate of impairment of performing loans. Please note that no probation period is applied for the exit of performing positions from Stage 2.

To identify the "significant" increase in credit risk, the Banca Ifis Group applies the following quantitative and qualitative transfer criteria to the loan portfolio according to the type of counterparty defined by segmenting receivables into portfolios:

- the only quantitative transfer criteria is what is termed “PD comparison” for which, in order to identify the "significant increase in credit risk" on exposures within rated portfolios, the Group used an approach backed by quantitative analyses, under which the exposure is allocated to Stage 2 if the change in the one-year PD between the origination and the measurement date exceeds a given threshold. The decision to use a 1-year PD comparison instead of a lifetime approach, also determined in consideration of the solution provided by the impairment engine's outsourcer, is supported by analyses that show a high correlation between the SICR metrics calculated from a lifetime perspective and those calculated from a 1-year perspective. This threshold is assigned on the basis of the origination rating (if available) and the type of product for each relationship and is represented by the change in PD by which the credit risk of the relationship is to be considered significantly increased. Therefore, if the change in PD between origination and the reference date exceeds the threshold associated with the ratio, that ratio is allocated to Stage 2. The identification of the thresholds derives from a statistical approach involving the analysis of the 1-year PD distributions on homogeneous risk clusters in order to optimise the allocation to Stage 2 of counterparties that might show signs of deterioration and the return to Stage 1 of counterparties with a real improvement in internal rating;
- qualitative transfer criteria:
  - "Rebuttable presumption – 30 days past due": IFRS 9 establishes that, regardless of how the entity assesses significant increases in credit risk, there is a rebuttable presumption that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due. The entity can rebut this presumption if it has reasonable and supportable information that demonstrates that the credit risk has not increased significantly since initial recognition even though the contractual payments are more than 30 days past due. However, the Ifis Group has not pursued this option;
  - Forbearance: according to this criterion, a financial instrument is allocated to Stage 2 when the Group classifies the exposure as forborne;
  - "Watchlist": the criterion envisages the transfer to Stage 2 of positions already under examination, as part of the process for defining especially risky positions during credit monitoring;
  - "ECB Backstop": the criterion transfers to Stage 2 positions with PDs at the "reporting date" that are 200% higher than (“threefold”) at the "origination date" or with PDs at the "reporting date" that are 20% higher.

The Stage allocation criteria described are part of the IFRS 9 framework of the Parent company, Banca Ifis, and there may be differences compared to the system in place at illimity Bank and the other illimity Group companies as at 31 December 2025. In particular, the quantitative criterion within the illimity Group is based on delta notches, and there are no backstop criteria based on ECB standards.

With reference to debt securities, the method used for the allocation of relationships in the various Stages is based, contrary to what is set out above for credit exposures, on quantitative drivers (so-called delta notch), on internal

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assessments carried out by the Risk Management function in agreement with the functions involved, and on a practical rule expressly permitted by IFRS 9 (LCRE - Low Credit Risk Exemption). With regard to the latter, the regulation states that to determine whether a financial instrument is low credit risk, an entity may use its internal credit risk ratings or other methodologies consistent with a globally agreed definition of low credit risk, which take into account the risks and the type of financial instruments being assessed. In particular, an exposure is deemed to have 'low credit risk' if the financial instrument has a low risk of default, i.e., if the borrower has a strong ability to meet its contractual cash flow obligations in the short term and if adverse changes in longer-term economic and business conditions could reduce, but will not necessarily reduce, the borrower's ability to meet its contractual cash flow obligations.

Consistent with the provisions of the standard, in fact, the Banca Ifis Group has decided to adopt the assumption that the credit quality of an investment grade government issue can be assumed not to have significantly deteriorated, even in the presence of information on credit risk measures at the date of origination, thus availing itself of the Low Credit Risk Exemption (LCRE) option. Therefore, only securities with an investment grade rating at the reference date are allocated to Stage 1, while mono-tranches associated with defaulted securities are allocated to Stage 3.

Specifically, the formula used to calculate the impairment of the tranches allocated to Stage 1 and 2 is consistent with the approach to credit exposures. The stage allocation of performing debt securities requires using an external rating of the issue; the securities are allocated to the different stages based on specific criteria associated with this type of portfolio. Debt security exposures are classified in Stage 3 in cases where the credit risk is impaired to the extent that the security is considered impaired.

The measurement of expected credit losses (ECLs) accounts for cash shortfalls, the probability of default (PD), and the time value of money. Specifically, the Group measures the loss allowance for the financial instrument as:

- expected losses within 12 months for positions that have not suffered a significant deterioration in creditworthiness (Stage 1); in other words, the Group estimates non-payments resulting from possible default events within the following 12 months, weighted by the probability that such events will occur;
- expected "Lifetime" losses for positions that have suffered a significant deterioration in creditworthiness (Stage 2); in this case, the Group estimates the cash shortfalls resulting from default events that are possible over the expected life of the financial instrument, weighted by the probability of that default occurring and discounted at the measurement date.

To ensure its collective impairment calculations are in the closest possible compliance with regulatory requirements, the Group has defined a specific methodological framework subject to backtesting at least annually as well as to validation by the function in charge of validating internal models. This involved developing quantitative methods and analyses based on proprietary datasets as well as qualitative methods and analyses to essentially model the following risk parameters and the methodological aspects relevant to the calculation of impairment under IFRS 9:

- estimation of the Probability of Default (PD), which expresses the probability of a default event occurring in the credit position over a given time frame. The estimation methodology involves using an appropriate estimator to calculate the Cumulative Default Rate (hereinafter also CDR), i.e. the historically observed probability of a default event occurring within a given time horizon. CDRs are then interpolated using an appropriate functional form;
- estimation of Loss Given Default (LGD), which expresses the estimated loss percentage in the event of default of the credit position. A "workout LGD" approach based on internal data was chosen; therefore, this parameter is defined on the basis of historical recovery evidence observed for each perimeter where possible;
- definition of Stage allocation transfer logic, which includes the recalibration of SICR thresholds;
- calculation of expected losses including point-in-time elements: the credit parameters are calibrated on a horizon that considers the entire economic cycle, therefore, in accordance with IFRS 9, a PIT (point-in-time) adjustment is necessary to reflect the current condition in the parameters;

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- calculation of expected losses including forward-looking elements: the credit parameters are calibrated to a horizon that considers the entire economic cycle; therefore, in accordance with IFRS 9, it is necessary to include forward-looking elements to reflect expectations on the future development of the economic cycle.

With regard to the illimity Group, the methodologies developed for estimating and calibrating the PD parameter are different and also exhibit differences within the illimity Group's portfolio (internal ratings, external ratings, 'portfolio' approaches). These differences can be attributed not only to technical aspects related to the structure of the illimity Group's assets, but also to the specific characteristics of the individual businesses in terms of their risk profile and management rules.

Following the acquisition of illimity Bank, work is underway to align the collective impairment framework with a view to extending the Group's standards to the portfolio of acquired receivables as well. As at 31 December 2025, full alignment was pursued with regard to macroeconomic scenarios and the related weightings used for conditioning risk parameters."

In developing the above methods, the Group has considered multiple solutions, the current and prospective complexity of its portfolio, as well as how to maintain and update risk parameters.

The time series underlying the estimation of risk parameters are updated annually; calibrations involving the forward-looking scenarios are updated at least once a year on the basis of changes in the environment. As far as EAD is concerned, there is no internal modelling, and the value of EAD is equal to the carrying amount adjusted by the application of the credit conversion factor or CCF (Credit Conversion Factor) applied for the entire duration of the exposure.

Concerning the PD of exposures to banks, central governments, and public-sector entities (low default portfolios), the Group used default rates associated with migration matrices based on public information provided by the ratings agency Moody's or external providers.

LGD is estimated on historical proprietary evidence with the exception of a few residual transactions (due to the lack of sufficient objective historical data given the recent business or given the particular type of counterparty - i.e. banks, central governments and territorial entities) for which an industry LGD was used. The cash flows used in estimating LGD are discounted at the Effective Interest Rate (EIR).

In order to determine the risk parameters adopting a forward looking approach, the Group has adopted econometric models (based on the stress test framework - "satellite" models), aimed at forecasting the evolution of the institute's risk factors (i.e. mainly PD and migrations between statuses for credit risk) on the basis of a joint forecast of the evolution of the economic and financial indicators (macroeconomic scenario). The satellite models used meet the need to identify the existence of a significant relationship between the general economic conditions (i.e. macroeconomic and financial variables) and a proxy variable of the risk factor (target variable) i.e. the credit rating of counterparties (which represents the respectively probability of default as a summary of the PD factor), which in its aggregate form at an institute level is represented by a careful calibration of the deterioration rates recorded by the Bank of Italy.

By exploiting the identified relationship between target variable and macroeconomic factors, it is therefore possible to obtain forecast values of deterioration rates by applying future projections of explanatory variables retrieved from external information providers, also used for institutional information purposes and by the Strategic Planning function under the scope of their activities. In compliance with IFRS 9, the Risk Management function employs macroeconomic scenarios describing three contexts characterised by increasing levels of forecast severity and criticality: a "baseline" scenario, an "adverse" scenario and a "climate" scenario. These scenarios produce three different satellite model forecasts, making weighting necessary: for the current year, it was decided to balance the weights of the baseline, adverse and climate scenarios in view of the uncertainty of the macroeconomic environment, which sees on the one hand, in the geopolitical context, one of the main factors of instability, and on the other, the possible onset of non-negligible risks connected with the evolution of the global economic activity.

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The Risk Management function has therefore included the forecasts defined by its satellite models in the structures at the end of the PD lifetime.

The satellite models developed for PD were also applied in a mirror-image manner to the Danger Rate, i.e. the migration between credit states, used in LGD, which in its point-in-time & forward-looking configuration gives a multi-period structure to LGD.

Measurement of expected losses (ECL)

With reference to the inclusion of Forward Looking factors feeding into the IFRS 9 provisioning process, through the use of satellite models, the Risk Management function in 2025 updated the macroeconomic scenarios by procuring them from an external info provider and comparing them with official sources.

The current macroeconomic environment incorporates both cautious optimism about the continuation of economic growth, with signs of lower inflation and an expectation of the monetary policy easing, and the repercussions of the uncertain geopolitical environment, with possible repercussions on global trade and commodity and energy prices. The Group adopts three scenarios to reflect the uncertainty of the macroeconomic environment:

- baseline scenario: represents the main reference for the economic forecast, characterised by a deceleration of global growth in a context of high geopolitical uncertainty. This dynamic is influenced by conflicts in critical areas (Ukraine, Middle East) and trade tensions between the US, EU and China. Despite this, Italy is experiencing moderate GDP growth (0,5% per year on average in 2025-2029), mainly supported by the NRRP and spillovers from European infrastructure and defence plans. The effects of US tariffs (with high tariffs on steel, aluminium, automotive and Chinese/EU products) are partially mitigated by recent bilateral trade agreements. The narrow BTP-Bund spread (stabilised below 90 basis points from 2026) and the reduction of interest expenditure contribute to the consolidation of public accounts. Italian inflation, after a minimum of 1% in 2024, stabilised at around 2% per year (in line with ECB targets), thanks to the control of core components and a moderate wage dynamic (salary growth at 2,7% per year in June 2025). The public accounts show a consolidation trend, despite the deterioration due to the Superbonus tax credits. The main risks remain possible trade wars with the introduction of new tariffs and geopolitical instability (conflicts in Ukraine, the Middle East, hostile air strikes in Europe, with the risk of disruptions in supply chains);
- adverse scenario: this is the severe but plausible scenario according to which the global geopolitical situation is expected to worsen due to the escalation of conflicts and the threats of duties by the USA with retaliatory measures by the affected countries. Political instability in France further weakens EU action, already slow in launching the German infrastructure plan and implementing ReArmEurope. The result would therefore be a new increase in uncertainty and a severe blow to trade, which would be significantly reduced compared to the period before the new tariff policies were introduced. The US, which has suffered the most, could enter recession in the short-term. In Italy, the already fragile growth outlined in the base case would be undermined by the increased uncertainty linked to the geopolitical environment. Exports and investments are the hardest hit components, while household spending slows down less. Public debt, in terms of GDP, would increase, also leading to a rise in the spread between Italian and German government bonds.
- climate scenario: this is a 'Net Zero' (transition risk) scenario in which governments adopt very stringent climate policies to limit average global warming to 1,6°C by 2060 and achieve net zero CO_2 emissions by 2050. Policies implemented include globally coordinated carbon taxes and aggressive regulatory measures to accelerate the decarbonisation of the economy. The price increase related to the carbon tax is partly offset by a strong investment impulse and productivity gains related to more efficient technologies in the long run. However, of the climate scenarios, 'Net Zero' is the most severe in terms of economic growth over a short-term horizon, as the benefits of an orderly transition are only realised in the medium to long term.

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FINANCIAL INDICATORS FINANCIAL YEAR END (%)	Base case			Adverse scenario			Climate scenario		
	2026	2027	2028	2026	2027	2028	2026	2027	2028
Italian real GDP growth (decline) y/y	0,7%	0,4%	0,5%	0,1%	0,1%	0,2%	0,5%	0,6%	0,3%
Italian unemployment	6,2%	6,1%	5,9%	6,4%	6,6%	6,8%	6,2%	6,4%	6,7%
Euribor 3M	2,0%	2,1%	2,4%	1,7%	1,8%	2,1%	1,9%	2,1%	2,2%
10-year BTP yield	3,6%	3,7%	4,0%	3,7%	3,9%	4,1%	3,7%	4,0%	4,2%
Brent barrel oil price growth (reduction) y/y	(1,9)%	9,8%	8,8%	7,4%	6,2%	5,8%	6,9%	15,9%	12,2%
Italian inflation	1,7%	2,1%	2,0%	2,4%	2,0%	1,8%	2,6%	3,4%	3,0%

With reference to the probability of occurrence of the scenarios, in line with what was done for FY 2024 and with the continued significant uncertainty of the geopolitical and macroeconomic environment, the base case was assigned a 60% probability of occurrence, while the adverse scenario was assigned a 30% probability and the climate scenario, 10%. As a matter of prudence, no positive scenarios were considered.

In order to provide information that enables a clear understanding of the elements of judgement used by management and their impact, sensitivity analyses were carried out. The inclusion of forward-looking factors for the measurement of expected losses is, in fact, a particularly complex exercise, as it requires the formulation of macroeconomic forecasts, the selection of scenarios and their relative probabilities of occurrence, and the definition of a model capable of expressing the relationship between the aforementioned macroeconomic factors and the default rates of the exposures under assessment.

For this reason, in order to be able to appreciate the impact on expected losses resulting from the selection of different macroeconomic scenarios, and in compliance with the recommendations formulated by ESMA, sensitivity analyses are provided below, in terms of ECL. These analyses were conducted by assigning a 100% weighting to each individual macroeconomic scenario ("base", "adverse" and "climate") with respect to the multi-scenario approach followed for the purpose of preparing this document.

The selection of a multi-factor sensitivity, obtained by varying several parameters simultaneously and implicit in the choice of considering alternative macroeconomic scenarios, is justified by the fact that there are innumerable interrelationships between the different macroeconomic factors such that a sensitivity analysis based on a single factor would be less representative (e.g. the change in GDP would be correlated with changes in many other macroeconomic variables).

The basis for sensitivity analyses is represented by expected losses (ECLs) on the Banca Ifis Group's credit exposures to customers (including the illimity Group scope), i.e. cash loans and guarantees. In particular, this is the ECL determined on the basis of the models in use, and thus not including the post-model adjustments discussed below.

More specifically, the 100% "adverse" weighting would lead to an impact on the model ECL of approximately +1,5%, the 100% "baseline" weighting would lead to an impact of approximately -0,7%, while the 100% "climate" weighting would have a negligible impact (-0,2%).

The introduction of US duties represents a significant risk for European companies, including Italian ones, as products exported to the US risk becoming less competitive due to increased costs. This impact is further exacerbated by the depreciation of the dollar against the euro, which makes European exports more expensive in the US market, effectively acting as an additional "implicit duty". As a result, the financial sustainability of many companies, especially in industries heavily dependent on exports, could be jeopardised. In light of the high uncertainty and uncertainty experienced starting from the second quarter of 2025, the Group conducted a careful analysis to identify and assess these new risks. Initially, the sectors most exposed to US duties were identified, including automotive, agri-food and textiles, which are particularly vulnerable to changes in tariff regimes. On the basis of this segment boundary, the Group conducted a stress test exercise, aimed at measuring the potential

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impacts of both deteriorating credit positions of exposed customers and worsening coverage in the face of an increase in PD and migrations from Stage 1 to Stage 2 (according to IFRS 9 accounting standards). The risk parameters, such as PD, were stressed by considering the evolution of sectoral decay rates, underlying the adverse scenario, which was also used to estimate the forward-looking component of the IFRS 9 provisioning process, explained above. The choice of this scenario to assess the potential effects of the introduction of duties on Italian and European exports was motivated by its severity and was considered sufficiently stringent to obtain a robust and prudent assessment of the potential impacts on the Group's credit exposure. Against this analysis, it was considered that the risks from the introduction of duties were already adequately factored into the satellite models as a result of the updated forward-looking risk parameters, also in light of the developments in the relationship between the EU and the US administration with respect to the high tensions in spring 2025.

As already explained in previous reports, it is noted that the Covid-19-related health emergency in early March 2020 had generated unprecedented impacts on global economic growth. This circumstance had prompted intermediaries to consider possible impacts on credit risk produced by such extraordinary risk factors not adequately captured by the expected loss (ECL) calculation models in use. This, coupled with the need to capture expectations of a rapid deterioration in macroeconomic conditions from a forward-looking perspective, had led the Group to introduce prudential adjustments (“management overlays”) over time in the determination of expected losses (ECL); these adjustments were aimed in particular at capturing the risks associated with exposures to counterparties belonging to the most potentially vulnerable economic sectors.

After 2021, as a result of geopolitical tensions related to the Russia-Ukraine conflict and thereafter the conflict in the Middle East, the inflationary scenario and the slowdown in economic growth, the prudential adjustments applied and previously described were replaced and restated with the aim of factoring in the risks emerging from the macroeconomic context of reference. In particular, a number of new prudential adjustments had been introduced to take into account the macroeconomic context strongly influenced by geopolitical tensions, the impact of rising energy prices, inflationary dynamics, and the significant increase in interest rates in order to intercept risk factors relating to counterparties belonging to sectors considered particularly exposed to new emerging risks; in particular, companies in the manufacturing, agricultural, transport and energy trading sectors.

Consequently, at 31 December 2023, the total amount of the described prudential adjustments (management overlay) recorded by the Parent company was approximately 52,3 million Euro, almost equally divided between adjustments to hedge multiple risk factors (particularly related to inflationary, geopolitical and energy supply risks) and adjustments to hedge adverse macroeconomic expectations, the quantifications of which were also supported by stress scenario and sensitivity analyses. As at 31 December 2023, an additional 12,8 million Euro of prudential adjustments had also been provided for to protect positions specifically identified to take into account their possible deterioration, which can be estimated in a reasonably short time horizon and is not captured by current models ("expert-based" valuations).

The Bank had fully used prudential adjustments resulting from expert-based assessments in 2024 following the actual classification of specifically identified positions as impaired exposures. In addition, management overlays set aside to hedge multiple risk factors (particularly related to inflationary, geopolitical and energy supply risks) and to hedge against adverse macroeconomic expectations, were utilised against the deteriorating dynamics of the underlying portfolio clusters, as the risks against which these overlays were set up were deemed to have materialised. The total amount of management overlays at 31 December 2024 was therefore 25,2 million Euro.

During the third quarter of 2025, the amount of the overlay was reduced by approximately 8 million Euro due to a decrease in the severity of the scenarios supporting the quantification as well as due to utilisation against the deterioration dynamics of the underlying portfolio clusters.

At the end of 2025, management overlays to hedge multiple risk factors and adverse macroeconomic expectations were fully utilised, resulting in a positive economic impact.

This decision, in addition to covering some specific positions impaired during the quarter, was deemed reasonable on the basis of a set of evidence, both internal and external, that, on the one hand, confirms the full incorporation in the new macroeconomic scenarios of the elements linked to 'emerging risks' and, on the other, attests to a

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strengthening of internal credit risk measurement and control controls. In particular, the extraordinary conditions that had motivated the introduction of management overlays gradually disappeared. 'Novel risks', such as those of a geopolitical or climatic-environmental nature, are now integrated into the macroeconomic scenarios used to calibrate the risk parameters; moreover, the sensitivities illustrated show a limited responsiveness of the ECL even in the presence of a worsening macroeconomic environment.

With reference to the main macroeconomic factors, there are signs of improvement. In fact, inflation in the Eurozone fell to 2% in December, hitting the ECB's price stability target and signalling an easing of inflationary pressures; at the same time, the 3-month Euribor stabilised at around 2%, with moderate fluctuations reflecting relatively stable monetary policy expectations after the rate cuts made in 2025. Overall, these dynamics point to a more stable macroeconomic framework that is less exposed to adverse shocks.

Alongside the described evolution of the external environment, the IFRS 9 models in use have progressively shown a level of robustness that further reduces the need for prudential overlays: the models have steadily passed backtesting, conducted according to a framework made more structured during 2025, and guarantee levels of coverage that can also be considered adequate in light of the systemic evidence. Another important aspect is the gradual strengthening of the monitoring and control processes of the credit portfolio, both within the framework of first-level activities and through second-level supervision, ensuring a more timely and effective ability to identify deterioration dynamics.

Finally, as of FY 2025, the forward-looking component of the parameters has been revised by incorporating ESG elements, thanks to the introduction of a dedicated climate scenario to reflect potential vulnerabilities related to climate transition in the model. Taken together, these elements combine to define a solid and adequately supervised methodological and management framework.

2.4 Credit risk mitigation techniques

Credit risk mitigation techniques include instruments that contribute to reducing the loss that the Group would incur in the event of counterparty default; specifically, they refer to guarantees received from customers, both collateral and personal, and to any contracts that may lead to a reduction in credit risk.

In general, as part of the process of granting and managing credit, for certain types of lines, the release by customers of suitable guarantees to reduce their risk is encouraged. They can be represented by:

- collateral encumbering assets, such as pledges on financial assets, mortgages on real estate (residential/non-residential); and/or
- personal guarantees (typically sureties) on a third party where the person (natural or legal) acts as guarantor of the customer's debt position in the event of insolvency.

In particular:

- as part of factoring operations, when the type and/or quality of factored receivables do not fully satisfy requirements or, more generally, the invoice seller is not sufficiently creditworthy, the bank's established practice is to hedge the credit risk assumed by the Group by obtaining additional surety bonds from the shareholders or directors of the invoice seller. As for the account debtors in factoring relationships, wherever the Bank believes that the elements available to assess the account debtor do not allow to properly measure/assume the related credit risk, or the proposed amount of risk exceeds the limits identified during the debtor's assessment, the Bank adequately hedges the risk of default of the account debtor. Guarantees issued by correspondent factors and/or insurance policies underwritten with specialised operators are the main hedge against non-domestic account debtors in non-recourse operations;
- in loans to businesses, where possible, suitable guarantees are acquired from the Central Guarantee Fund or other companies coming under the public scope, such as SACE S.p.A.;
- in regard to Structured Finance, collateral is acquired according to the counterparty's standing as well as the term and type of the facility. Said collateral includes mortgage guarantees, liens on plant and equipment, pledges, surety bonds, credit insurance, and collateral deposits;

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- as for finance leases, the credit risk is mitigated by the leased asset. The lessor maintains the ownership until the purchase option is exercised, ensuring a higher recovery rate in the event the client defaults;
- as for operations concerning distressed loans and purchases of tax receivables arising from insolvency proceedings, as well as the relevant business model, generally no action is implemented to hedge credit risks;
- salary-backed loans have low risk, considering the particular characteristics of this product: it requires having insurance against the customer's risk of death and/or loss of employment as well as imposing a lien on the severance indemnity earned by the customer as additional collateral for the loan.
- lending to pharmacies involves an advance as well as a transfer or debt collection mandate, with the possibility of deducting subsequent advances from existing credit facilities.

In line with that established by the Liquidity Decree (Italian Decree Law No. 23 of 8 April 2020), the Group has benefited from the guarantees offered by the state Guarantee Fund for the type of customer and loans envisaged by the Decree, with cover that can reach 100%. This guarantee enables a reduction in the RWAs relative to the credit risk, proportionally to the share of exposure covered by the Fund.

The acquired Npl portfolios include positions secured by mortgages on properties with a lower level of risk than the total portfolio acquired.

When calculating the overall credit limit for an individual customer and/or legal and economic group, the Bank considers specific criteria when weighing the different categories of risks and guarantees. Specifically, when measuring collateral, it applies prudential "spreads" differentiated by type of guarantee.

The Group continuously verifies the quality and adequacy of the guarantees acquired on the loan portfolio, with second level monitoring carried out by the Parent company's Risk Management function and carried out under the scope of the Single File Review (SFR).

3. Non-performing credit exposures

3.1 Management strategies and policies

The Group adopts a business model that has peculiar features compared to most other Italian banking institutions, which largely operate as general banks.

This peculiarity of the business is reflected in the processes and management structures, generating flows and stock dynamics that are reflected in assets and related indicators.

Nonetheless, the Parent company believes that adopting "systemic" operational and structural ratios, and maintaining its indicators at the highest level of excellence, is a mark of quality and a value to be pursued as a specific goal in order to strengthen its corporate structure as well as improve its internal processes.

Among these, the quality of assets is a top priority that must be expressed both in the ability to provide credit, minimizing the risks of deterioration of exposures, and in the ability to manage non-performing exposures, optimising recovery performance in terms of amount and related timing.

In this sense, the Group's action is oriented in two directions:

- constant efforts to improve not only the processes for selecting and granting loans, but also the processes for managing performing loans, referring, where appropriate, to the commercial and/or selection policies of individual transactions, in order to contain the generation of non-performing loans in the best possible way;
- proactive management of performing credit that shows signs of difficulty and management of the recovery of impaired credit aimed at maximising value, in compliance with quantitative thresholds consistent with the objectives set.

In managing these aspects, the Group must, however, necessarily take into account the different segments of business and related types of credit, classifying solutions and actions consistent with the specificities of the individual segments, in order to ensure the best result in terms of value protection and speed of solution.

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Regardless of the current outlook, the pursuit of the objective of a general limitation in the stock of non-performing loans remains and is expected to take place through a differentiated strategy in relation to the specificity of the individual portfolios concerned (taking into account the type of counterparty and the specificity of the individual products). In general, the action that will be taken is essentially based on the following goals, which it has been pursuing for some time now:

- containment of the default rate in order to reduce the inflow of non-performing positions by extending and strengthening the monitoring of lending aimed at anticipating, and possibly preventing, deterioration of positions;
- improvement of performing loan recovery rates thanks to the extended use of the instruments provided for in the renewed Code for Business Crisis and Insolvency;
- leveraging the expertise within the Banca Ifis Group and the virtuous collection processes currently in place to maximise collection rates;
- reducing the stock of non-performing loans by considering mass sales of the more dated stock or selective sales of individual significant positions as well as applying existing write-off policies.

The non-performing positions or the performing positions that in any case present significant problems are handled directly by specific organisational units of the Group.

3.2 Write-offs

As specified by IFRS 9, a total or partial write-off is an event that results in derecognition when there is no longer a reasonable expectation that the financial asset will be recovered. It may occur before the lawsuit for recovery of the financial asset has concluded and does not necessarily imply a waiver of the legal right to collect the debt.

A receivable is derecognised when it is considered unrecoverable and the Group forfeits the legal right to collect it. For instance, this occurs when insolvency proceedings are settled, the borrower dies without heirs, a court issues a final ruling that the debt does not exist, etc.

As for total or partial derecognition without a forfeiture of the right to collect the receivable, to avoid continuing to recognise receivables that, even though they are still managed by debt collection structures, are highly unlikely to be recovered, at least every half-year, the Bank identifies the exposures to be derecognised that have all specific characteristics defined for each product.

At the Group level, relationships to be subject to derecognition are identified which simultaneously present the following characteristics:

- the receivable has been written off;
- the receivable has been classified as a bad loan for more than 5 years;
- the counterparty has filed for bankruptcy, been put into administrative liquidation (LCA), or is subject to any insolvency proceedings.

The derecognition of bad debts is a good management practice. It allows structures to concentrate on receivables that are still recoverable, guarantees an adequate representation of the ratio between anomalous receivables and total receivables and ensures a correct representation of balance sheet assets.

At an organisational level, the operating methods used by the various Group structures to eliminate credit exposures and to report to Top Management are described in detail in the Group's credit monitoring and recovery policies.

3.3 Purchased or originated credit impaired financial assets

Organisational aspects

For organisational aspects relating to impaired financial assets acquired or originated, please refer to the specific paragraph above in subsection "2.1 Organisational aspects" of this "Section 2 - Prudential consolidation risks".

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Quantitative information

The outstanding nominal amount of Ifis Npl Investing's proprietary portfolio is 17.819 million Euro. At the time of purchase, the nominal amount of these receivables was approximately 19.627 million Euro, and they were acquired for 1.350 million Euro, i.e. an average price equal to 6,88% of the historical nominal amount. In 2025, 723 million Euro were acquired for 169 million Euro, i.e. an average price equal to 23,3%. The POCI outstanding portfolio has a weighted average ageing of 64 months compared to their original acquisition date.

As regards the individual phases of processing of Npl receivables, as described in paragraph "2.1 Organisational aspects" above in relation to credit risk, the carrying amount at 31 December 2025 of the positions in out-of-court management comes to 514 million Euro, whilst the carrying amount of the positions under legal management comes to 937 million Euro.

In addition, there are additional POCI belonging to the proprietary portfolio of Ifis Npl Investing, which are classified as non-impaired as at 31 December 2025, with a carrying amount of 7,8 million Euro. Therefore, the total carrying amount as at 31 December 2025 of Ifis Npl Investing's proprietary portfolio, including non-impaired components, amounts to 1.548,8 million Euro.

Finally, Ifis Npl Investing seizes market opportunities in accordance with its business model by selling portfolios of positions yet to be processed to third parties. In 2025, 9 significant sales of portfolios were made to leading players operating in Npl purchases. Overall, receivables were sold with an amount of 45 million Euro, for an overall consideration of 77 million Euro.

In addition to the proprietary portfolio of Ifis Npl Investing, as a result of the acquisition of illimity Bank, there are outstanding as at 31 December 2025 POCI related to the illimity Group with a carrying amount of 1.093,2 million Euro, which refer to both the Npl purchase activity carried out by the illimity Group and the additional impaired assets that emerged as a result of the business combination related to the acquisition of the illimity Group (i.e. the assets that were classified as impaired at the date of purchase, 4 July 2025).

In addition to the aforementioned POCI belonging to the proprietary portfolio of Ifis Npl Investing and to the perimeter of the illimity Group, there are additional POCI with a carrying amount as at 31 December 2025 of 24,1 million Euro, mainly referring to business combinations carried out by the Banca Ifis Group in previous years (excluding the aforementioned receivables arising from the business combination relating to the illimity Group).

4. Financial assets subject to business renegotiations and forborne exposures

Throughout the life of the financial assets, and specifically of receivables, the parties to the agreement subsequently agree to modify the original contractual terms. When, during the life of an instrument, the contractual terms are modified, the Group shall assess whether the original asset must continue to be recognised (so-called "modification without derecognition") or, conversely, the original instrument must be derecognised and a new financial instrument recognised in its place.

Generally, modifications of a financial asset result in its derecognition and the recognition of a new asset when they are "substantial". The "substantiality" of the modification shall be assessed considering both qualitative and quantitative factors. In some cases, it will become apparent, without conducting complex analyses, that the changes introduced substantially modify the characteristics and/or contractual cash flows of a specific asset, whereas in other cases, additional analyses (including quantitative analyses) will be required to appreciate their impact and assess whether to derecognise the asset and recognise a new financial instrument.

The (quali-quantitative) analyses aimed at defining the "substantiality" of the contractual modifications made to a financial asset shall therefore consider:

- the purposes for which the modifications were made: for instance, renegotiations for business reasons and forbearance measures due to the counterparty's financial difficulties:

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- the former, intended to "retain" the customer, involve a borrower that is not in financial distress. This case includes all renegotiations aimed at adjusting the cost of debt to market conditions. These transactions result in changes to the original contractual terms, usually at the request of the borrower, that concern aspects associated with the cost of debt, giving rise to an economic benefit for the borrower. Generally, the Group believes that, whenever it enters into a renegotiation in order to avoid losing the client, this renegotiation shall be considered as substantial, since, in its absence, the customer could obtain financing from another intermediary and the Group would see estimated future revenue decline;
- the latter, offered for "credit risk reasons" (forbearance measures), are part of the Group's attempt to maximise the recovery of the cash flows of the original receivable. Following the modifications, usually the underlying risks and rewards have not been substantially transferred: therefore, the accounting presentation that provides the most relevant information to users of the financial statements (expect for the following discussion about objective factors) is the one made through "modification accounting" - whereby the difference between the carrying amount and the present value of modified cash flows discounted at the original interest rate is recognised through profit or loss - rather than derecognition;

- the existence of specific objective factors affecting the substantial modifications of the characteristics and/or contractual cash flows of the financial instrument (including, but not limited to, the modification of the type of counterparty risk the entity is exposed to) that are believed to require derecognising the asset because of their impact (estimated to be significant) on the original contractual cash flows.

As at 31 December 2025, the impact on the Banca Ifis Group of trade renegotiations or concessions constituting "modification without derecognition" under IFRS 9 is essentially nil.

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Quantitative information

A. Credit quality

A.1 Non-performing and performing credit exposures: amounts, impairment losses, trend, and economic breakdown

A.1.1 Prudential consolidation - Breakdown of financial assets by past due buckets (carrying amounts)

Portfolios/risk stages	Stage 1			Stage 2			Stage 3			Purchased or originated impaired		
	From 1 day to 30 days	From over 30 days to 90 days	Over 90 days	From 1 day to 30 days	From over 30 days to 90 days	Over 90 days	From 1 day to 30 days	From over 30 days to 90 days	Over 90 days	From 1 day to 30 days	From over 30 days to 90 days	Over 90 days
1. Financial assets measured at amortised cost	109.684	15.592	142	21.348	76.894	101.195	4.336	12.707	213.480	30.179	46.635	1.833.599
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	421
3. Financial assets under disposal	-	-	-	-	-	-	-	-	8.030	-	-	23.525
Total 31.12.2025	**109.684**	**15.592**	**142**	**21.348**	**76.894**	**101.195**	**4.336**	**12.707**	**221.510**	**30.179**	**46.635**	**1.857.545**
Total 31.12.2024	**50.011**	**1.022**	**685**	**13.737**	**39.607**	**87.800**	**10.211**	**11.396**	**86.344**	**10.730**	**431**	**1.502.156**

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A.1.2 Prudential consolidation - Financial assets, loan commitments and financial guarantees granted: overall impairment losses/reversals and overall provisions

Reason/Risk stage	Overall impairment losses/reversals																						Total provisions on loan commitments and financial guarantees granted				Tot.
	Stage 1 assets						Stage 2 assets						Stage 3 assets						Purchased or originated credit impaired financial assets								
	Due from banks and Central Banks on demand	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets under disposal	*of which: individual impairment*	*of which: collective impairment*	Due from banks and Central Banks on demand	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets under disposal	*of which: individual impairment*	*of which: collective impairment*	Due from banks and Central Banks on demand	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets under disposal	*of which: individual impairment*	*of which: collective impairment*	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets under disposal	*of which: individual impairment*	*of which: collective impairment*	Stage 1	Stage 2	Stage 3	Commitments to disburse funds and fin. guarantees issued impaired acquired or	
Opening balance of total impairment losses/reversals of impairment losses	**974**	**45.270**	**363**	**-**	**-**	***46.607***	**-**	**26.295**	**318**	**-**	**-**	***26.613***	**-**	**203.517**	**-**	**-**	***203.517***	**-**	**-**	**-**	**-**	**-**	**-**	**2.359**	**496**	**2.367**	**-**	**281.959**
Increases from purchased or originated financial assets	904	24.688	119	-	-	*25.710*	-	3.618	66	-	-	*3.684*	-	53.141	-	4.899	*58.040*	-	X	X	X	*X*	*X*	4.966	675	2	-	93.078
Derecognitions other than write-offs	(386)	(19.150)	(323)	-	-	*(19.859)*	-	(17.784)	(313)	-	-	*(18.097)*	-	(33.443)	-	-	*(33.443)*	-	(382)	-	-	*(382)*	-	(3.308)	(666)	-	-	(75.756)
Net credit risk losses/reversals (+/-)	244	(10.316)	(197)	-	*(84)*	*(10.185)*	-	(3.951)	419	-	-	*(3.532)*	-	62.184	2.517	-	*64.701*	-	(3.662)	-	-	*(4.301)*	*639*	(385)	36	(108)	(40)	46.743
Contractual modifications without derecognition	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in estimation method	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs not recognised directly through profit or loss	-	(100)	-	-	-	*(100)*	-	(2)	-	-	-	*(2)*	-	(24.095)	-	-	*(24.095)*	-	-	-	-	-	-	-	-	-	-	(24.196)
Other changes	(1.236)	220.551	1.164	-	*196.361*	*24.117*	-	10.385	111	-	*21*	*10.475*	-	(28.698)	-	-	*(28.698)*	-	4.044	-	-	*4.683*	*(639)*	865	546	(2)	736	208.465
Closing balance of total impairment losses/reversals of impairment losses	**500**	**260.943**	**1.125**	**-**	***196.277***	***66.291***	**-**	**18.561**	**601**	**-**	***21***	***19.141***	**-**	**232.607**	**2.517**	**4.899**	***240.023***	**-**	**-**	**-**	**-**	**-**	**-**	**4.496**	**1.087**	**2.259**	**696**	**530.292**
Reversals from collections on financial assets written off	-	102	-	-	-	*102*	-	-	-	-	-	-	-	523	-	-	*523*	-	20	-	-	-	*20*	-	-	-	-	645
Write-offs recognised directly through profit or loss	-	(153)	-	-	-	*(153)*	-	-	-	-	-	-	-	(6.670)	-	-	*(6.670)*	-	(169.689)	-	-	*(169.689)*	-	-	-	-	-	(176.512)

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A.1.3 Prudential consolidation - Financial assets, loan commitments and financial guarantees granted: transfers between different credit risk stages (gross and nominal amounts)

Portfolios/risk stages	Gross amounts/nominal amount					
	Transfers between Stage 1 and Stage 2		Transfers between Stage 2 and Stage 3		Transfers between Stage 1 and Stage 3	
	From Stage 1 to Stage 2	From Stage 2 to Stage 1	From Stage 2 to Stage 3	From Stage 3 to Stage 2	From Stage 1 to Stage 3	From Stage 3 to Stage 1
1. Financial assets measured at amortised cost	446.494	403.212	608.259	50.876	441.548	21.813
2. Financial assets measured at fair value through other comprehensive income	448	1.889	-	-	2.757	-
3. Financial assets under disposal	-	-	-	-	-	-
4. Loan commitments and financial guarantees granted	36.787	13.389	4.908	156	5.240	787
Total 31.12.2025	**483.729**	**418.490**	**613.167**	**51.032**	**449.545**	**22.600**
Total 31.12.2024	**395.214**	**283.788**	**44.983**	**46.934**	**111.585**	**50.223**

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A.1.4 Prudential consolidation - On- and off-balance-sheet credit exposures to banks: gross and net amounts

Types of exposures/Amounts	Gross exposure					Overall impairment losses/reversals and overall allocations					Net exposure	Overall partial write-offs
		Stage 1	Stage 2	Stage 3	Impaired acquired or originated		Stage 1	Stage 2	Stage 3	Impaired acquired or originated		
A. On-balance-sheet credit exposures												
A.1 On demand	**782.860**	**782.860**	**-**	**-**	**-**	**1.934**	**1.934**	**-**	**-**	**-**	**780.926**	**-**
a) Non-performing	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	782.860	782.860	-	X	-	1.934	1.934	-	X	-	780.926	-
A.2 Other	**883.660**	**883.244**	**415**	**-**	**-**	**891**	**888**	**3**	**-**	**-**	**882.769**	**-**
a) Bad loans	-	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 exposures	-	X	-	-	-	-	X	-	-	-	-	-
- of which forborne exposures	-	*X*	-	-	-	-	*X*	-	-	-	-	-
d) Performing past due exposures	484	484	-	X	-	-	-	-	X	-	484	-
- of which forborne exposures	-	-	-	*X*	-	-	-	-	*X*	-	-	-
e) Other performing exposures	883.176	882.760	415	X	-	891	888	3	X	-	882.285	-
- of which forborne exposures	-	-	-	*X*	-	-	-	-	*X*	-	-	-
Total (A)	**1.666.520**	**1.666.105**	**415**	**-**	**-**	**2.825**	**2.822**	**3**	**-**	**-**	**1.663.695**	**-**
B. Off-balance-sheet credit exposures												
a) Non-performing	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	2.406.393	43.872	-	X	-	-	-	-	X	-	2.406.392	-
Total (B)	**2.406.393**	**43.872**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2.406.392**	**-**
Total (A+B)	**4.072.913**	**1.709.976**	**415**	**-**	**-**	**2.825**	**2.822**	**3**	**-**	**-**	**4.070.088**	**-**

"On-demand" credit exposures include on-demand loans to banks classified under "Cash and cash equivalents".

On-balance-sheet exposures include all on-balance-sheet financial assets due from customers regardless of the portfolio they are included in (measured at amortised cost, measured at fair value through other comprehensive income, designated at fair value, mandatorily measured at fair value, under disposal).

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A.1.5 Prudential consolidation - On- and off-balance-sheet credit exposures to customers: gross and net amounts

Types of exposures/Amounts	Gross exposure					Overall impairment losses/reversals and overall allocations					Net exposure	Overall partial write-offs
		Stage 1	Stage 2	Stage 3	Purchased or originated impaired		Stage 1	Stage 2	Stage 3	Purchased or originated impaired		
A. On-balance-sheet credit exposures												
a) Bad loans	1.462.022	X	-	149.213	1.312.809	100.815	X	-	100.815	-	1.361.207	10.699
- of which forborne exposures	*228.361*	*X*	-	*2.544*	*225.818*	*2.158*	*X*	-	*2.158*	-	*226.203*	*5*
b) Unlikely to pay	1.625.524	X	-	341.380	1.283.232	130.089	X	-	130.089	-	1.495.435	355
- of which forborne exposures	*392.826*	*X*	-	*72.744*	*320.082*	*28.683*	*X*	-	*28.683*	-	*364.143*	*154*
c) Non-performing past due exposures	123.306	X	-	96.554	26.752	9.119	X	-	9.119	-	114.187	-
- of which forborne exposures	*5.377*	*X*	-	*2.670*	*2.707*	*828*	*X*	-	*828*	-	*4.549*	-
d) Performing past due exposures	376.517	109.231	213.031	X	54.255	5.295	998	4.297	X	-	371.222	21
- of which forborne exposures	*27.553*	-	*25.555*	*X*	*1.998*	*517*	-	*517*	*X*	-	*27.036*	-
e) Other performing exposures	14.592.068	13.846.091	636.056	X	52.507	275.044	260.266	14.861	X	-	14.317.024	107
- of which forborne exposures	*174.749*	-	*169.084*	*X*	*5.665*	*3.289*	-	*3.289*	*X*	-	*171.460*	-
Total (A)	**18.179.437**	**13.955.322**	**849.088**	**587.147**	**2.729.555**	**520.362**	**261.264**	**19.159**	**240.023**	**-**	**17.659.074**	**11.183**
B. Off-balance-sheet credit exposures												
a) Non-performing	43.293	X	-	32.742	10.551	2.814	X	-	2.267	547	40.479	-
b) Performing	2.197.182	1.704.201	132.843	X	6.756	5.781	4.576	1.108	X	98	2.191.401	-
Total (B)	**2.240.475**	**1.704.201**	**132.843**	**32.742**	**17.307**	**8.596**	**4.576**	**1.108**	**2.267**	**645**	**2.231.880**	**-**
Total (A+B)	**20.419.912**	**15.659.523**	**981.931**	**619.889**	**2.746.862**	**528.958**	**265.840**	**20.266**	**242.290**	**645**	**19.890.954**	**11.183**

On-balance-sheet exposures include all on-balance-sheet financial assets due from customers regardless of the portfolio they are included in (measured at amortised cost, measured at fair value through other comprehensive income, designated at fair value, mandatorily measured at fair value, under disposal).

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A.1.6 Prudential consolidation - On-balance-sheet credit exposures to banks: trends in gross non-performing exposures

There are no impaired cash credit exposures to banks in these Consolidated Financial Statements.

A.1.6bis Prudential consolidation - On-balance-sheet credit exposures to banks: trends in gross forborne exposures broken down by credit quality

There are no forborne cash credit exposures to banks in these Consolidated financial statements.

A.1.7 Prudential consolidation - On-balance-sheet exposures to customers: trends in gross non-performing exposures

Reason/Categories	Bad loans	Unlikely to pay	Non-performing past due exposures
A. Opening gross exposure	**1.308.906**	**547.718**	**67.179**
- of which: transferred and not derecognised	*393.000*	*106.070*	*4.334*
B. Increases	**916.865**	**1.785.741**	**185.972**
B.1 income from performing exposures	13.000	214.147	122.145
B.2 income from financial assets impaired purchased or originated	208.760	1.286.669	48.842
- of which from business combination	*168.534*	*1.126.098*	*48.575*
B.3 transfers from other non-performing exposure categories	97.260	44.416	489
B.4 contractual modifications without derecognition	-	-	-
B.5 other increases	597.845	240.508	14.496
C. Decreases	**763.750**	**707.934**	**129.845**
C.1 outflows to performing exposures	1.369	44.486	38.661
C.2 write-offs	19.656	8.530	6
C.3 collections	366.102	422.349	13.053
C.4 proceeds from sales	39.941	10.927	41
C.5 losses on sale	19.218	6.759	1
C.6 transfers to other non-performing loan categories	879	90.043	51.243
C.7 contractual modifications without derecognition	-	-	-
C.8 other decreases	316.583	124.841	26.839
D. Closing gross exposure	**1.462.022**	**1.625.524**	**123.306**
- of which: transferred and not derecognised	*472.241*	*238.345*	*68.792*

On-balance-sheet exposures include all on-balance-sheet financial assets due from customers regardless of the portfolio they are included in (measured at amortised cost, measured at fair value through other comprehensive income, designated at fair value, mandatorily measured at fair value, under disposal).

Bank of Italy Circular 262/2005 as well as accounting standard IFRS 3 require that, in the case of business combinations, the assets and liabilities acquired are shown at their fair value at the date of acquisition.

In light of this provision, the impaired assets belonging to the illimity Group are shown as acquired impaired assets (POCI) at net purchase value (which in the present transaction corresponds to the net value of the impaired loans determined at the acquisition date following the Purchase Price Allocation process).

Non-impaired loans, on the other hand, are represented by the gross values and the related provisions set aside (this approach is consistent with the ordinary management of non-impaired loans).

B.2 Inflows from impaired financial assets acquired or originated" includes a total of 1,3 billion Euro of impaired assets acquired during 2025 as a result of the illimity Bank business combination. These are credit exposures belonging to companies of the illimity Group characterised by impaired credit quality at the date of acquisition by

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Banca Ifis. As at 31 December 2025, these POCI from the illimity Group amounted to a total carrying amount of 1,2 billion Euro, of which 1,1 billion Euro related to financial assets valued at amortised cost.

A.1.7bis Prudential consolidation - On-balance-sheet credit exposures to customers: trends in gross forborne exposures broken down by credit quality

Reason/Categories	Forborne exposures: non-performing	Forborne exposures: performing
A. Opening gross exposure	**350.366**	**69.134**
- of which: transferred and not derecognised	*856*	*202*
B. Increases	**537.857**	**216.996**
B.1 inflows from non-forborne performing exposures	31.488	91.241
B.2 inflows from forborne performing exposures	28.788	X
B.3 inflows from non-performing forborne exposure	X	1.707
B.4 inflows from non-forborne non-performing exposures	114.873	-
B.5 other increases	362.708	124.049
C. Decreases	**261.659**	**83.828**
C.1 outflows to non-forborne performing exposures	X	9.712
C.2 outflows to forborne performing exposures	1.707	X
C.3 outflows to non-performing forborne exposures	X	28.788
C.4 write-offs	4	3
C.5 collections	182.731	31.500
C.6 proceeds from sales	109	-
C.7 losses on sale	2.371	-
C.8 other decreases	74.738	13.826
D. Closing gross exposure	**626.564**	**202.302**
- of which: transferred and not derecognised	*1.291*	*1.361*

Item "B.5 Other increases" includes 320,4 million Euro as a result of the business combination of illimity Bank.

A.1.8 Prudential consolidation - On-balance-sheet non-performing exposures to banks: trends in overall impairment losses/reversals

There are no impaired cash credit exposures to banks in these Consolidated Financial Statements.

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A.1.9 Prudential consolidation - On-balance-sheet non-performing exposures to customers: trends in overall impairment losses/reversals

Reason/Categories	Bad loans		Unlikely to pay		Non-performing past due exposures	
	Total	*of which: forborne exposures*	Total	*of which: forborne exposures*	Total	*of which: forborne exposures*
A. Opening balance of total impairment losses/reversals of impairment losses	**89.888**	***1.829***	**107.128**	***11.978***	**6.501**	***773***
- of which: transferred and not derecognised	*1.187*	*2*	*3.069*	*121*	*563*	*14*
B. Increases	**58.788**	**938**	**88.802**	**22.716**	**13.047**	**280**
B.1 impairment losses/reversals from impaired financial assets purchased or originated	-	X	-	X	-	X
B.2. other impairment losses	29.274	541	79.195	20.134	8.889	203
B.3 losses on sale	153	-	359	-	-	-
B.4 transfers from other categories of impaired exposures	15.573	91	2.526	5	8	-
B.5 contractual modifications without derecognitions	-	-	-	-	-	-
B.6 other increases	13.788	306	6.723	2.577	4.149	77
C. Decreases	**47.861**	**608**	**65.842**	**6.012**	**10.429**	**225**
C.1 reversals of impairment losses from measurement	18.216	553	23.182	3.972	1.969	68
C.2 impairment reversals from collection	5.696	52	4.609	864	344	5
C.3 gains on disposal	506	-	157	-	-	-
C.4 write-offs	20.025	4	8.530	-	6	-
C.5 transfers to other categories of impaired exposures	-	-	13.844	91	4.263	5
C.6 contractual modifications without derecognitions	-	-	-	-	-	-
C.7 other decreases	3.418	-	15.519	1.085	3.846	146
D. Closing balance of total impairment losses/reversals of impairment losses	**100.815**	**2.158**	**130.089**	**28.683**	**9.119**	**828**
- of which: transferred and not derecognised	*1.178*	-	*5.612*	*915*	*554*	*25*

A.2 Classification of exposures based on external and internal ratings

A.2.1 Prudential consolidation - Breakdown of financial assets, loan commitments and financial guarantees granted by external rating class (gross amounts)

For the purposes of calculating capital requirements against credit risk, Banca Ifis uses the external credit assessment institution (ECAI) Fitch Ratings exclusively for the positions recognised under "Exposures to Central Governments and Central Banks" and under "Exposures to Institutions". Banca Ifis also uses the ECAI Cerved rating for corporate counterparties, having certain specific characteristics of size and use, in order to calculate capital absorption for supervisory purposes. These positions are included in the "Exposure to Companies" classes.

No external ratings are used for other asset classes.

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A.2.2 Prudential consolidation - Breakdown of financial assets, loan commitments and financial guarantees granted by internal rating class (gross amounts)

The Banca Ifis Group does not use internal ratings for the purposes of calculating capital absorption. The Group has implemented a managerial internal ratings system on the corporate segments. This has been developed on proprietary databases and has the following components:

- a "financial" module, to assess the company's operating/financial soundness;
- a "central credit register" module, presenting the evolution of counterparty risk vis-à-vis the banking industry;
- an "internal performance" module, monitoring the performance of the relationships between the counterparty and the Group;
- a "socio-demographic" module aimed at assessing the risk profile on the basis of biographical information.

These models are differentiated by segment to ensure that appropriate models are applied on homogeneous population from the point of view of characteristics and risk level. There are therefore models for corporations, differentiated by two size clusters, and a model for partnerships and sole proprietorships.

As of 2024, a rating model aimed at assessing the creditworthiness of counterparties was also implemented for the subsidiary Banca Credifarma. The implementation took place by extending the Parent company's rating models to Banca Credifarma, ensuring coverage, conservatism in terms of impairment, and risk control.

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A.3 Breakdown of guaranteed credit exposures by guarantee type

A.3.1 Prudential consolidation - Guaranteed on- and off-balance-sheet credit exposures to banks

	Gross exposure	Net exposure	Collateral guarantees (1)				Personal guarantees (2)									Total (1)+(2)
							Credit derivatives					Unsecured loans				
								Other derivatives								
			Property - mortgages	Property - lease financing	Securities	Other collateral	CLN	Central counterparties	Banks	Other financial corporations	Other entities	General governments	Banks	Other financial corporations	Other entities	
1. Guaranteed on-balance-sheet credit exposures:	**822**	**822**	**-**	**-**	**-**	**240**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**473**	**54**	**767**
1.1 totally guaranteed	241	241	-	-	-	240	-	-	-	-	-	-	-	-	-	240
- of which non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.2 partially guaranteed	581	581	-	-	-	-	-	-	-	-	-	-	-	473	54	527
- of which non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Guaranteed off-balance-sheet credit exposures:	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 totally guaranteed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- of which non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 partially guaranteed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- of which non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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A.3.2 Prudential consolidation - Guaranteed on- and off-balance-sheet exposures to customers

	Gross exposure	Net exposure	Collateral guarantees (1)				Personal guarantees (2)									Total (1)+(2)
							Credit derivatives					Unsecured loans				
								Other derivatives								
			Property - mortgages	Property - lease financing	Securities	Other collateral	CLN	Central counterparties	Banks	Other financial corporations	Other entities	General governments	Banks	Other financial corporations	Other entities	
1. Guaranteed on-balance-sheet credit exposures:	**6.406.936**	**6.256.578**	**614.443**	**19.138**	**79.046**	**2.105.120**	**-**	**-**	**-**	**1.194**	**29.641**	**1.070.453**	**153.419**	**328.281**	**1.353.209**	**5.753.945**
1.1 totally guaranteed	3.385.883	3.315.334	543.303	19.138	60.872	2.018.798	-	-	-	-	20.906	153.400	-	75.104	523.427	3.414.948
- of which non-performing	*415.270*	*367.466*	*144.446*	*19.138*	*24.095*	*90.841*	-	-	-	-	*18.398*	*31.248*	-	*431*	*106.880*	*435.478*
1.2 partially guaranteed	3.021.053	2.941.244	71.140	-	18.175	86.322	-	-	-	1.194	8.735	917.053	153.419	253.177	829.782	2.338.996
- of which non-performing	*484.390*	*428.386*	*23.158*	-	*13.252*	*9.023*	-	-	-	*1.194*	*8.735*	*146.322*	*49.065*	*450*	*136.762*	*387.959*
2. Guaranteed off-balance-sheet credit exposures:	**60.375**	**60.940**	**2.490**	**-**	**-**	**6.524**	**-**	**-**	**-**	**-**	**-**	**107**	**-**	**486**	**25.061**	**34.669**
2.1 totally guaranteed	28.510	29.146	354	-	-	4.159	-	-	-	-	-	19	-	461	24.144	29.138
- of which non-performing	*225*	*225*	*19*	-	-	*128*	-	-	-	-	-	-	-	-	*74*	*221*
2.2 partially guaranteed	31.864	31.795	2.136	-	-	2.365	-	-	-	-	-	88	-	25	917	5.530
- of which non-performing	*1.306*	*1.306*	-	-	-	-	-	-	-	-	-	*7*	-	-	-	*7*

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A.4 Prudent consolidation - Financial and non-financial assets obtained through the enforcement of guarantees received

	Credit exposure written off	Gross amount	Overall impairment losses/reversals	Carrying amount	
					of which obtained during the financial year
A. Property, plant and equipment	**-**	**23.611**	**-**	**23.611**	**-**
A.1 For functional use	-	-	-	-	-
A.2 For investment purposes	-	-	-	-	-
A.3 Inventories	-	23.611	-	23.611	*23.611*
B. Equity and debt securities	**-**	**-**	**-**	**-**	**-**
C. Other assets	**-**	**-**	**-**	**-**	**-**
D. Non-current assets and disposal groups	**-**	**-**	**-**	**-**	**-**
D.1 Property, plant and equipment	-	-	-	-	-
D.2 Other assets	-	-	-	-	-
Total 31.12.2025	**-**	**23.611**	**-**	**23.611**	***23.611***
Total 31.12.2024	**-**	**-**	**-**	**-**	**-**

The figures in the table refer entirely to the contribution from the illimity Group, which will be acquired in 2025.

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B. Concentration and distribution of credit exposures

B.1 Prudential Consolidation - Breakdown of on- and off-balance-sheet credit exposures to customers by segment

Exposures/ Counterparties	General governments		Financial companies		*Financial companies (of which: insurance companies)*		Non-financial corporations		Households	
	Net exposure	Overall impairment losses/reversals	Net exposure	Overall impairment losses/reversals	*Net exposure*	*Overall impairment losses/reversals*	Net exposure	Overall impairment losses/reversals	Net exposure	Overall impairment losses/reversals
A. On-balance-sheet credit exposures										
A.1 Bad loans	220	387	1.734	255	-	-	333.239	95.742	1.026.014	4.432
- of which forborne exposures	-	-	*89*	-	-	-	*10.894*	*1.829*	*215.220*	*330*
A.2 Unlikely to pay	13.942	144	521.495	4.462	-	-	550.716	118.042	409.282	7.441
- of which forborne exposures	-	-	*48*	*18*	-	-	*237.976*	*26.183*	*126.119*	*2.482*
A.3 Non-performing past due exposures	10.436	120	210	40	*72*	*10*	86.279	5.702	17.262	3.257
- of which forborne exposures	*31*	-	-	-	-	-	*2.609*	*26*	*1.909*	*801*
A.4 Performing exposures	4.330.367	3.270	1.545.421	14.190	*11.847*	*30*	7.810.313	257.641	1.002.144	5.238
- of which forborne exposures	-	-	*4.169*	*30*	-	-	*186.553*	*3.564*	*7.774*	*213*
Total (A)	**4.354.966**	**3.921**	**2.068.860**	**18.947**	***11.919***	***39***	**8.780.546**	**477.127**	**2.454.702**	**20.368**
B. Off-balance-sheet credit exposures										
B.1 Non-performing exposures	-	-	3.446	-	-	-	34.960	2.802	2.072	12
B.2 Performing exposures	1	-	341.181	901	-	-	1.330.670	4.877	138.790	3
Total (B)	**1**	**-**	**344.627**	**901**	**-**	**-**	**1.365.630**	**7.679**	**140.862**	**15**
Total (A+B) 31.12.2025	**4.354.967**	**3.921**	**2.413.488**	**19.848**	***11.919***	***39***	**10.146.176**	**484.806**	**2.595.565**	**20.383**
Total (A+B) 31.12.2024	**2.340.116**	**4.830**	**1.020.310**	**7.955**	***1.899***	***7***	**6.934.910**	**243.403**	**2.254.669**	**23.725**

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B.2 Prudential consolidation - Geographical breakdown of on- and off-balance-sheet credit exposures to customers

Exposures/Geographic areas	Italy		Other European countries		America		Asia		Rest of the World	
	Net exposure	Overall impairment losses/reversals	Net exposure	Overall impairment losses/reversals	Net exposure	Overall impairment losses/reversals	Net exposure	Overall impairment losses/reversals	Net exposure	Overall impairment losses/reversals
A. On-balance-sheet credit exposures										
A.1 Bad loans	1.360.871	100.781	322	34	6	-	-	-	7	-
A.2 Unlikely to pay	1.469.227	127.332	25.658	2.756	546	-	-	-	4	-
A.3 Non-performing past due exposures	113.318	9.003	835	112	-	-	-	-	34	4
A.4 Performing exposures	13.034.780	276.904	1.525.142	3.187	67.722	119	40.614	84	19.988	45
Total (A)	**15.978.195**	**514.021**	**1.551.957**	**6.089**	**68.274**	**119**	**40.615**	**84**	**20.033**	**49**
B. Off-balance-sheet credit exposures										
B.1 Non-performing exposures	40.259	2.811	220	3	-	-	-	-	-	-
B.2 Performing exposures	1.659.837	5.655	146.460	126	4.168	-	141	-	37	-
Total (B)	**1.700.095**	**8.467**	**146.680**	**129**	**4.168**	**-**	**141**	**-**	**37**	**-**
Total (A+B) 31.12.2025	**17.678.290**	**522.488**	**1.698.637**	**6.218**	**72.442**	**119**	**40.756**	**84**	**20.069**	**49**
Total (A+B) 31.12.2024	**11.552.448**	**275.265**	**959.805**	**4.501**	**22.820**	**77**	**12.022**	**45**	**2.910**	**25**

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B.3 Prudential consolidation - Geographical breakdown of on- and off-balance-sheet credit exposures to banks

Exposures/Geographic areas	Italy		Other European countries		America		Asia		Rest of the World	
	Net exposure	Overall impairment losses/reversals	Net exposure	Overall impairment losses/reversals	Net exposure	Overall impairment losses/reversals	Net exposure	Overall impairment losses/reversals	Net exposure	Overall impairment losses/reversals
A. On-balance-sheet credit exposures										
A.1 Bad loans	-	-	-	-	-	-	-	-	-	-
A.2 Unlikely to pay	-	-	-	-	-	-	-	-	-	-
A.3 Non-performing past due exposures	-	-	-	-	-	-	-	-	-	-
A.4 Performing exposures	1.389.825	1.651	264.308	623	9.092	12	-	-	1.008	-
Total (A)	**1.389.825**	**1.651**	**264.308**	**623**	**9.092**	**12**	**-**	**-**	**1.008**	**-**
B. Off-balance-sheet credit exposures										
B.1 Non-performing exposures	-	-	-	-	-	-	-	-	-	-
B.2 Performing exposures	53.902	-	28.222	-	-	-	-	-	-	-
Total (B)	**53.902**	**-**	**28.222**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total (A+B) 31.12.2025	**1.443.727**	**1.651**	**292.530**	**623**	**9.092**	**12**	**-**	**-**	**1.008**	**-**
Total (A+B) 31.12.2024	**1.013.743**	**1.477**	**255.757**	**402**	**-**	**-**	**-**	**-**	**-**	**-**

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B.4 Large exposures

		31.12.2025	31.12.2024
a)	Amount (carrying amount)	10.457.966	5.919.143
b)	Amount (weighted value)	1.794.220	1.125.186
c)	Number	16	10

The overall weighted amount of Large exposures at 31 December 2025, comprising 16 positions, mainly consists, at a weighted value level, of 190,5 million Euro in tax assets, 256,7 million Euro in exposure to counterparties not included in the prudential scope of consolidation and the remaining 1,347 million Euro in positions vs supervised intermediaries, mainly relating to cash and equivalents, reverse repurchase agreements, derivatives and securities and indirect exposures towards insurance companies.

Disclosure regarding sovereign debt

On 5 August 2011, Consob (drawing on ESMA document No. 2011/266 of 28 July 2011) issued Communication No. DEM/11070007 on disclosures by listed companies of their exposures to sovereign debt and market performance, the management of exposures to sovereign debt, and their operating and financial impact.

In accordance with the requirements of the aforementioned communication, it should be noted that at 31 December 2025 the carrying amount of sovereign debt exposures is 3.987 million Euro, net of the negative valuation reserve of 10,3 million Euro.

These securities, with a nominal amount of approximately 4.112 million Euro have a weighted residual average life of approximately 72 months.

The fair values used to measure the exposures to sovereign debt securities at 31 December 2025 are considered to be Level 1.

Pursuant to the CONSOB Communication, besides the exposure to sovereign debt, it is also necessary to consider receivables due from the Italian National Administration, which at 31 December 2025 total 282 million Euro, including 65 million Euro relating to tax receivables.

C. Securitisation transactions

This section does not include securitisation transactions in which the originator is a bank belonging to the same prudential group and the total liabilities issued (e.g. ABS securities, loans during the warehousing phase, etc.) by the vehicle companies are subscribed at the time of issue by one or more companies belonging to the same prudential group. In other words, self-securitisations fully subscribed by companies belonging to the Banca Ifis Group's prudential consolidation, such as those of the vehicles Ifis Npl 2021-1 SPV S.r.l., Emma S.P.V. S.r.l. and Indigo Lease S.r.l.), are dealt with in a later section on liquidity risk to which reference should be made.

Qualitative information

The Banca Ifis Group has prepared a "Group Policy for the Management of Securitisation Transactions in the Role of Originator/Promoter/Investor", with which it regulates the process of managing securitisation transactions in the event that it intervenes in the role of "originator" (i.e. a party that participated in the original contract that created the obligations that originated the securitised exposures or that acquired the exposures of a third party and subsequently proceeds to their securitisation) of "investor" (i.e. a person underwriting the securities) or "sponsor" (i.e. a person structuring the transaction as defined in Art. 2 of EU Regulation 2017/2402). For each potential case, the policy sets out the responsibilities of the organisational units and corporate bodies, with reference to both the due diligence process and the ongoing monitoring of the transaction.

Outstanding securitisation transactions at 31 December 2025 are listed below.

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Ifis ABCP Programme securitisation

In 2016, Banca Ifis launched a three-year revolving securitisation of trade receivables due from account debtors. After Banca Ifis (originator) initially reassigned the receivables for 1.254,3 million Euro, in 2018, the vehicle named Ifis ABCP Programme S.r.l. issued 850 million Euro, increased to 1.000 million Euro, worth of senior notes subscribed for by the investment vehicles owned by the banks that co-arranged the transaction, simultaneously with the two-year extension of the revolving period. An additional tranche of senior notes, with a maximum nominal amount of 150 million Euro, initially issued for 19,2 million Euro, and that was subsequently adjusted based on the composition of the assigned portfolio, was subscribed for by Banca Ifis. In 2019, this portion was first partially repaid by the vehicle, then sold to a third-party bank for a total residual value of 98,9 million Euro. The difference between the value of the receivables portfolios and the senior notes issued represents the credit granted to the notes' bearers, which consists in a deferred purchase price.

At the end of June 2024, this securitisation was restructured to a value of 1,2 billion Euro. This restructuring has led Banca Ifis, which assumed the role of Lead-Arranger and Calculation Agent, to improve the economic conditions of the securitisation and to enlarge the investor base from six to eight institutions. The banks already involved in the project were joined by Cassa Depositi e Prestiti (CDP), whose commitment aims to provide new finance to SMEs, and Natixis CIB, the latter also assuming the role of co-arranger. Overall, the restructuring involved maintaining the current structural features, net of the extension of the revolving period for a period of 24 months, the extension of the final maturity date of the securities and a revision of the economic conditions applied. The securities of the securitisation are today listed on the ExtraMOT PRO segment of Borsa Italiana. This restructuring transaction did not have any impact on the Banca Ifis Group's economic and financial position.

Banca Ifis acts as servicer, performing the following tasks:

- following collection operations and monitoring cash flows on a daily basis;
- reconciling the closing balance at every cut-off date;
- verifying, completing and submitting the service report with the information on the securitised portfolio requested by the vehicle and the banks at every cut-off date.

As part of the securitisation programme, the Bank sends the amount it collects to the vehicle on a daily basis, while the new portfolio is assigned approximately six times each month; this ensures a short time lapse between the outflows from the Bank and the inflows associated with the payment of the new assignments.

Only part of the securitised receivables due from account debtors are recognised as assets - especially for the portion that the Bank has purchased outright, resulting in the transfer of all risks and rewards to the buyer. Therefore, the tables in the quantitative disclosure show only this portion of the portfolio.

In compliance with IAS/IFRS accounting standards, currently the securitisation process does not involve the substantial transfer of all risks and rewards, as it does not meet derecognition requirements. In addition, the vehicle Ifis ABCP Programme S.r.l. was consolidated because, following an analysis of the requirements set forth in IFRS 10, it was found to be subject to the control of Banca Ifis (for further details, see "Section 3 - Scope and methods of consolidation" of the paragraph “A.1 - General part” of "Part A - Accounting policies" of these Notes to the Consolidated Financial Statements).

The maximum theoretical loss for Banca Ifis is represented by the losses that could potentially arise within the portfolio of assigned receivables, and the impact would be the same as if the securitisation programme did not exist; therefore, the securitisation has been accounted for as follows:

- the securitised receivables purchased outright were recognised under "receivables due from customers", subitem "factoring";
- the funds raised from the issue of senior notes subscribed for by third parties were recognised under "debt securities issued” of the balance sheet liabilities;
- the interest on the receivables was recognised under the same item of the income statement "interest receivable and similar income";

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- the interest on the notes was recognised under "interest due and similar expenses", sub-item "debt securities issued";
- the arrangement fees were fully recognised in profit or loss in the year in which the programme was launched.

Other securitisations

As at 31 December 2025, the Banca Ifis Group holds a portfolio of securities issued by securitisation vehicles for a total of 1,4 billion Euro, of which 1,1 billion Euro measured at amortised cost, 155,7 million Euro measured at fair value through other comprehensive income and 95,0 million Euro measured at fair value through profit or loss. Such data includes:

- multi-originator securitisations in which the Group assumed, together with other banks, also the role of originator. The Group subscribed for securities with a carrying amount as at 31 December 2025 of 66,1 million Euro (at 31 December 2024, the carrying amount was 47,6 million Euro). For more details, please refer to paragraph "C. Financial assets sold and derecognised in full" below, within subsection "D. Disposal transactions" of this "Section 2 - Prudential consolidation risks" of Part E;
- single-tranche securities characterised by a carrying amount at 31 December 2025 of 32,6 million Euro;
- securities with underlying non-financial assets with a carrying amount at 31 December 2025 of 14,8 million Euro.

This securitisation portfolio totalling 1,4 billion Euro includes 1,1 billion Euro in balances from third-party securitisations of the illimity Group.

With regard to securitisations originated by the illimity Group, 491,8 million Euro related to securitisations in which the illimity Group also assumed the role of originator. The senior notes were subject to specific assessments involving the relevant corporate functions. In particular, the business functions are responsible for evaluating the future recovery flows of the underlying Npl loans. In the course of 2025, these recovery flows were revised both as a result of ordinary events (e.g. servicer reviews), and to take into account extraordinary events (i.e. specific judgements relating to credits whose recovery is judicial), as well as the results of the due diligence carried out in the context of the acquisition by the Banca Ifis Group). These assessments were also the subject of specific periodic audits.

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Quantitative information

C.1 Prudential consolidation - Exposures from the main "own" securitisations broken down by type of securitised asset and type of exposure

Type of securitised asset/Exposure	On-balance-sheet exposures						Guarantees granted						Credit lines					
	Senior		Mezzanine		Junior		Senior		Mezzanine		Junior		Senior		Mezzanine		Junior	
	Carrying amount	Impairment losses/ reversals	Carrying amount	Impairment losses/ reversals	Carrying amount	Impairment losses/ reversals	Net exposure	Impairment losses/ reversals	Net exposure	Impairment losses/ reversals	Net exposure	Impairment losses/ reversals	Net exposure	Impairment losses/ reversals	Net exposure	Impairment losses/ reversals	Net exposure	Impairment losses/ reversals
A. Derecognised in full	**480.210**	**206.008**	**103**	-	**158**	-	-	-	-	-	-	-	-	-	-	-	-	-
- Receivables due from customers	*480.210*	*206.008*	*103*	-	*158*	-	-	-	-	-	-	-	-	-	-	-	-	-
B. Partly derecognised	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C. Not derecognised	-	-	**59.714**	**1.408**	**248.887**	**2.718**	-	-	-	-	-	-	-	-	-	-	-	-
- Receivables due from customers	-	-	*59.714*	*1.408*	*248.887*	*2.718*	-	-	-	-	-	-	-	-	-	-	-	-

C.2 Prudential consolidation - Exposures from the main "third-party" securitisations broken down by type of securitised asset and type of exposure

Type of securitised asset/Exposure	On-balance-sheet exposures						Guarantees granted						Credit lines					
	Senior		Mezzanine		Junior		Senior		Mezzanine		Junior		Senior		Mezzanine		Junior	
	Carrying amount	Impairment losses/ reversals	Carrying amount	Impairment losses/ reversals	Carrying amount	Impairment losses/ reversals	Net exposure	Impairment losses/ reversals	Net exposure	Impairment losses/ reversals	Net exposure	Impairment losses/ reversals	Net exposure	Impairment losses/ reversals	Net exposure	Impairment losses/ reversals	Net exposure	Impairment losses/ reversals
Financial and non-financial assets	1.298.756	209.177	70.170	980	7.538	-	-	-	-	-	-	-	6.986	31	-	-	-	-
Total	**1.298.756**	**209.177**	**70.170**	**980**	**7.538**	-	-	-	-	-	-	-	**6.986**	**31**	-	-	-	-

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C.3 Prudential consolidation - Interests in special purpose vehicles for the securitisation

Securitisation name / Special purpose vehicle name	Registered office	Consolidation	Assets (1)			Liabilities (1)		
			Receiva-bles	Debt securities	Other	Senior	Mezza-nine	Junior
Ifis ABCP Programme S.r.l.	Conegliano (Province of Treviso)	b)	1.181.370	-	160.751	975.672	-	-
Aporti S.r.l. – Comparto I	Milan	a)	25.973	-	15.961	41.033	-	-
Aporti S.r.l. - Comparto II	Milan	a)	-	-	159	1.688	-	-
Aporti S.r.l. - Comparto III	Milan	a)	-	-	578	637	-	-
Aporti S.r.l. - Comparto IV	Milan	a)	1.008	-	1.397	19.311	-	-
Aporti S.r.l. - Comparto VI	Milan	a)	520	-	625	1.050	-	-
Dagobah SPV S.r.l.	Milan	a)	11.673	-	20.569	19.512	-	-
Dome SPV S.r.l.	Milan	b)	48.792	-	8.234	38.047	5.461	11.940
Doria SPV S.r.l.	Milan	a)	5.857	-	80.297	11.592	-	-
Farky SPV S.r.l.	Milan	b)	117.579	-	6.289	72.620	22.530	33.301
Farm SPV S.r.l.	Milan	b)	13.521	-	1.075	10.196	1.606	3.204
Friuli SPV SR (SPV)	Milan	a)	564	-	6.217	1.865	-	-
GRO SPV S.r.l. – Comparto I	Milan	b)	109.335	-	9.528	68.425	21.029	30.000
GRO SPV S.r.l. - Comparto II	Milan	b)	66.461	-	11.752	56.424	8.101	15.995
Havana SPV S.r.l.	Milan	b)	13.130	-	525	9.493	1.477	2.943
Iside SPE S.r.l.	Milan	b)	6.385	-	5.910	13.029	-	1.564
Maui SPE	Milan	b)	-	-	7.804	8.635	-	-
Montes SPV	Milan	a)	11.717	-	8.305	13.155	-	-
Piedmont SPV	Milan	b)	8.716	-	27.252	35.923	-	-
Pitti SPV S.r.l.	Milan	a)	5.397	-	11.366	6.296	-	-
River SPV S.r.l.	Milan	a)	-	-	7.711	2.084	-	-
Sileno SPV S.r.l.	Milan	a)	28.716	-	5.270	33.369	-	-
Spicy Green SPV S.r.l.	Milan	b)	35.151	-	28.509	60.316	-	-

(1) The figures shown are gross of any intercompany transactions.
a) Company consolidated on a line-by-line basis by virtue of the majority of voting rights in the ordinary shareholders' meeting.
b) Company consolidated on a line-by-line basis by virtue of other forms of control.

To carry out its activities, the Group uses securitisation vehicles pursuant to Law 130/99.

It should be noted that in addition to the transactions summarised above, which are consolidated on a line-by-line basis, the Convivio SPV securitisation transaction must also be considered, in relation to which illimity Bank is a 50% underwriter of the mono-tranching note, in joint venture with Apollo Global Management. This transaction is not consolidated in the accounting perimeter, but proportionally consolidated in the prudential perimeter.

C.4 Prudential consolidation - Non-consolidated securitisation vehicles

As at 31 December 2025, there are no cases referred to in this paragraph for the Banca Ifis Group.

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C.5 Prudential consolidation - Servicer activities – own securitisations: collection of securitised loans and redemption of securities issued by the SPV for securitisation

Servicer	Vehicle company	Securitised assets (end-of-period figure)		Receivables collected during the year		Percentage share of redeemed securities (end-of-period figure)					
						Senior		Mezzanine		Junior	
		Impaired	Not impaired	Impaired	Not impaired	Impaired assets	Not impaired assets	Impaired assets	Not impaired assets	Impaired assets	Not impaired assets
Banca Credifarma	ARCOBALENO FINANCE	5.552	5.146	11	3.787	-	-	-	-	0,28%	99,72%
Banca Credifarma	CREDIARC	21.796	2.265	334	1.636	-	-	-	-	16,96%	83,04%
ARECneprix	Vela 2023 SPV	62.898	173.919	25.587	14.054	4%	-	-	-	-	-
ARECneprix	Zefiro SPV	99.357	-	41.036	-	12%	-	-	-	-	-

It should be noted that both the Arcobaleno and Crediarc transactions are characterised by the absence of formalised business plans in the agreements:

- the Arcobaleno transaction concerned performing unsecured loans. The expected cash flows, therefore, were (with the exception of the positions relating to the counterparty in default) time-stamped to the maturity dates of the individual instalments of the amortisation schedules. The failure of debtors to meet agreed payments under individual loan agreements therefore represents a deviation from collection forecasts, resulting in exposures with delayed repayments.
- Crediarc's portfolio is divided into 2 macro aggregates. The first is only performing mortgages. For this cluster, therefore, the expected receipts correspond to the progressively accrued instalments, as per the original repayment schedules. Deviations from the expected cash flows are therefore represented by the outstanding debts at the time of recognition. The second cluster is represented by unlikely to pay and non-performing loans. The net carrying amount (given by the nominal amount of the receivable net of the write-down made) attributed to these receivables represents their estimated realisable value over a 10-year period: it is important to note that the values shown have not been discounted.

On the other hand, with reference to the transactions related to the vehicles "Vela 2023 SPV" and "Zefiro SPV", it should be noted that they derive from the illimity Group's contribution, as they relate to the servicing activity carried out by ARECneprix (a subsidiary of illimity Bank).

C.6 Prudential consolidation - Consolidated securitisation vehicles

Refer to the information in Table C.3.

D. Disposals

A. Financial assets sold and not derecognised in full

Qualitative information

Transfer transactions that did not result in the derecognition of the underlying financial assets are represented by:

- securitisation transactions of credit exposures to customers;
- repurchase agreements (repos) on securities owned, mainly classified in the portfolios "Financial assets measured at fair value through other comprehensive income" and "Financial assets measured at amortised cost".

In the case of repurchase agreements, the non-derecognition of the security, which is the subject of a spot sale, derives from the fact that the Group retains substantially all the risks and rewards associated with the security, having the obligation to repurchase it forward at a contractually agreed price. The securities being transferred therefore continue to be shown in the accounting portfolios to which they belong; the consideration for the transfer is recognised under “Financial liabilities measured at amortised cost: a) payables due to banks or b) payables due to customers”, depending on the type of counterparty. In this regard, it should be noted that the following tables

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do not represent repurchase agreements on securities not recorded in the balance sheet, if the availability of the same results from reverse repurchase agreements.

For securitisation transactions, described in section "C. Securitisation transactions" above, the non-derecognition follows the Group's subscription of the tranches of junior securities or similar exposures, which entail the risk of first losses for the Group and, likewise, the benefit associated with the return on the portfolio of transferred assets. In exchange for the transfer, the consideration received is recognised as a balancing entry to a liability to the special purpose vehicle, net of any tranches of securities subscribed or drawdowns of forms of liquidity support in favour of the vehicle in order to make principal payments. The loan thus recorded to the special purpose vehicle will be reduced by the sums collected by the originator, as "servicer", and transferred to the same vehicle.

Quantitative information

D.1. Prudential consolidation - Financial assets sold and fully recognised and associated financial liabilities: carrying amounts

	Financial assets sold and fully recognised				Associated financial liabilities		
	Carrying amount	*of which: securitised*	*of which: subject to repurchase agreements*	*of which non-performing*	Carrying amount	*of which: securitised*	*of which: subject to repurchase agreements*
A. Financial assets held for trading	**-**	**-**	**-**	***X***	**-**	**-**	**-**
1. Debt securities	-	-	-	*X*	-	-	-
2. Equity securities	-	-	-	*X*	-	-	-
3. Loans	-	-	-	*X*	-	-	-
4. Derivatives	-	-	-	*X*	-	-	-
B. Other financial assets mandatorily measured at fair value	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-	-	-	-
2. Equity securities	-	-	-	*X*	-	-	-
3. Loans	-	-	-	-	-	-	-
C. Financial assets designated at fair value	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-	-	-	-
2. Loans	-	-	-	-	-	-	-
D. Financial assets measured at fair value through other comprehensive income	**544.710**	**-**	***497.819***	**-**	**490.124**	**-**	***490.124***
1. Debt securities	544.710	-	*497.819*	-	490.124	-	*490.124*
2. Equity securities	-	-	-	*X*	-	-	-
3. Loans	-	-	-	-	-	-	-
E. Financial assets measured at amortised cost	**3.972.866**	***2.065.222***	***1.694.041***	***381.511***	**3.452.733**	***791.780***	***2.660.953***
1. Debt securities	1.907.644	-	*1.694.041*	-	2.660.953	-	*2.660.953*
2. Loans	2.065.222	*2.065.222*	-	*381.511*	791.780	*791.780*	-
Total 31.12.2025	**4.517.576**	***2.065.222***	***2.191.860***	***381.511***	**3.942.857**	***791.780***	***3.151.077***
Total 31.12.2024	**2.932.934**	***1.571.396***	***1.361.538***	***422.560***	**2.867.601**	***1.268.471***	***1.599.130***

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D.2 Prudent consolidation - Financial assets sold and partly recognised and associated financial liabilities: carrying amounts

At the reporting date, the Group did not have any partially recognised transferred financial assets and associated financial liabilities.

D.3 Prudential consolidation - Disposal transactions with liabilities having recourse only to assets sold and not derecognised in full: fair value

	Recorded in full	Recorded partly	Total	
			31.12.2025	31.12.2024
A. Financial assets held for trading	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-
2. Equity securities	-	-	-	-
3. Loans	-	-	-	-
4. Derivatives	-	-	-	-
B. Other financial assets mandatorily measured at fair value	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-
2. Equity securities	-	-	-	-
3. Loans	-	-	-	-
C. Financial assets designated at fair value	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-
2. Loans	-	-	-	-
D. Financial assets measured at fair value through other comprehensive income	**544.710**	**-**	**544.710**	**98.796**
1. Debt securities	544.710	-	544.710	98.796
2. Equity securities	-	-	-	-
3. Loans	-	-	-	-
E. Financial assets measured at amortised cost (fair value)	**3.972.866**	**-**	**3.972.866**	**2.834.138**
1. Debt securities	1.907.644	-	1.907.644	1.262.742
2. Loans	2.065.222	-	2.065.222	1.571.396
Total financial assets	**4.517.576**	**-**	**4.517.576**	**2.932.934**
Total associated financial liabilities	**3.942.858**	**-**	**X**	**X**
Net balance at 31.12.2025	**574.718**	**-**	**574.718**	**X**
Net balance at 31.12.2024	**65.333**	**-**	**X**	**65.333**

B. Financial assets sold and not derecognised in full with recognition of continuing involvement

The Group has not entered into any disposal transactions for which disclosure is required under IFRS 7.

C. Financial assets sold and derecognised in full

Qualitative information

At 31 December 2025, the Group held securitised securities and mutual fund units acquired as a result of transactions involving the sale of financial assets that were derecognised in full during 2025 and in previous years. These transactions involved the transfer of financial assets, consisting of loans, by the Group, to securitisation special purpose entities or mutual funds and their derecognition in accordance with IFRS 9, following verification that the originator itself (the Parent company Banca Ifis or other Group companies) had substantially transferred the risks and rewards of the transferred assets and had simultaneously retained no control over those assets. Instead of these derecognised assets, securitised securities or fund units received in the same transactions have been recognised as financial assets.

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Below is information provided on multi-originator sales of loan portfolios, in particular of "unlikely to pay" loans - that are attributable to the assignment of loans to a mutual fund with allocation of the relevant shares to the assigning intermediaries or securitisation SPVs.

Quantitative information

The following table provides details of the funds and other assets held (e.g. securitisation securities), showing the fund management company (or vehicle company in the case of securitisation transactions) of the carrying amount at 31 December 2025.

Transaction name	Carrying amount at 31.12.2025 (in thousand Euro)	Asset management company or SPV
illimity Credit & Corporate Turnaround Fund	5.925	Fürstenberg SGR (formerly illimity SGR)
City Regeneration Fund	8.228	Redo SGR
IDeA Corporate Credit Recovery (CCR) I - comparto Crediti	5.984	Dea Capital Alternative Funds SGR
IDeA Corporate Credit Recovery (CCR) II - comparto Crediti	6.176	Dea Capital Alternative Funds SGR
IDeA Corporate Credit Recovery (CCR) II – comparto Shipping	739	Dea Capital Alternative Funds SGR
BCC NPLs 2020	25.135	BCC NPLs 2020 S.r.l
BCC NPLs 2021	3.590	BCC NPLs 2021 S.r.l
Luzzatti POP NPLs 2024 S.r.l.	9.931	Luzzatti POP NPLs 2024 S.r.l.
Luzzatti POP NPLs 2025 S.r.l.	29.278	Luzzatti POP NPLs 2025 S.r.l.
Fondi Olympus	283.929	Finint Investments SGR
Fondo UTP Italia	22.386	Sagitta SGR
Fondo Persefone	13.510	P&G SGR
Fondo iREC	34.724	Fürstenberg SGR (formerly illimity SGR)
Fondo Granulare NPL	4.443	Fürstenberg SGR (formerly illimity SGR)
Fondo UTP Restructuring	22.755	Sagitta SGR
Vela 1	236.061	Vela 2023 SPV S.r.l.
Vela 2	98.131	Bolina SPV S.r.l.
Vela 3	122.186	Zefiro SPV S.r.l.
Mela	17.313	Aporti S.r.l. - Comparto V
Bela	18.169	Bela 2022 SPV S.r.l.

Transactions concluded during the year

Luzzatti POP NPLs 2025

In December 2025, the subsidiary Ifis Npl Investing took part in the multi-originator securitisation transaction called 'Popolari NPLs 2025' involving loans owned by various banks or financial intermediaries, including Ifis Npl Investing, deriving from mortgage or unsecured non-performing loans. The transaction, worth a total of 333 million Euro, was finalised with the acquisition of the loans by the special purpose vehicle company Law No. 130/1999 called Luzzatti POP NPLs 2025 S.r.l., and entailed for Ifis Npl Investing the sale of a non-performing loans portfolio with a carrying amount of 23,5 million Euro.

The bonds were issued in three classes:

- a senior class totalling 35 million Euro, offered for subscription to each of the originators at par and pro rata and with a BBB+ rating;
- a mezzanine class and a junior class, respectively for 6 million Euro and 1 million Euro, both placed by IMI on the institutional market net of a 5% share subscribed by the sellers in accordance with the provisions on the maintenance of a significant net economic interest (the so-called "risk retention").

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Following Ifis Npl Investing's pro-rata subscription of the senior securities, they were sold to the Parent company Banca Ifis, net of a 5% share retained by Ifis Npl Investing.

The amount of senior securities at 31 December 2025 subscribed by the Group is 26,5 million Euro for Banca Ifis and 1,4 million Euro for Ifis Npl Investing, while the carrying amount of mezzanine and junior securities held by Ifis Npl Investing totals 15 thousand Euro.

In order to support the rating of the senior securities, Ifis Npl Investing and the other assignors finalised a Limited Recourse Loan with the special purpose vehicle Luzzatti POP NPLs 2025 S.r.l., aimed mainly at financing, in a manner commensurate with the price of the portfolio respectively sold, the initial cash reserve of the vehicle. As at 31 December 2025, the amount disbursed by Ifis Npl Investing was 1,4 million Euro.

Transactions concluded in previous years

Fondi Olympus

Closed-end alternative investment mutual funds reserved for professional investors established in September 2023 by Finint Investments SGR and aimed at optimising and enhancing the economic, income and financial profile of the assets raised during the start-up phase of the Funds' operations with underlying impaired loans and real estate assets.

In 2023, illimity Bank subscribed for units with a total initial fair value recognition value of 354,5 million Euro in connection with the sale of a portfolio of assets consisting of impaired loans, securitisation notes, real estate and equity financial instruments to the funds. The value of illimity Bank's stake in the two funds is approximately 48%. Another leading Italian bank participates in the fund, holding 52% of the shares of the two funds.

Over the years, various distributions have been made in favour of shareholders. The carrying amount of the two funds at 31 December 2025 is 283,9 million Euro.

(***)

Fondo UTP Italia

A closed-end alternative investment fund reserved for professional investors, established in November 2022 by Sagitta SGR, for the investment in mortgage and unsecured unlikely to pay loans contributed (or acquired) by banks and/or servicers.

In 2023, illimity Bank subscribed to units with a total initial fair value of 29,3 million Euro in connection with the sale of an asset portfolio of impaired loans to the fund. illimity Bank's stake in the fund was initially around 7,2% (later diluted by subsequent contributions from other banks). Other leading Italian banks participate in the fund.

Over the years, various distributions have been made in favour of shareholders. The carrying amount of the fund at 31 December 2025 is 22,4 million Euro.

(***)

Fondo Persefone

A closed-end alternative investment fund for professional investors established in March 2022 by illimity SGR (now Fürstenberg SGR). It focuses on the management and optimisation of impaired loan portfolios, mainly in the form of UTPs (unlikely to pay), secured by real estate assets.

In 2023, illimity Bank subscribed to units with a total initial fair value of 13,5 million Euro in connection with the sale of an asset portfolio of impaired loans to the fund. illimity Bank's stake in the fund was initially around 12% (later diluted to approximately 10% by subsequent contributions from other banks). Other leading Italian banks participate in the fund.

During the year, distributions have been made in favour of shareholders. The carrying amount of the fund at 31 December 2025 is 13,5 million Euro.

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(***)

Fondo iREC

A closed-end alternative investment fund for professional investors established in March 2022 by illimity SGR (now Fürstenberg SGR). It focuses on the management and optimisation of impaired loan portfolios, mainly in the form of UTPs secured by real estate assets.

In 2022, illimity Bank subscribed, in a series of successive contributions, to units with a total initial fair value of 20,6 million Euro in connection with the sale of an asset portfolio of impaired loans to the fund. Subsequently, in the course of 2023, illimity Bank contributed additional impaired loans to the fund for a recognised value of approximately 20 million Euro, resulting in an increase of its shareholding to 24,5% (a share that was eventually diluted to 17% due to subsequent contributions by other shareholders). Other leading Italian banks participate in the fund.

Over the years, various distributions have been made in favour of shareholders. The carrying amount of the fund at 31 December 2025 is 34,7 million Euro.

(***)

Fondo Granulare NPL

A closed-end alternative investment fund for professional investors established in June 2024 by illimity SGR (now Fürstenberg SGR). It focuses on the management and optimisation of impaired loan portfolios mainly of small and medium-sized enterprises (SMEs).

In 2024, illimity Bank subscribed to units with a total initial fair value of 3,8 million Euro in connection with the sale of an asset portfolio of impaired loans to the fund. The value of illimity Bank's stake in the fund is approximately 22%. Other leading Italian banks participate in the fund.

The carrying amount of the fund at 31 December 2025 is 4,4 million Euro.

(***)

Fondo UTP Restructuring

A closed-end alternative investment fund reserved for professional investors set up in February 2024 by Sagitta SGR, established through the contribution of 'single name' impaired loans from leading Italian banks to Italian mid-large corporates.

In 2024, illimity Bank subscribed for units with a total initial fair value of 29,5 million Euro in connection with the sale of certain impaired 'single name' loans to the fund. The value of illimity Bank's stake in the fund was initially around 12,8% (later diluted to 11,4% due to subsequent contributions by other banks). Other leading Italian banks participate in the fund.

The carrying amount of the fund at 31 December 2025 is 22,8 million Euro.

(***)

“Vela 1” securitisation

Securitisation transaction finalised in March 2024 whereby illimity Bank sold a portfolio of performing loans (mainly consisting of PPC - Public Procurement Claims) and a portfolio of impaired loans to the vehicle Vela 2023 SPV S.r.l..

Vela 2023 SPV S.r.l. financed acquisitions of the loans portfolio by issuing asset-backed securities, in accordance with the combined provisions of Articles 1 and 5 of Italian Law No. 130, for a total nominal amount of approximately 442 million Euro:

- senior notes: total nominal 353,6 million Euro (80% of total notes issued) fully subscribed/purchased by illimity Bank;

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- mezzanine notes: total nominal 46,2 million Euro (10,45% of total notes issued) subscribed/purchased by a third-party investor for 95% (43,9 million Euro) and by illimity Bank for 5% (2,3 million Euro in compliance with regulatory risk retention obligations);
- junior notes: total nominal 42,2 million Euro (9,55% of total notes issued) subscribed/purchased by a third-party investor for 95% (40,1 million Euro) and by illimity Bank for 5% (2,1 million Euro in compliance with regulatory risk retention obligations);

In favour of illimity Bank there is also an additional remuneration consisting of a detachable coupon, up to a further nominal maximum of 25 million Euro cash flows, subordinate to the full repayment of the senior notes.

The mezzanine and junior securities were underwritten by an independent, third-party investor with no relationship and/or ties to illimity Bank. In the context of this transaction, illimity Bank benefited from the accounting derecognition of the transferred assets.

The carrying amount as at 31 December 2025 was 236,1 million Euro, entirely referring to the senior notes as the mezzanine notes, the detachable coupon and the junior notes were fully impaired. These notes are classified as purchased credit-impaired (POCI) financial assets.

(***)

“Vela 2” securitisation

Securitisation transaction finalised in June 2024 whereby illimity Bank sold a portfolio of impaired loans to the vehicle Bolina SPV S.r.l.

Bolina SPV S.r.l. financed acquisitions of the loans portfolio by issuing asset-backed securities, in accordance with the combined provisions of Articles 1 and 5 of Italian Law No. 130, for a total nominal amount of 185,2 million Euro:

- senior notes: total nominal 148,2 million Euro (80% of total notes issued), fully subscribed/purchased by illimity Bank;
- junior notes: total nominal 37 million Euro (20% of total notes issued) subscribed/purchased by a third-party investor for 95% (35,1 million Euro) and by illimity Bank for 5% (1,9 million Euro in compliance with regulatory risk retention obligations);

The junior notes were underwritten by an independent, third-party investor who has no relationship and/or ties with illimity Bank. In the context of this transaction, illimity Bank benefited from the accounting derecognition of the transferred assets.

The carrying amount as at 31 December 2025 is 98,1 million Euro for the senior notes, while the junior notes were fully impaired. These notes are classified as purchased credit-impaired (POCI) financial assets.

(***)

“Vela 3” securitisation

Securitisation transaction finalised in July 2024 whereby illimity Bank sold a portfolio of impaired loans to the vehicle Zefiro SPV S.r.l.

Zefiro SPV S.r.l. financed acquisitions of the loans portfolio by issuing asset-backed securities, in accordance with the combined provisions of Articles 1 and 5 of Italian Law No. 130, for a total nominal amount of approximately 272,8 million Euro:

- senior notes: total nominal 218,2 million Euro (80% of total notes issued) fully subscribed/purchased by illimity Bank;
- junior notes: total nominal 54,6 million Euro (20% of total notes issued) subscribed/purchased by a third-party investor for 95% (51,9 million Euro) and by illimity Bank for 5% (2,7 million Euro in compliance with regulatory risk retention obligations);

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The junior notes were underwritten by an independent, third-party investor who has no relationship and/or ties with illimity. In the context of this transaction and its specific features, illimity Bank proceeded to derecognise the transferred assets for accounting purposes.

The carrying amount as at 31 December 2025 total 122,2 million Euro, of which 122,0 million Euro related to senior notes and 0,2 million Euro to junior notes. These notes are classified as purchased credit-impaired (POCI) financial assets.

(***)

“Mela” securitisation

Securitisation transaction finalised in June 2021 whereby illimity Bank sold to the vehicle Aporti S.r.l. - Comparto V a portfolio of impaired loans.

Aporti S.r.l. - Comparto V financed acquisitions of the loans portfolio by issuing asset-backed securities, in accordance with the combined provisions of Articles 1 and 5 of Italian Law No. 130, for a total nominal amount of approximately 78,2 million Euro:

- senior notes: total nominal 64,7 million Euro (82,7% of total notes issued) fully subscribed/purchased by illimity Bank;
- mezzanine notes: total nominal 9,5 million Euro (12,1% of total notes issued) subscribed/purchased by a third-party investor for 95% (9 million Euro) and by illimity Bank for 5% (0,5 million Euro in compliance with regulatory risk retention obligations);
- junior notes: total nominal 4 million Euro (5,2% of total notes issued) subscribed/purchased by a third-party investor for 95% (3,8 million Euro) and by illimity Bank for 5% (0,2 million Euro in compliance with regulatory risk retention obligations);

The mezzanine and junior notes were underwritten by an independent, third-party investor who has no relationship and/or ties with illimity Bank. In the context of this transaction, illimity Bank benefited from the accounting derecognition of the transferred assets.

Approximately 30,1% of the senior note was therefore sold on the market in December 2021, as a result of which illimity Bank holds approximately 69,86% of the senior note issued by the vehicle Aporti S.r.l.- Comparto V.

The carrying amount as at 31 December 2025 totals 17,3 million Euro, of which 17,2 million Euro for senior notes and 0,1 million Euro for mezzanine notes, while the value of junior notes was immaterial.

(***)

‘Bela' securitisation

Securitisation transaction finalised in April 2022 whereby illimity Bank sold a portfolio of impaired loans to the vehicle Bela 2022 SPV S.r.l..

Bela 2022 SPV S.r.l. financed acquisitions of the loans portfolio by issuing asset-backed securities, in accordance with the combined provisions of Articles 1 and 5 of Italian Law No. 130, for a total nominal amount of approximately 74,1 million Euro:

- senior notes: total nominal 60 million Euro (81% of total notes issued) fully subscribed/purchased by illimity Bank;
- mezzanine notes: total nominal 10 million Euro (13,5% of total notes issued) subscribed/purchased by a third-party investor for 95% (9,5 million Euro) and by illimity Bank for 5% (0,5 million Euro in compliance with regulatory risk retention obligations);
- junior notes: total nominal 4,1 million Euro (5,5% of total notes issued) subscribed/purchased by a third-party investor for 95% (3,9 million Euro) and by illimity Bank for 5% (0,2 million Euro in compliance with regulatory risk retention obligations);

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The mezzanine and junior notes were underwritten by an independent, third-party investor who has no relationship and/or ties with illimity Bank. In the context of this transaction, illimity Bank benefited from the accounting derecognition of the transferred assets.

The carrying amount as at 31 December 2025 was 18,2 million Euro, entirely referring to the senior notes as the mezzanine and junior notes were fully impaired. These notes are classified as purchased credit-impaired (POCI) financial assets.

(***)

Luzzatti POP NPLs 2024

In December 2024, the subsidiary Ifis Npl Investing took part in the multi-originator securitisation transaction called 'Popolari NPLs 2024' involving loans owned by nine banks or financial intermediaries, including Ifis Npl Investing, deriving from mortgage or unsecured non-performing loans. The transaction was finalised with the acquisition of the loans by the special purpose vehicle company Law No. 130/1999 called Luzzatti POP NPLs 2024 S.r.l. and entailed for Ifis Npl Investing the sale of a non-performing loans portfolio (entirely made up of unsecured positions undergoing amicable collection) for a carrying amount of 10,3 million Euro and a residual nominal amount of 24,3 million Euro.

The securities were issued in three classes: a senior class offered for subscription to each of the originators at par and pro-rata and with an investment grade BBB area rating; a mezzanine class and a junior class both placed by IMI on the institutional market net of a 5% share subscribed by the originators in accordance with the provisions on the maintenance of a significant net economic interest (referred to as "risk retention"). Following Ifis Npl Investing's pro-rata subscription of the senior securities, they were sold to the Parent company Banca Ifis, net of a 5% share retained by Ifis Npl Investing.

The amount of senior securities at 31 December 2025 is 9,1 million Euro for Banca Ifis and 0,5 million Euro for Ifis Npl Investing, while the carrying amount of mezzanine and junior securities held by Ifis Npl Investing is essentially null.

In order to support the rating of the senior securities, Ifis Npl Investing and the other assignors finalised a Limited Recourse Loan with the special purpose vehicle Luzzatti POP NPLs 2024 S.r.l., aimed mainly at financing, in a manner commensurate with the price of the portfolio respectively sold, the initial cash reserve of the vehicle. As at 31 December 2025, the amount disbursed by Ifis Npl Investing was 0,4 million Euro.

(***)

“illimity Credit & Corporate Turnaround” fund

Restructuring fund managed by Fürstenberg SGR (which, before 18 December 2025 was called illimity SGR), established in 2021 with the objective of purchasing non-performing loans owed by banks to companies engaged in restructuring processes.

The subscription of the fund's shares by the Parent company Banca Ifis took place in April 2024 with an investment of 7,4 million Euro, an amount coinciding with the price of the sale of loans due in respect of an automotive company. At the time of subscription, the Parent company's investment amounted to 3,3% of the fund, and subsequently various closures took place, which did not affect Banca Ifis, and which reduced the fund's participation to 2,68%.

A first distribution was received in 2024. The carrying amount of the units held by Banca Ifis at 31 December 2025 is 5,9 million Euro.

(***)

IDeA CCR II - comparto Crediti

Fund established in 2017, a replica of the CCR I fund launched previously, with the objective of purchasing non-performing loans and instruments claimed by banks from companies involved in restructuring processes.

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In 2017, Banca Ifis subscribed units for a total initial value of 8,8 million Euro in conjunction with the assignment to the Fund of its claim against a single debtor operating in the manufacturing sector.

At the time of subscription, Banca Ifis's share in the sub-fund was 3,72%. As a result of the subsequent closings implemented by the Fund, in which Banca Ifis did not participate, the Fund's shareholding in the sub-fund was reduced to 0,44%.

In December 2024, Banca Ifis subscribed a further 209,910 units in the fund for an equivalent amount of 3,8 million Euro in conjunction with the assignment to it of its claim against a company operating in the furnishings sector. At the time of subscription, the new units represented 0,64% of the total units issued. Following further closures by the end of the year, the percentage dropped to 0,53% for a value of 3,1 million Euro.

Over the years, various distributions have been made in favour of shareholders. The carrying amount at 31 December 2025 is 6,2 million Euro.

(***)

City Regeneration Fund

A closed-end real estate alternative investment fund reserved for professional investors established in November 2020 with the objective of making sustainable investments in real estate initiatives aimed at urban regeneration and having a social impact, with a focus on Social Housing, Senior Living and Student Housing.

In November 2023, Banca Ifis sold its claim against a single debtor, the owner of the largest urban regeneration project in Italy, with a nominal amount of 9,2 million Euro and a carrying amount of 5,9 million Euro. For this transaction, Banca Ifis received units of the City Regeneration Fund, entered at a fair value of 6,3 million Euro.

As at 31 December 2025, the carrying amount of the Banca Ifis share was 8,2 million Euro.

(***)

IDeA CCR I - comparto Crediti

Fund established in January 2016, with the objective of purchasing non-performing loans and instruments claimed by banks from companies involved in restructuring processes.

Banca Ifis became a shareholder in July 2019, as part of the last closing realised by the fund, through the subscription of units worth 15,9 million Euro, in conjunction with the sale to the fund of receivables and equity instruments owed to an operator in the automotive segment. Banca Ifis's share of the Fund is 13,66% of the sub-fund. In 2024, having reached maturity, the fund was put into liquidation. The sub-fund's management team is focused on selling the last asset in the portfolio from which the final redemption of units will be derived.

The carrying amount at 31 December 2025 is 6,0 million Euro.

(***)

IDeA CCR II - comparto Shipping

Sub-fund established in 2018 within the CCR II Fund launched in 2017, specifically for non-performing loans arising from transactions with ship operators. The sub-fund is denominated in US dollars.

The subscription of the sub-fund's shares by Banca Ifis took place in December 2018 with an investment of 37,7 million Dollar, an amount coinciding with the price of the sale of ship mortgage-backed loans to as many operators. Banca Ifis's shareholding represents 19,34% of the sub-fund's units.

Over the years, the Fund has made significant distributions from the proceeds realised through the restructuring of receivables, repossession of ships and the subsequent sale of part of them, greatly anticipating the recovery expected by shareholders. The carrying amount at 31 December 2025 is 0,7 million Euro.

(***)

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In addition to the above, again with a view to pursuing de-risking activities, Banca Ifis participated in two multi-originator securitisation transactions in 2020 and 2021, respectively.

“BCC NPLs 2020” securitisation

multi-originator transaction whereby, in November 2020, 90 banks, 88 of which belong to the Iccrea Cooperative Banking Group and two banks outside the group (Banca Ifis and Banca Popolare Valconca), completed the sale of an equal number of portfolios of non-performing loans classified as bad loans at the date of sale for a total credit claim of 2,3 billion Euro (of which 249,0 million Euro related to the portfolio sold by Banca Ifis) in favour of a vehicle company ("BCC NPLs 2020 S.r.l.") set up pursuant to Law 130/1999 through the realisation of a securitisation of bad loans guaranteed by Italian Treasury Department (“GACS”) pursuant to L.D. No. 18 of 14 February 2016.

BCC NPLs 2020 S.r.l. financed acquisitions of the loans portfolio by issuing asset-backed securities, in accordance with the combined provisions of Articles 1 and 5 of Italian Law No. 130, for a total nominal amount of approximately 585 million Euro, structured into the following classes:

- 520 million Euro of senior securities (of which a nominal 55 million Euro subscribed by Banca Ifis), maturing in January 2045 and with Baa2 and BBB ratings issued by Moody's Italia S.r.l. and Scope, respectively;
- 41 million Euro in mezzanine notes maturing in January 2045, with rating Caa2 and CC assigned respectively by Moody’s Italia S.r.l. and Scope;
- 24 million Euro in junior notes maturing in January 2045, unrated.

The mezzanine securities and the junior securities were subscribed by independent investors having no relationship and/or ties with the originator banks, it being understood that each originator bank, including the Parent company Banca Ifis, undertook to maintain a share of at least 5% of the nominal amount of each tranche of securities issued in the context of the transaction.

In the context of this transaction, the Parent company Banca Ifis benefited from the accounting and prudential derecognition of the transferred assets. The carrying amount at 31 December 2025 is 25,0 million Euro for senior units, and 162 thousand Euro for mezzanine units, and junior units are of negligible value.

(***)

“BCC NPLs 2021” securitisation

Multi-originator transaction whereby, in November 2021, 77 banks, 74 of which belong to the Iccrea Cooperative Banking Group and 3 banks outside the group (Banca Ifis, Cassa di Risparmio di Asti and Guber Banca), completed the sale of an equal number of portfolios of non-performing loans classified as bad loans at the date of sale for a total credit claim of 1,3 billion Euro (of which 86,9 million Euro related to the portfolio sold by Banca Ifis) in favour of a vehicle company ("BCC NPLs 2021 S.r.l.") set up pursuant to Law 130/1999 through the realisation of a securitisation of bad loans guaranteed by Italian Treasury Department (“GACS”) pursuant to L.D. No. 18 of 14 February 2016.

BCC NPLs 2021 S.r.l. financed acquisitions of the loans portfolio by issuing asset-backed securities, in accordance with the combined provisions of Articles 1 and 5 of Italian Law No. 130, for a total nominal amount of 336,5 million Euro, structured into the following classes:

- 284 million Euro of senior securities (of which a nominal 7,8 million Euro subscribed by Banca Ifis), maturing in April 2046 and with Baa2, BBB and BBB ratings issued by Moody's Italia S.r.l., Scope and Arc Rating S.A., respectively;
- 39,5 million Euro in mezzanine notes maturing in April 2046, with rating Caa2, CCC and CCC+ assigned respectively by Moody's Italia S.r.l., Scope and Arc Rating S.A., respectively;
- 13 million Euro in junior notes maturing in April 2046, unrated.

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The mezzanine securities and the junior securities were subscribed by independent investors having no relationship and/or ties with the originator banks, it being understood that each originator bank, including the Parent company Banca Ifis, undertook to maintain a share of at least 5% of the nominal amount of each tranche of securities issued in the context of the transaction.

In the context of this transaction, Banca Ifis benefited from the accounting and prudential derecognition of the transferred assets. The carrying amount at 31 December 2025 is 3,5 million Euro for senior units and 101 thousand Euro for mezzanine units, and junior units are of negligible value.

D. Covered bond transactions

The Banca Ifis Group did not engage in any covered bond transactions.

E. Prudential consolidation - models for measuring credit risk

The Banca Ifis Group does not have internal portfolio models on credit risk (VaR methodology).

1.2 Market risks

1.2.1 Interest rate risk and price risk - supervisory trading book

Qualitative information

A. General aspects

In 2025, the investment strategy continued, as regulated in the "Banca Ifis Proprietary Portfolio Management Policy" and in the “Policy for Managing Securitisation & Structured Solutions investment operations” is structured to coincide with the risk appetite formulated by the Board of Directors under the scope of the Risk Appetite Framework (RAF) and laid out in the "Group Market Risk Management Policy", as well as with the system of objectives and limits.

Consistent with the conservative "stance" outlined in the above-mentioned documents, for most of 2025, the overall investment strategy focused on risk containment, implemented mainly by seeking out securities characterised by high liquidity and a strategy of steady returns over the medium term. During the course of the year, however, it was decided to gradually increase the duration of the portfolio, with a simultaneous increase in the value invested, in order to pursue greater stability of interest flows in the face of expected declining future returns. The change in portfolio composition was accompanied by continuous monitoring of the exposure of the risks it generated. Compliance with the risk limits set by the Banca Ifis Group has always been verified on an ongoing basis by the Risk Management function. With the acquisition of illimity Bank, the strategic guidelines of the parent were naturally extended to the new subsidiary and the other companies of the illimity Group and, therefore, the latter months of 2025 saw an alignment of the two companies’ strategies and procedures.

It should also be noted that starting 2024, certain hedge accounting (micro fair value hedge) transactions were put in place on certain equity securities measured at fair value with an impact on overall profitability, realised through combinations of call and put options and maturing within 36 months. The purpose of these transactions is to reduce the price risk of the underlying securities, and they continued during 2025.

The component relating to the "trading book" from which the market risk in question originates was marginal with respect to the total investments in the banking book both in absolute terms of the risk values recorded and with respect to the established limits. The trading book mainly comprises options and futures deriving from hedging transactions and ancillary enhancements to the investment strategy in assets that are part of the “banking book” and “discretionary trading” portfolio, characterised by short-term speculation and marginal exposure.

Within the trading portfolio, there are also derivative transactions with corporate customers of the Banca Ifis Group as counterparty (almost entirely related to illimity Bank). These positions are managed 'by the book', continuously monitoring and managing the risk of Greeks generated by the portfolio. The risk metrics observed were extremely low.

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B. Management procedures and measurement methods concerning interest rate risk and price risk

The guidelines on the assumption and monitoring of market risk are laid out on a Group level in the "Group Market Risk Management Policy", which also indicates, for the purpose of a more rigorous and detailed representation of the process activities, the metrics used for the measuring and monitoring of this risk.

In particular, the measurement and assessment of market risks is based on the various characteristics (in terms of time frame, investment instruments, etc.) of the investment strategies used in the documents "Banca Ifis Proprietary Portfolio Management Policy" and "Policy for Managing Securitisation & Structured Solutions investment operations", which defines and details the strategies to be pursued in terms of portfolio structure, operative instruments and assets.

Under this scope, the monitoring of the consistency of the Group's portfolio risk profiles in respect of the risk/return objectives is based on a system of limits (both strategic and operational), which envisages the combined use of various different indicators. More specifically, the following are defined:

- Maximum Acceptable Loss;
- Maximum negative gross financial impact;
- VaR (Value at Risk) limit;
- limits of sensitivity and Greeks;
- any limits to the type of financial instruments admitted;
- any composition limits;
- OCI reserve stock.

Respect for the limits assigned to each portfolio is checked daily.

The summary indicator used to assess exposure to the risks in question is the Value at Risk (VaR), which represents market best practice for monitoring risks arising from financial market operations. It should be noted, however, that VaR and the limits derived from it, while not used by the Group as a proprietary internal model for determining capital requirements, are used on an ongoing basis for management assessment purposes. In a broader perspective relative to financial market operations, the banking portfolio is also prudentially monitored according to the logic of market risks and subject to specific limits, i.e., the positions to which an HTC&S (Held to Collect and Sell) business model is associated and recorded at fair value through other comprehensive income (FVOCI), as well as the positions recorded at fair value with impact on the income statement (FVTPL), whose changes in value could have significant impacts on the Group's reserves (and consequently on the carrying amounts) and/or income statement.

VaR is a statistical measure to estimate the loss that could occur as a result of adverse movements in risk factors.

Specifically, the VaR is measured using a confidence interval of 99% and a holding period of 1 day; it expresses the "threshold" of daily losses that, on the basis of probabilistic hypotheses may only be surpassed in 1% of cases. The approach used to calculate the VaR is historical simulation. With this approach, the portfolio is re-valued, applying all variations to the risk factors recorded the previous year (256 observations). The values thus obtained are compared with the current portfolio value, determining the relevant series of hypothetical gains or losses. The VaR is the average of the second and third worst results.

The VaR is also divided, for monitoring purposes, amongst the risk factors referring to the portfolio.

In addition to the risk indications deriving from the VaR, the Expected Shortfall (ES), which expresses the daily loss that exceeds the VaR figure, and the Stressed VaRs, which represent VaR calculated in a particularly turbulent historical period, which in the specific case corresponds to the Italian debt crisis of 2011-2012 and the 2020 Covid-19 pandemic, are also used for monitoring purposes.

The forecasting capacity of the risk measurement model used is verified through a daily backtesting analysis in which the VaR for the positions in the portfolio at t-1 is compared with the profit and loss generated by such positions at t.

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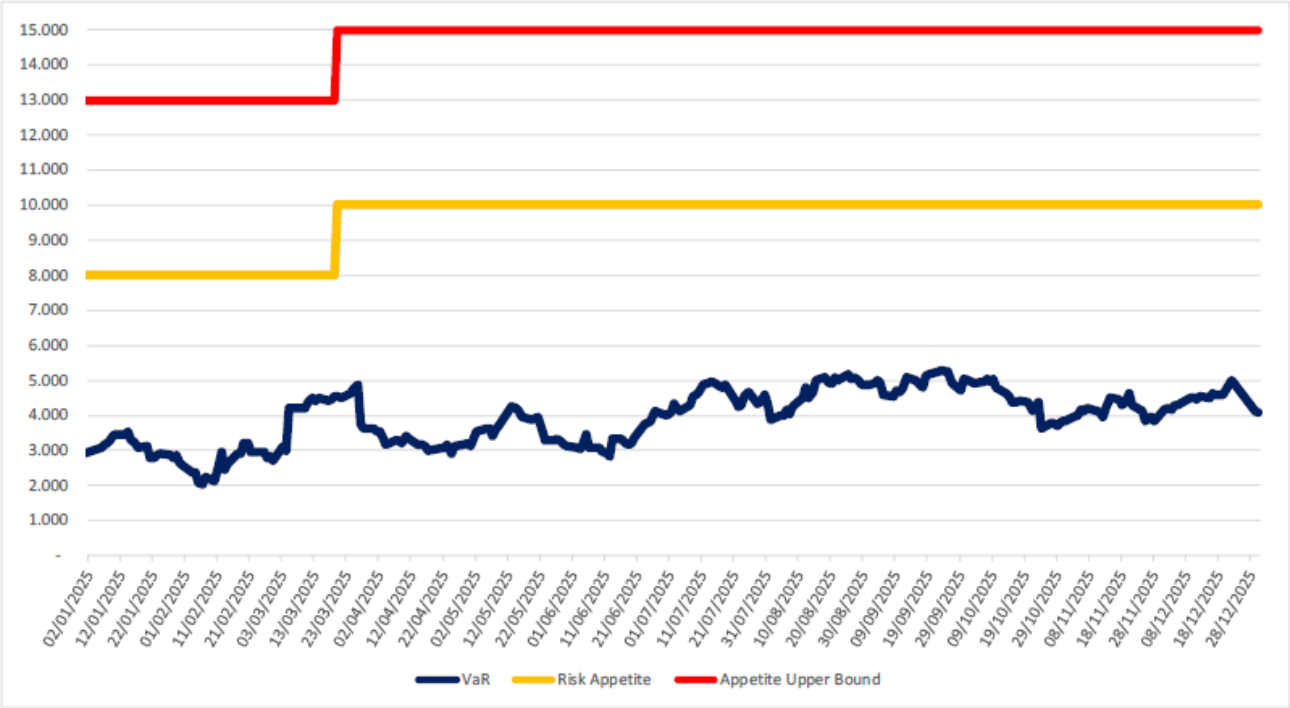
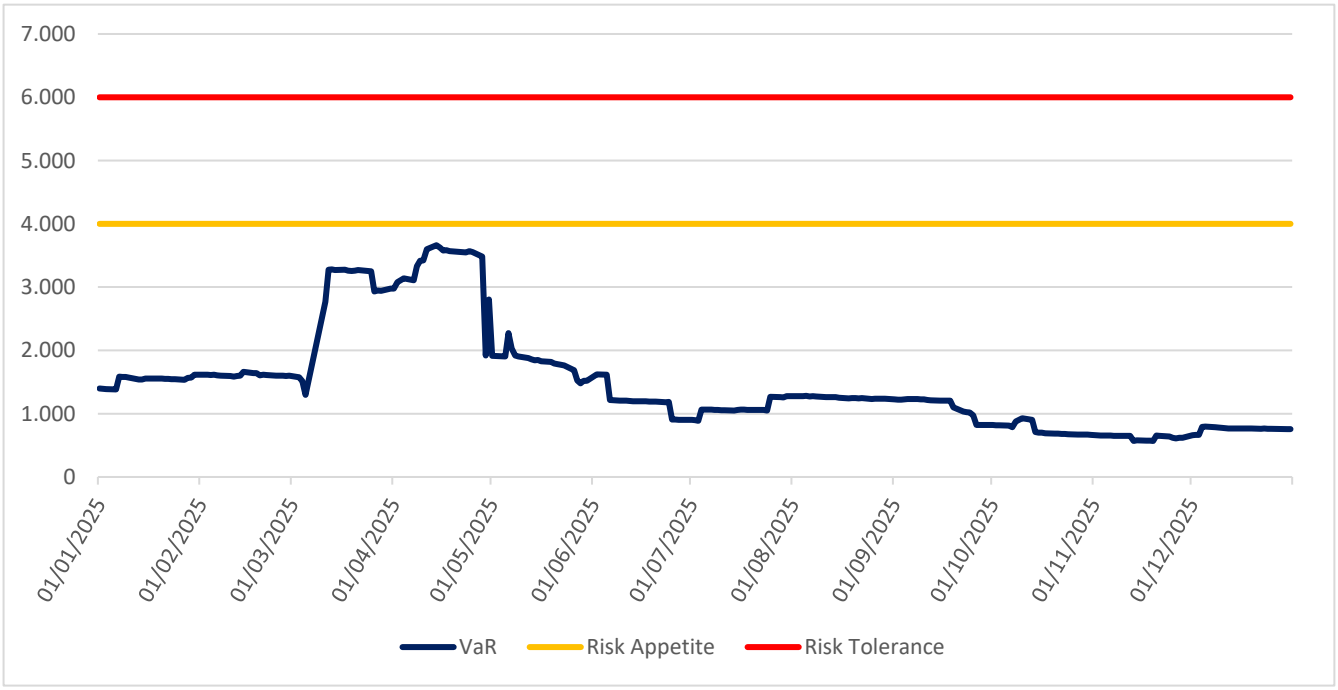
During 2025, VaR utilisation for both the Parent company Banca Ifis and illimity Bank was well below the assigned limit, partly as a result of the low volatility recorded by the various asset classes, as can be seen from the charts below. The figures at the end of December 2025 stood at 4,1 million Euro and 0,8 million Euro for the two entities, respectively, against risk appetite levels of approximately 10 million Euro and 4 million Euro.

Banca Ifis



illimity Bank



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Quantitative information

1. Supervisory trading book: breakdown by residual maturity (re-pricing date) of on-balance-sheet financial assets and liabilities and financial derivatives - Currency: Euro

Type/Residual maturity	on demand	up to 3 months	over 3 to 6 months	over 6 months to 1 year	over 1 to 5 years	over 5 to 10 years	over 10 years	indefinite life
1. On-balance-sheet assets	**43**	**-**	**8**	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Other assets	43	-	8	-	-	-	-	-
2. On-balance-sheet liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Repurchase agreements	-	-	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 With underlying security								
- Options								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other								
+ long positions	-	79.286	-	1.329	-	-	-	-
+ short positions	-	17.393	-	158	-	-	-	-
3.2 Without underlying security								
- Options								
+ long positions	8	234.656	57.263	312.213	1.508.855	240.461	-	-
+ short positions	73	55.176	40.779	370.760	1.629.402	252.886	4.379	-
- Other derivatives								
+ long positions	-	1.768.200	472.169	62.801	503.407	146.874	-	-
+ short positions	27.500	1.866.614	374.850	48.610	542.593	114.325	-	-

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1. Supervisory trading book: breakdown by residual maturity (re-pricing date) of on-balance-sheet financial assets and liabilities and financial derivatives - Currency: Other currencies

Type/Residual maturity	on demand	up to 3 months	over 3 to 6 months	over 6 months to 1 year	over 1 to 5 years	over 5 to 10 years	over 10 years	indefinite life
1. On-balance-sheet assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. On-balance-sheet liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Repurchase agreements	-	-	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 With underlying security								
- Options								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security								
- Options								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ long positions	-	31.167	3.404	1.702	-	-	-	-
+ short positions	-	10.051	3.404	1.702	-	-	-	-

2. Supervisory trading book: distribution of equity exposures and equity indexes by major market listing countries

The Banca Ifis Group has no cases for which the disclosures in this paragraph are applicable.

3. Supervisory trading book: internal models and other methods for the sensitivity analysis

For Over The Counter (OTC) derivatives, whose value cannot be directly observed on the market, specific models and inputs are evaluated by virtue of the asset class and characteristics of the specific financial product. The valuation of OTC derivatives takes into account, in addition to the market variables to which the instruments are sensitive, the specific risks of the counterparties with which they are traded, in particular:

- for transactions traded within clearing and margining agreements (CSAs), the value adjustment for credit risk is deemed not to be material and the valuation of instruments is based solely on the underlying risk factors according to the non-arbitrage principle;
- for transactions traded in the absence of netting and margining arrangements, valuation is performed by adding the counterparty risk adjustments (i.e. CVA - Credit Valuation Adjustment and DVA - Debt Valuation Adjustment) to the valuation of the instrument as if it were subject to netting and margining.

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1.2.2 Interest rate risk and price risk - banking portfolio

Qualitative information

A. General aspects, management procedures and measurement methods concerning the interest rate risk and the price risk

The assumption of a significant interest rate risk is in principle unrelated to the management of the Group. In terms of breakdown of the balance sheet with reference to the types of risk in question, in respect of the liabilities, the main funding source is still the on-line savings accounts and current accounts (in particular Rendimax and illimityBank.com) structured into the technical forms of fixed-rate customer deposit accounts for the restricted component and the non index-linked variable rate that can be unilaterally revised by the Group in respect of the rules and contracts, for the technical forms of unrestricted demand and on-call current accounts. The other main components of funding concern fixed-rate bond funding, variable-rate securitisation operations, repurchase agreements at both fixed and variable rate and loans with the Eurosystem (referred to as LTRO, MRO and other types of ECB operations) at variable rates.

As for the assets, loans to customers still largely have floating rates as far as both trade receivables and corporate financing are concerned.

As for the operations concerning distressed retail loans mainly carried out by the subsidiaries Ifis Npl Investing and Ifis Npl Servicing, the first is characterised by a business model focused on acquiring receivables at prices lower than their nominal amount, there is a potential interest rate risk associated with the uncertainty about when the receivables will be collected.

As at 31 December 2025, the comprehensive bond portfolio mainly comprises government securities for a percentage of 87%; the modified average duration and average maturity of the portfolio are respectively 4,1 years and 5,3 years. A number of derivative positions are, however, recognised on these securities under hedge accounting, aimed at reducing the portfolio's interest rate risk (micro fair value hedge). Therefore, the average effective duration of the portfolio, including derivatives, at 31 December 2025 was 2,3 years.

The Capital Markets function is appointed to guarantee the rate risk management, which, in line with the risk appetite established, defines what action is necessary to pursue this. The Risk Management function is responsible for proposing the risk appetite, identifying the most appropriate risk indicators and monitoring the relevant performance of the assets and liabilities in connection with the pre-set limits. Top Management makes annual proposals to the Parent company Banca Ifis Board as to the policies on lending, funding and the management of interest rate risk, as well as suggesting appropriate actions by which to ensure that operations are carried out consistently with the risk policies approved by the Group.

The Risk Management function periodically reports to the Parent company's Board of Directors on the interest rate risk position by means of a specific monthly report prepared for the Parent company's management.

The interest rate risk falls under the category of second-pillar risks. The guidelines on the assumption and monitoring of interest rate risk are laid out on a Group level in the “Group Banking Book Credit Spread and Interest Rate Risk Management Policy”, which also indicates, for the purpose of a more rigorous and detailed representation of the process activities, the metrics used for the measuring and monitoring of the risk in question. Monitoring is carried out at the consolidated level, including the new perimeter of the illimity Group to which the same measurement methodologies and processes already used for the rest of the Banca Ifis Group are applied.

Starting from 2023, the Banca Ifis Group hedges the interest rate risk. In particular, the Group adopts various "fair value hedge" type strategies, in which the hedging instruments are IRS plain vanilla derivative contracts and the "hedged items" are certain government bonds measured at amortised cost measured at fair value through other comprehensive income. The acquisition of illimity Bank also led to the absorption of some derivatives under hedge accounting on previously unhedged instruments in the Banca Ifis Group. Specifically, in addition to the derivatives just mentioned on asset securities, there are hedges on a bond, again in the micro fair value hedge area, and some hedging transactions on customers' time deposits in the macro fair value hedge area.

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The classification of the bonds held as “Financial assets measured at fair value through other comprehensive income” introduces the risk that the Group's reserves may fluctuate as a result of the change in their fair value. This risk is mitigated, however, as the Banca Ifis Group has adopted the sterilisation regime provided for in Regulation (EU) No 2024/1623 Article 468, in order to neutralise the impact on equity arising from the treatment of unrealised gains and losses on government securities measured at fair value through other comprehensive income. This regime is transitional in nature and is valid until 31 December 2025. There is also a residual portion in equity securities, which belong to the major European indexes and are highly liquid, including “Financial assets measured at fair value through other comprehensive income”. A part share of these assets are economically hedged through derivatives that are part of the trading book, not represented in the accounts through hedge accounting.

Below is the sensitivity analysis for the main balance sheet items, both assets and liabilities, with evidence of the effect of a 1 basis point movement up or down, also showing the relative duration alongside.

Macro item (figures in thousands of Euro)	Sensitivity -1bps	Sensitivity +1bps	Duration
1. On-balance-sheet assets	**4.074**	**(4.070)**	**1,83**
1.1 Debt securities	2.259	(2.257)	3,23
1.2 Loans to banks	2	(2)	0,02
1.3 Loans to customers	1.813	(1.811)	1,31
2. On-balance-sheet liabilities	**(1.952)**	**1.951**	**0,95**
2.1 Payables due to customers and securities issued	(1.812)	1.811	1,11
2.2 Payables due to banks	(139)	139	0,35
3.1 Hedging derivatives - variable leg	230	(230)	0,63
3.2 Hedging derivatives - fixed leg	(938)	937	2,51
Total	**1.414**	**(1.412)**	**0,63**

The following table shows the sensitivity analysis with reference to the impact at the level of the economic item "Net interest income", and consequently at the level of the pre-tax result for the year, of a change of 1 basis points up or down, set forth at the level of the associated interest-bearing asset components.

Macro item (figures in thousand Euro)	Sensitivity -1 bps	Sensitivity +1 bps
Debt securities	(154)	154
Receivables due from banks	(127)	127
Receivables due from customers	(686)	686
Payables due to customers and debt securities issued	549	(549)
Payables due to banks	296	(296)
Hedging derivatives	7	(7)
Total	**(115)**	**115**

It should be noted that, as required by regulations, the values proposed in the above tables represent sensitivity analyses referring to a 12-month time horizon.

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Quantitative information

1. Banking book: breakdown by residual maturity (re-pricing date) of financial assets and liabilities - Currency: Euro

Type/Residual maturity	on demand	up to 3 months	over 3 to 6 months	over 6 months to 1 year	over 1 to 5 years	over 5 to 10 years	over 10 years	Indefinite life
1. On-balance-sheet assets	**3.383.012**	**5.494.709**	**2.481.495**	**735.832**	**4.166.387**	**2.269.764**	**442.013**	**16.340**
1.1 Debt securities	18.058	1.155.067	940.615	252.900	1.623.899	1.724.636	335.690	-
- with early redemption option	506	194.387	25.166	20.678	136.078	54.714	53.917	-
- other	17.552	960.680	915.450	232.222	1.487.821	1.669.922	281.774	-
1.2 Loans to banks	718.363	356.703	83	44	154	-	35.702	-
1.3 Loans to customers	2.646.592	3.982.939	1.540.797	482.889	2.542.334	545.128	70.621	16.340
- current a/c	75.779	27.362	8.018	21.192	106.014	24.426	4.555	-
- other loans	2.570.813	3.955.577	1.532.778	461.696	2.436.320	520.702	66.066	16.340
- with early redemption option	425.450	2.128.983	1.062.953	96.532	176.166	2.915	582	-
- other	2.145.362	1.826.594	469.825	365.164	2.260.154	517.788	65.484	16.340
2. On-balance-sheet liabilities	**3.242.994**	**4.030.740**	**2.556.867**	**2.337.636**	**6.365.542**	**64.734**	**156.142**	**-**
2.1 Due to customers	2.520.544	2.580.235	1.099.060	1.585.506	3.391.588	13.336	1.915	-
- current a/c	1.618.840	188.377	116.703	116.830	187.893	-	-	-
- other payables	901.704	2.391.858	982.357	1.468.676	3.203.696	13.336	1.915	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	901.704	2.391.858	982.357	1.468.676	3.203.696	13.336	1.915	-
2.2 Payables due to banks	349.476	1.439.212	445.926	441.107	863.165	51.009	154.227	-
- current a/c	4.332	-	-	-	-	-	-	-
- other payables	345.144	1.439.212	445.926	441.107	863.165	51.009	154.227	-
2.3 Debt securities	4	7.307	1.011.882	311.023	2.110.789	390	-	-
- with early redemption option	-	-	-	-	786.986	-	-	-
- other	4	7.307	1.011.882	311.023	1.323.803	390	-	-
2.4 Other liabilities	372.971	3.986	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	372.971	3.986	-	-	-	-	-	-
3. Financial derivatives	**12.742**	**467.700**	**385.500**	**130.000**	**(269.700)**	**(713.500)**	**-**	**-**
3.1 With underlying security	-	-	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	-	-	-	-	-	-	-
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security	12.742	467.700	385.500	130.000	(269.700)	(713.500)	-	-
- Options	-	-	-	-	-	-	-	-
+ long positions	-	-	-	10.519	153.779	-	-	-
+ short positions	-	-	-	10.519	153.779	-	-	-
- Other derivatives	12.742	467.700	385.500	130.000	(269.700)	(713.500)	-	-
+ long positions	12.742	467.700	385.500	130.000	-	-	-	-
+ short positions	-	-	-	-	269.700	713.500	-	-
4. Other off-balance-sheet transactions	**(182.193)**	**100.786**	**(10.845)**	**13.517**	**91.501**	**(12.766)**	**-**	**-**
+ long positions	230.039	102.262	194	14.017	132.238	43.611	-	-
+ short positions	412.232	1.476	11.039	500	40.738	56.378	-	-

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1. Banking book: breakdown by residual maturity (re-pricing date) of financial assets and liabilities - Currency: Other currencies

Type/Residual maturity	on demand	up to 3 months	over 3 to 6 months	over 6 months to 1 year	over 1 to 5 years	over 5 to 10 years	over 10 years	Indefinite life
1. On-balance-sheet assets	**111.333**	**208.279**	**4.043**	**2.511**	**839**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Loans to banks	69.501	66.486	-	-	-	-	-	-
1.3 Loans to customers	41.832	141.792	4.043	2.511	839	-	-	-
- current a/c	-	-	-	-	-	-	-	-
- other loans	41.832	141.792	4.043	2.511	839	-	-	-
- with early redemption option	597	2.627	322	-	179	-	-	-
- other	41.235	139.166	3.721	2.511	660	-	-	-
2. On-balance-sheet liabilities	**1.586**	**274.124**	**58**	**117**	**670**	**90**	**-**	**-**
2.1 Due to customers	1.586	53	58	117	670	90	-	-
- current a/c	1.582	-	-	-	-	-	-	-
- other payables	4	53	58	117	670	90	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	4	53	58	117	670	90	-	-
2.2 Payables due to banks	-	274.070	-	-	-	-	-	-
- current a/c	-	-	-	-	-	-	-	-
- other payables	-	274.070	-	-	-	-	-	-
2.3 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
2.4 Other liabilities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 With underlying security								
- Options								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security								
- Options								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
4. Other off-balance-sheet transactions								
+ long positions	667	-	-	-	-	-	-	-
+ short positions	667	-	-	-	-	-	-	-

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2. Banking book: internal models and other methods for the sensitivity analysis

The Banca Ifis Group uses the Ermas suite for the assessment of interest rate risk on the banking book, which, using a full evaluation approach, calculates risk exposures under the two headings required by current regulations (change in economic value and change in net interest income). This suite is enriched by a series of behavioural models for the estimation of stocks and flows of on-demand collection components, differentiated by type of collection form.

1.2.3 Currency risk

Qualitative information

A. General aspects, management procedures and measurement methods of the currency risk

The assumption of currency risk, intended as an operating element that could potentially improve cash management performance, is not part of the Group's policies. The Banca Ifis Group's foreign currency operations largely involve collections and payments associated with factoring operations and in hedging assets in foreign currencies, like units of UCITS. In this sense, the assets in question are generally hedged with deposits and/or loans from other banks in the same currency, thus eliminating for the most part the risk of losses associated with exchange rate fluctuations. In some cases, synthetic instruments are used as hedging instruments.

A residual currency risk arises as a natural consequence of the mismatch between the clients' borrowings and the Capital Markets function's funding operations in foreign currency. Such mismatches are mainly a result of the difficulty in correctly anticipating financial trends connected with factoring operations, with particular reference to cash flows from account debtors vis-à-vis the maturities of loans granted to customers, as well as the effect of interest on them.

However, the Capital Markets function strives to minimise such mismatches every day, constantly realigning the size and timing of foreign currency positions.

Currency risk related to the Bank's business is assumed and managed according to the risk policies and limits set by the Parent company's Board of Directors, with precise delegations of power limiting the autonomy of those authorised to operate, as well as especially strict limits on the daily net currency position.

The business functions responsible for ensuring the currency risk is managed correctly are: the Capital Markets function, which, amongst other duties, directly manages the Bank's funding operations and currency position; the Risk Management function, responsible for selecting the most appropriate risk indicators and monitoring them with reference to pre-set limits; and the Top Management, which every year, based on the Capital Markets function's proposals, shall consider these suggestions and make proposals to the Banca Ifis Board of Directors regarding policies on funding and the management of currency risk, as well as suggest appropriate actions during the year in order to ensure that operations are conducted consistently with the risk policies approved by the Group.

As regards the subsidiaries Ifis Finance Sp. z o.o. and Ifis Finance I.F.N. S.A., which operate on the Polish and Romanian markets, respectively, exposures in Polish zloty and leu from factoring activities are financed by funding in the same currency.

With the acquisition of the Polish subsidiary, Banca Ifis has assumed the currency risk represented by the initial investment in Ifis Finance Sp. z o.o.’s share capital for an amount of 21,2 million Zloty and the subsequent share capital increase for an amount of 66 million Zloty.

As instead for the Rumanian subsidiary Ifis Finance I.F.N. S.A., Banca Ifis assumed the exchange rate risk on its own at the time of its incorporation through the initial payment into the share capital totalling 14,7 million Romanian Leu and at the time of the payments of 9,6 million Leu, 24,7 million Leu and 49,0 million Leu as a capital increase respectively during the second half of 2022 and the first and second half of 2023.

The Risk Management function is committed to monitoring the set limits, aimed at verifying that the Group's exchange rate risk remains low. As at 31 December 2025, the total net position amounts to 7,1 million Euro (or 0,3% of own funds), with a maximum single-currency exposure of 5 million Euro.

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B. Hedging of currency risk

As far as the illimity Group is concerned, the exchange rate risk arising from the exposures of the banking portfolio is eliminated by systematically balancing them out, by funding/borrowing transactions in the same currency as the original transaction, and marginally through exchange rate derivative financial instruments. Relative to the residual perimeter, considering the size of this investment and the foregoing on the management method, the Bank did not deem it necessary to hedge the ensuing currency risk.

Quantitative information

1. Distribution of assets, liabilities and derivatives by currency

Items	Currencies					
	US DOLLAR	GB POUND STERLING	SWISS FRANC	SWEDISH KRONA	ZLOTY	OTHER CURRENCIES
A. Financial assets	**(248.095)**	**(2.710)**	**(909)**	**(1.193)**	**(52.251)**	**(62.559)**
A.1 Debt securities	-	-	-	-	-	-
A.2 Equity securities	(746)	(2.195)	(649)	(686)	-	-
A.3 Loans to banks	(96.191)	(403)	(260)	(507)	(34.269)	(39.871)
A.4 Loans to customers	(151.158)	(112)	-	-	(17.982)	(22.688)
A.5 Other financial assets	-	-	-	-	-	-
B. Other assets	**-**	**-**	**-**	**-**	**(26)**	**(260)**
C. Financial liabilities	**379.699**	**2.525**	**859**	**925**	**1.138**	**7.736**
C.1 Payables due to banks	378.406	2.525	859	925	-	7.265
C.2 Payables due to customers	1.293	-	-	-	1.138	471
C.3 Debt securities	-	-	-	-	-	-
C.4 Other financial liabilities	-	-	-	-	-	-
D. Other liabilities	**382**	**5**	**-**	**-**	**533**	**360**
E. Financial derivatives						
- Options						
+ long positions	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-
- Other						
+ long positions	36.212	-	-	-	61	-
+ short positions	15.038	115	-	1	2	1.126
Total assets	**(284.307)**	**(2.710)**	**(909)**	**(1.193)**	**(52.338)**	**(62.819)**
Total liabilities	**395.119**	**2.645**	**859**	**926**	**1.672**	**9.222**
Imbalance (+/-)	**110.812**	**(65)**	**(50)**	**(267)**	**(50.666)**	**(53.597)**

2. Internal models and other methods for the sensitivity analysis

The Banca Ifis Group does not have internal models for currency risk.

1.3 Derivative instruments and hedging policies

1.3.1 Derivative instruments held for trading

A. Financial derivatives

Please see paragraph "1.2 Market risks" of this Section 2 of Part E of the Notes to the Consolidated Financial Statements.

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A.1 Financial derivatives held for trading: year-end notional amounts

Underlying assets/Types of derivatives	31.12.2025				31.12.2024			
	Over the counter			Organised markets	Over the counter			Organised markets
	Central counterparties	Without central counterparties			Central counterparties	Without central counterparties		
		With offsetting agreements	Without offsetting agreements			With offsetting agreements	Without offsetting agreements	
1. Debt securities and interest rates	**-**	**2.239.565**	**2.747.715**	**-**	**-**	**-**	**1.539.514**	**-**
a) Options	-	1.074.793	912.963	-	-	-	1.289.298	-
b) Swaps	-	1.164.772	1.760.103	-	-	-	250.216	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	74.650	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
2. Equity securities and share indexes	**-**	**-**	**246.161**	**-**	**-**	**-**	**129.379**	**-**
a) Options	-	-	246.161	-	-	-	129.379	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
3. Currencies and gold	**-**	**31.064**	**9.672**	**-**	**-**	**-**	**-**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	31.064	9.672	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Commodities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
5. Others	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**2.270.628**	**3.003.549**	**-**	**-**	**-**	**1.668.893**	**-**

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A.2 Financial derivatives held for trading: gross positive and negative fair value - breakdown by product

Types of derivatives	31.12.2025				31.12.2024			
	Over the counter			Organised markets	Over the counter			Organised markets
	Central counterparties	Without central counterparties			Central counterparties	Without central counterparties		
		With offsetting agreements	Without offsetting agreements			With offsetting agreements	Without offsetting agreements	
1. Positive fair value								
a) Options	-	4.839	12.176	-	-	-	10.129	-
b) Interest rate swaps	-	1.433	8.679	-	-	-	1.940	-
c) Cross currency swaps	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-
e) Forwards	-	63	160	-	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-
Total	-	6.336	21.015	-	**-**	**-**	**12.069**	**-**
2. Negative fair value								
a) Options	-	6.013	10.951	-	-	-	11.771	-
b) Interest rate swaps	-	6.007	3.444	-	-	-	1.994	-
c) Cross currency swaps	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-
e) Forwards	-	125	26	-	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-
Total	**-**	**12.146**	**14.421**	**-**	**-**	**-**	**13.765**	**-**

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A.3 OTC financial derivatives held for trading: notional amounts, gross positive and negative fair value by counterparty

Underlying assets	Central counterparties	Banks	Other financial corporations	Other entities
Contracts not included in netting agreements				
1) Debt securities and interest rates				
- notional amount	X	1.451.544	821.799	474.373
- positive fair value	X	10.675	4.059	1.942
- negative fair value	X	11.061	9	562
2) Equity securities and share indexes				
- notional amount	X	246.161	-	-
- positive fair value	X	4.180	-	-
- negative fair value	X	2.764	-	-
3) Currencies and gold				
- notional amount	X	-	-	9.672
- positive fair value	X	-	-	160
- negative fair value	X	-	-	26
4) Commodities				
- notional amount	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
5) Other				
- notional amount	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
Contracts included in netting agreements				
1) Debt securities and interest rates				
- notional amount	-	2.239.565	-	-
- positive fair value	-	6.273	-	-
- negative fair value	-	12.021	-	-
2) Equity securities and share indexes				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
3) Currencies and gold				
- notional amount	-	29.361	1.702	-
- positive fair value	-	33	30	-
- negative fair value	-	125	-	-
4) Commodities				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
5) Other				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-

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A.4 Residual life of OTC financial derivatives: notional amounts

Underlying assets/Residual life	Up to 1 year	Over 1 to 5 years	Over 5 years	Total
A.1 Financial derivatives on debt securities and interest rates	305.003	3.177.949	1.504.328	4.987.280
A.2 Financial derivatives on equity securities and share indexes	240.661	5.500	-	246.161
A.3 Financial derivatives on exchange rates and gold	40.736	-	-	40.736
A.4 Financial derivatives on commodities	-	-	-	-
A.5 Other financial derivatives	-	-	-	-
Total 31.12.2025	**586.401**	**3.183.449**	**1.504.328**	**5.274.177**
Total 31.12.2024	**577.926**	**376.362**	**714.605**	**1.668.893**

B. Credit derivatives

The Banca Ifis Group does not hold credit derivatives.

1.3.2 Hedges

Qualitative information

A. Fair value hedging

The Banca Ifis Group's hedges are designed to reduce the Bank's overall exposure to interest rate risk caused by movements in the interest rate curve, as well as to the price risk, caused by market fluctuations. Specifically, the hedging strategies relate to:

- a "package" of specific hedges on fixed-rate securities in the Group's Proprietary Portfolio with which a "HTC" (Held to Collect) business model is associated. These are government bonds issued by the Italian government (BTPs) that pass the "SPPI test" prescribed by IFRS 9, and are therefore classified in the balance sheet item "Financial assets measured at amortised cost - receivables due from customers";
- specific hedges on certain fixed-rate securities in the Group's Proprietary Portfolio with which a "HTC&S" (Held to Collect & Sell) business model is associated. These are Italian and foreign government securities that pass the "SPPI test" prescribed by IFRS 9, and are therefore classified in the balance sheet item "Financial assets measured at fair value through other comprehensive income";
- specific hedges on certain equity securities for which the Banca Ifis Group has exercised the "OCI Option" envisaged by IFRS 9, and that are therefore classified in the balance sheet item "Financial assets measured at fair value through other comprehensive income";
- specific hedges on a bond issue of illimity Bank, classified under “debt securities issued” in the liabilities. This strategy is new for the second half of 2025, as it became part of the Banca Ifis Group following the acquisition of illimity Bank;
- general hedges on certain deposit liabilities of illimity Bank, which are classified under the liability item 'Due to customers'. This strategy is also new in the second half of 2025, as a result of the acquisition of illimity Bank.

In hedge accounting, the Group applies standard IFRS 9 and, at the reference date of these Consolidated Financial Statements, adopts specific hedges (micro fair value hedges) and general hedges (macro fair value hedges).

Within the micro fair value hedge, debt securities and equity securities on the asset side are hedged, as well as debt securities issued in the liabilities. Instead, macro fair value hedges cover deposits due to customers.

The main types of hedging derivatives used are:

- plain interest rate swaps (IRS), which are not listed on regulated markets but are traded on over-the-counter (OTC) circuits;
- put and call options.

B. Cash flow hedging

As at 31 December 2025, the Banca Ifis Group does not engage in cash flow hedges.

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C. Foreign investment hedges

As at 31 December 2025, the Banca Ifis Group does not engage in net investment hedging in a foreign entity.

D. Hedging instruments

The main causes of ineffectiveness of the model adopted by the Group for verifying the effectiveness of hedges are attributable to the following phenomena:

- mismatch between the notional amount of the derivative and the underlying hedged item recognised at the time of initial designation or generated thereafter, such as in the case of any partial disposals of the hedged securities;
- application of different curves on the hedging derivative and the hedged item for the purpose of performing the effectiveness test on fair value hedges. Derivatives are discounted to Overnight curves, while hedged items are discounted to the indexation curve of the hedging instrument;
- inclusion in the effectiveness test of the value of the variable leg of the hedging derivative, assuming a fair value hedge.

The ineffectiveness of the hedge is promptly detected for the purposes:

- the determination of the effect on the income statement or directly on comprehensive income (in the case of fair value hedges on equity securities measured at fair value through other comprehensive income);
- assessing whether or not hedge accounting rules can continue to be applied.

The Group does not use dynamic hedges, as defined in IFRS 7, paragraph 23C.

E. Items hedged

The main types of items covered were, at the balance sheet date, debt and equity securities on the assets side, and debt securities issued and deposits on the liabilities side. These types are hedged in micro fair value hedge relationships (except for deposit liabilities which are hedged through macro fair value hedges), using interest rate swaps (IRS) and put and call options as hedging instruments.

The interest rate risk or price risk is generally hedged for all or most of the term of the bond.

To verify the effectiveness of the hedge, the Group uses a prospective effectiveness test measured through the ratio of the delta fair value of each hedging instrument and the related hedged item based on sensitivity analysis where there is a parallel shock of the curve for debt securities, while the verification of the effectiveness of the hedge on equity securities is carried out through a prospective test on a -20% shock in the price of the underlying asset. The verification of hedging effectiveness through the prospectus described above is performed prior to the designation of the hedging relationship, as an ex-ante estimate, and is subsequently monitored on an ongoing basis and reported periodically to senior management.

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Quantitative information

A. Financial hedging derivatives

A.1 Financial hedging derivatives: year-end notional amounts

Underlying assets/Types of derivatives	31.12.2025				31.12.2024			
	Over the counter			Organised markets	Over the counter			Organised markets
	Central counterparties	Without central counterparties			Central counterparties	Without central counterparties		
		With netting agreements	Without netting agreements			With netting agreements	Without netting agreements	
1. Debt securities and interest rates	**-**	**2.421.000**	**983.200**	**-**	**-**	**-**	**495.700**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	2.421.000	983.200	-	-	-	495.700	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-
2. Equity securities and share indexes	**-**	**-**	**164.298**	**-**	**-**	**-**	**81.844**	**-**
a) Options	-	-	164.298	-	-	-	81.844	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-
3. Currencies and gold	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-
4. Commodities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
5. Others	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**2.421.000**	**1.147.498**	**-**	**-**	**-**	**577.544**	**-**

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A.2 Financial hedging derivatives: gross positive and negative fair value - breakdown by product

Types of derivatives	Positive and negative fair value								Change in value used to recognise hedge ineffectiveness	
	Total 31.12.2025				Total 31.12.2024					
	Over the counter			Organised markets	Over the counter			Organised markets	Total 31.12.2025	Total 31.12.2024
	Central counterparts	Without central counterparties			Central counterparties	Without central counterparties				
		With offsetting agreements	Without netting agreements			With offsetting agreements	Without netting agreements			
1. Positive fair value										
a) Options	-	-	9.728	-	-	-	5.972	-	5.947	1.746
b) Interest rate swaps	-	37.482	13.670	-	-	-	1.432	-	12.695	2.176
c) Cross currency swaps	-	-	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-	-	-
e) Forwards	-	-	-	-	-	-	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
Total	**-**	**37.482**	**23.398**	**-**	**-**	**-**	**7.404**	**-**	**18.642**	**3.922**
2. Negative fair value										
a) Options	-	-	8.348	-	-	-	1.623	-	2.236	299
b) Interest rate swaps	-	16.556	8.844	-	-	-	13.245	-	6.140	922
c) Cross currency swaps	-	-	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-	-	-
e) Forwards	-	-	-	-	-	-	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
Total	**-**	**16.556**	**17.192**	**-**	**-**	**-**	**14.868**	**-**	**8.375**	**1.221**

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A.3 OTC financial hedging derivatives: notional amounts, gross positive and negative fair value by counterparty

Underlying assets	Central counterparties	Banks	Other financial corporations	Other entities
Contracts not included in netting agreements				
1) Debt securities and interest rates				
- notional amount	X	983.200	-	-
- positive fair value	X	13.670	-	-
- negative fair value	X	8.844	-	-
2) Equity securities and share indexes				
- notional amount	X	164.298	-	-
- positive fair value	X	9.728	-	-
- negative fair value	X	8.348	-	-
3) Currencies and gold				
- notional amount	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
4) Commodities				
- notional amount	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
5) Other				
- notional amount	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
Contracts included in netting agreements				
1) Debt securities and interest rates				
- notional amount	-	2.421.000	-	-
- positive fair value	-	37.482	-	-
- negative fair value	-	16.556	-	-
2) Equity securities and share indexes				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
3) Currencies and gold				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
4) Commodities				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
5) Other	**-**	**-**	**-**	**-**
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-

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A.4 Residual life of OTC financial hedging derivatives: notional amounts

Underlying assets/Residual life	Up to 1 year	Over 1 to 5 years	Over 5 years	Total
A.1 Financial derivatives on debt securities and interest rates	946.000	1.324.700	1.133.500	3.404.200
A.2 Financial derivatives on equity securities and share indexes	10.519	153.779	-	164.298
A.3 Financial derivatives on exchange rates and gold	-	-	-	-
A.4 Financial derivatives on commodities	-	-	-	-
A.5 Other financial derivatives	-	-	-	-
Total 31.12.2025	**956.519**	**1.478.479**	**1.133.500**	**3.568.498**
Total 31.12.2024	**41.703**	**190.841**	**345.000**	**577.544**

B. Credit hedging derivatives

The Banca Ifis Group does not hold credit derivatives designated as hedging instruments.

C. Non-derivative hedging instruments

The Banca Ifis Group does not hold any non-derivative instruments designated as hedging instruments.

D. Instruments hedged

D.1 Fair value hedges

	Specific hedges: carrying amount	Specific hedges - net positions: carrying amount of assets or liabilities (before netting)	Specific hedges			General hedges: Carrying amount
			Cumulative changes in the fair value of the hedged instrument	Termination of hedging: residual cumulative changes in fair value	Change in value used to recognise hedge ineffective-ness	
A. Assets						
1. Financial assets measured at fair value through other comprehensive income - hedges of:	**718.972**	**-**	**(7.017)**	**-**	**(2.279)**	**-**
1.1 Debt securities and interest rates	599.322	-	(13.545)	-	(10.450)	X
1.2 Equity securities and share indexes	119.650	-	6.528	-	8.171	X
1.3 Currencies and gold	-	-	-	-	-	X
1.4 Loans and receivables	-	-	-	-	-	X
1.5 Other	-	-	-	-	-	X
2. Financial assets measured at amortised cost - hedge of:	**1.027.679**	**-**	**547**	**-**	**(6.395)**	**-**
2.1 Debt securities and interest rates	1.027.679	-	547	-	(6.395)	X
2.2 Equity securities and share indexes	-	-	-	-	-	X
2.3 Currencies and gold	-	-	-	-	-	X
2.4 Loans and receivables	-	-	-	-	-	X
2.5 Other	-	-	-	-	-	X
Total 31.12.2025	**1.746.651**	**-**	**(6.470)**	**-**	**(8.674)**	**-**
Total 31.12.2024	**564.882**	**-**	**11.319**	**-**	**3.494**	**-**
B. Liabilities						
1. Financial liabilities measured at amortised cost - hedge of:	**309.105**	**-**	**584**	**-**	**-**	**(2.861)**
1.1 Debt securities and interest rates	309.105	-	584	-	-	X
1.2 Currencies and gold	-	-	-	-	-	X
1.3 Other	-	-	-	-	-	X
Total 31.12.2025	**309.105**	**-**	**584**	**-**	**-**	**(2.861)**
Total 31.12.2024	**-**	**-**	**-**	**-**	**-**	**-**

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D.2 Cash flow hedges and foreign investment hedges

As at 31 December 2025, the Banca Ifis Group does not engage in cash flow hedges or net investment hedges in a foreign entity.

E. Effects of hedging transactions on equity

E.1 Reconciliation of equity components

As at 31 December 2025, the Banca Ifis Group's only hedge with an impact on equity was the micro fair value hedge on equity securities measured at fair value with an impact on comprehensive income, while it did not hedge cash flow hedges or net investment hedges in a foreign entity.

In addition, the Banca Ifis Group does not hold reserves relating to hedging instruments (non-designated items) for which changes during the year must be disclosed by type of hedge (a transaction or a period) pursuant to IFRS 9 paragraphs 6.5.15 and 6.5.16.

Therefore, the two compulsory tables prescribed by Bank of Italy Circular No. 262/2005 and subsequent updates are not applicable for the Banca Ifis Group, as these tables refer respectively to "cash flow hedges" or "net investment hedges in a foreign entity" and to reserves for hedging instruments (non-designated items).

For the sake of completeness, however, a reconciliation of the equity components for micro fair value hedges on equity securities measured at fair value through other comprehensive income is provided below. In this regard, the opening balances as at 1 January 2025 of the relevant reserves are as follows:

- net valuation reserves to hedge equity securities designated at fair value through other comprehensive income with a negative value of 131 thousand Euro net of the tax effect, comprising negative reserves of 1,1 million Euro on hedged equity securities and positive reserves of 1,0 million Euro on related hedging derivatives (put and call options);
- net revenue reserves totalling a negative value of 22 thousand Euro net of the tax effect, related to hedging strategies that had ceased during 2024 following the sale of the related hedged items and subsequent closure of the associated derivatives, with simultaneous reversal to revenue reserves following the realisation of the associated valuation reserves. This value consists of positive reserves of 146 thousand Euro on equity securities that were hedged and negative reserves of 169 thousand Euro on related derivatives that were designated as hedges (put and call options).

As at 31 December 2025, following the movements during the year, the composition was as follows:

- net valuation reserves to hedge equity securities designated at fair value through other comprehensive income with a positive value of 4,2 million Euro net of the tax effect, comprising positive reserves of 8,7 million Euro on hedged equity securities and positive reserves of 4,5 million Euro on related hedging derivatives (put and call options);
- net profit reserves for a total negative value of 1,7 million Euro net of the tax effect. This value consists of positive reserves of 8,7 million Euro on equity securities that were hedged and negative reserves of 10,4 million Euro on related derivatives that were designated as hedges (put and call options).

For more details on the movement of these reserves, refer to 'Part D - Consolidated statement of comprehensive income' of these Notes to the Consolidated Financial Statements.

1.3.3 Other information on derivative instruments (trading and hedging)

A. Financial and credit derivatives

A.1 OTC financial and credit derivatives: net fair values for counterparties

There are no offsets in the portfolio for derivatives whose netting agreements meet the criteria set forth in IAS 32 par. 42.

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1.4 Liquidity risk

Qualitative information

A. General aspects, management procedures and measurement methods of the liquidity risk

The liquidity risk refers to the possibility that the Group fails to service its debt obligations due to the inability to raise funds or sell enough assets on the market to address liquidity needs. The liquidity risk also refers to the inability to secure new adequate financial resources, in terms of amount and cost, to meet its operating needs and opportunities, hence forcing the Group to either slow down or stop its operations, or incur excessive funding costs in order to service its obligations, significantly affecting its profitability.

At 31 December 2025, financial sources mainly consisted of equity, on-line funding (mainly Rendimax and illimityBank.com products), consisting of on-demand and time deposits, medium/long-term bonds issued as part of the EMTN programme, medium/long-term securitisation transactions, as well as funding from corporate customers. Funding in the form of repurchase agreements (REPO), entered into with leading banks, continued to be a significant source of funding in 2025. Finally, with regard to funding from the Eurosystem (LTRO, MRO and other types of operations with the ECB), the Parent company participates in weekly auctions on an ongoing basis, and as of 31 December 2025, there was an MRO operation for 500 million Euro, repaid on 7 January 2026, and an OT (Other Type of operation) for 260 US Dollar (equal to 221 million Euro), repaid on 8 January 2026.

The Group's activities consist of factoring operations, which focus mainly on trade receivables and receivables due from Italy's public administration maturing within the year, and medium/long-term receivables deriving mainly from Leasing, Corporate banking, Structured Finance and Workout, Restructuring & Recovery operations; security portfolio management, mainly comprising eligible and readily liquid Italian government securities are also important.

As for the Group's operations concerning the Npl Segment and the segment relative to purchases of tax receivables arising from insolvency proceedings, the characteristics of the business model imply a high level of variability concerning both the amount collected and the date of actual collection. Therefore, the timely and careful management of cash flows is particularly important. To ensure expected cash flows are correctly assessed, also with a view to correctly pricing the transactions undertaken, the Group carefully monitors the trend in collections compared to expected flows.

The Group is constantly striving to improve the state of its financial resources, in terms of both size and cost, so as to have available liquidity reserves adequate for current and future business volumes.

As part of the continuous process of adjusting procedures and policies concerning liquidity risk and taking into account the evolution of the reference prudential supervisory provisions, the governance, monitoring and management of risk are formalised in the "Policy for Liquidity Risk Management", consistent with the Group's guidelines for integrated risk management, defined in the Risk Appetite Framework, which identifies strategic indicators for the risk of species.

The amount of high-quality liquidity reserves (mainly consisting of the balance of the management account with the Bank of Italy and the free portion of eligible securities) makes it possible to meet regulatory requirements (with respect to the limits of LCR and NSFR) and internal requirements relating to prudent management of liquidity risk.

The objective of the Group's operational liquidity management is to ensure the Banca Ifis Group's ability to meet its cash payment commitments over the short-term time horizon. The essential condition for normal business continuity in banking is the maintenance of a sustainable imbalance between cash inflows and outflows in the short term. From a management point of view, the reference metric in this respect is the difference between the cumulative net cash flow and the Counterbalancing Capacity, i.e. the cumulative net liquidity balance, understood as the liquidity reserve to cope with short-term stress conditions. This is calculated using the Maturity Ladder Operative (MLO), which is divided into time buckets ranging from 1 day to 1 year. This management metric is complemented by the regulatory measure of the Liquidity Coverage Ratio (LCR). From a very short-term

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perspective, the Group adopts the intraday liquidity analysis and monitoring system with the aim of ensuring the normal development of the Bank's treasury day and its ability to meet its intraday payment commitments.

The Group's structural liquidity management aims to ensure the financial balance of the structure by maturity over the time horizon of more than one year. Maintaining an adequate ratio of medium- to long-term liabilities to assets is aimed at avoiding pressure on short-term funding sources, both current and prospective. The reference metrics refer to the regulatory indicator of the Net Stable Funding Ratio (NSFR) and, management-wise, to the gap ratios, which measure both the ratio of total funding and loans with maturities over 1 year and over 3 and 5 years.

In addition to the above-mentioned indicators, Banca Ifis monitors liquidity risk through the continuous monitoring of a structured set of strategic and management indicators, aimed at ensuring a complete, timely and always up-to-date representation of the relevant risk profile.

The Banca Ifis Group, therefore, has implemented a control framework (with the relevant reporting) that provides for monitoring activities on an intraday, daily, weekly, monthly and quarterly basis, aimed at monitoring all liquidity profiles, both in the short and medium to long term, under 'normal business' conditions and through stress scenario simulations. The purpose of their adoption is to verify the adequacy of the capital and liquidity position, i.e. to assess specific areas of vulnerability in risk exposure. Stress tests are conducted daily on the consolidated perimeter and include macroeconomic and idiosyncratic scenarios, for the purpose of determining the Survival Period, as well as combined scenarios.

The main indicators used by the Banca Ifis Group to assess its liquidity profile are as follows:

- Liquidity Coverage Ratio (LCR), which is the short-term liquidity indicator and corresponds to the ratio of the amount of High Quality Liquidity Assets to total net cash outflows over the next 30 calendar days. As of 2018, the indicator is subject to a minimum regulatory requirement of 100%;
- Net Stable Funding Ratio (NSFR), which is the 12-month structural liquidity indicator and corresponds to the ratio of the available amount of stable funding to the required amount of stable funding. For this indicator, the regulatory minimum requirement has been set at 100% as of 2021.

Below are the two indicators in the reporting year compared with the previous year.

	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
LCR	738%	720%	290%	767%	747%
NSFR	134%	130%	125%	121%	118%

Both indicators thus remain well above regulatory limits, confirming a more than adequate liquidity position in terms of both operational and structural liquidity. Furthermore, the forward-looking assessments carried out show that the acquisition of illimity Bank is consistent with maintaining, in the medium to long term, levels of regulatory liquidity indicators (LCR and NSFR) in line with the system benchmark and above applicable regulatory requirements.

With specific reference to climatic and environmental risk factors, the materiality analysis conducted led to their quantification as non-material, due to the low impact of these factors in terms of available cash reserves and related cash outflows on the Group's funding.

The corporate functions of the Parent company responsible for ensuring the correct application of the liquidity policy are the Capital Markets function, which is responsible for the direct management of liquidity, the Risk Management function, which is responsible for proposing the risk appetite, identifying the most appropriate risk indicators and monitoring their performance in relation to the set limits and supporting the activities of Top Management. The latter has the task, with the support of the Capital Markets function, of proposing funding and liquidity risk management policies to the Board of Directors on an annual basis and suggesting during the course of the year any appropriate measures to ensure that activities are carried out in full compliance with approved risk policies.

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In compliance with supervisory provisions, the Group also has a Contingency Funding Plan aimed at protecting it from losses or threats arising from a potential liquidity crisis and guaranteeing business continuity even in the midst of a serious emergency arising from its own internal organisation and/or the market situation.

The liquidity risk position is the subject of periodic reporting prepared by the Risk Management function for the Board of Directors of Banca Ifis.

The Banca Ifis Group carries out the Internal Liquidity Adequacy Assessment Process (ILAAP) exercise on an annual basis, for the purposes of the Supervisory Review and Evaluation Process (SREP). The objective of the ILAAP process is to assess the adequacy of the liquidity and funding risk profile and the governance, management and monitoring of this risk. With reference to the Polish and Rumanian subsidiaries, treasury operations are coordinated by the Parent company.

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Quantitative information

1. Breakdown by residual contractual duration of financial assets and liabilities - Currency: Euro

Items/Duration	on demand	over 1 to 7 days	over 7 to 15 days	over 15 days to 1 month	over 1 to 3 months	over 3 to 6 months	over 6 months to 1 year	over 1 to 5 years	Over 5 years	indefinite life
On-balance-sheet assets	**2.654.938**	**64.674**	**275.165**	**633.020**	**1.991.543**	**1.501.916**	**1.357.782**	**6.757.058**	**4.824.013**	**99.329**
A.1 Government bonds	488	-	45.221	76.200	189.531	416.828	141.176	1.201.550	2.181.055	-
A.2 Other debt securities	16.448	28	16.965	17.834	29.744	26.639	83.481	654.687	1.081.946	627
A.3 UCITS units	775.868	-	-	-	-	-	-	-	2.285	-
A.4 Loans	1.862.135	64.646	212.978	538.986	1.772.267	1.058.449	1.133.125	4.900.821	1.558.727	98.701
- banks	849.279	24	-	763	151.708	88	49	151	35.738	81.442
- customers	1.012.856	64.622	212.978	538.223	1.620.560	1.058.362	1.133.076	4.900.670	1.522.989	17.259
On-balance-sheet liabilities	**2.488.727**	**971.502**	**622.180**	**755.320**	**2.207.324**	**1.673.864**	**3.250.634**	**6.509.222**	**1.421.967**	**-**
B.1 Deposits and current accounts	2.486.055	146.193	204.524	567.576	1.209.098	961.465	1.654.095	3.393.770	13.189	-
- banks	179.351	20.000	49.941	50.095	20.085	14	28	112	-	-
- customers	2.306.705	126.193	154.582	517.481	1.189.013	961.451	1.654.066	3.393.658	13.189	-
B.2 Debt securities	4	134	134	18.606	22.983	77.928	186.453	2.003.468	1.158.482	-
B.3 Other liabilities	2.667	825.174	417.522	169.138	975.243	634.471	1.410.086	1.111.984	250.297	-
Off-balance-sheet transactions										
C.1 Financial derivatives with exchange of underlying assets										
- long positions	-	5.579	114	1.147	20.888	3.421	3.017	-	74.650	-
- short positions	-	27.047	-	1.140	20.877	3.403	1.839	-	74.650	-
C.2 Financial derivatives without exchange of underlying assets										
- long positions	19.195	-	-	-	-	-	-	-	-	-
- short positions	34.349	-	-	-	-	-	-	-	-	-
C.3 Deposits and loans to be received										
- long positions	-	101.132	-	-	-	-	-	-	-	-
- short positions	101.132	-	-	-	-	-	-	-	-	-
C.4 Commitments to disburse funds										
- long positions	41.571	-	-	612	12.466	14.415	14.527	233.100	104.540	-
- short positions	311.100	-	-	432	1.044	11.039	500	40.738	56.378	-
C.5 Financial guarantees granted	-	-	-	-	-	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-	-	-	-	-	-
C.7 Credit derivatives with exchange of underlying assets										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.8 Credit derivatives without exchange of underlying assets										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-

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1. Breakdown by residual contractual duration of financial assets and liabilities - Currency: Other currencies

Items/Duration	on demand	over 1 to 7 days	over 7 to 15 days	over 15 days to 1 month	over 1 to 3 months	over 3 to 6 months	over 6 months to 1 year	over 1 to 5 years	Over 5 years	indefinite life
On-balance-sheet assets	**89.222**	**5.256**	**18.429**	**97.529**	**111.731**	**4.465**	**2.513**	**1.657**	**-**	**-**
A.1 Government bonds	-	-	-	-	-	-	-	-	-	-
A.2 Other debt securities	-	-	-	-	-	-	-	-	-	-
A.3 UCITS units	739	-	-	-	-	-	-	-	-	-
A.4 Loans	88.484	5.256	18.429	97.529	111.731	4.465	2.513	1.657	-	-
- banks	69.722	77	-	66.495	-	-	-	-	-	-
- customers	18.761	5.179	18.429	31.035	111.731	4.465	2.513	1.657	-	-
On-balance-sheet liabilities	**1.587**	**1.706**	**270.097**	**2.534**	**(31)**	**66**	**131**	**670**	**90**	**-**
B.1 Deposits and current accounts	1.582	1.706	48.304	2.531	(75)	-	-	-	-	-
- banks	-	1.706	48.304	2.531	(75)	-	-	-	-	-
- customers	1.582	-	-	-	-	-	-	-	-	-
B.2 Debt securities	-	-	-	-	-	-	-	-	-	-
B.3 Other liabilities	5	1	221.793	3	44	66	131	670	90	-
Off-balance-sheet transactions										
C.1 Financial derivatives with exchange of underlying assets										
- long positions	-	26.601	-	1.162	3.404	3.404	1.702	-	-	-
- short positions	-	5.370	115	1.162	3.404	3.404	1.702	-	-	-
C.2 Financial derivatives without exchange of underlying assets										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.3 Deposits and loans to be received										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.4 Commitments to disburse funds										
- long positions	567	-	-	-	-	-	-	-	-	-
- short positions	567	-	-	-	-	-	-	-	-	-
C.5 Financial guarantees granted	-	-	-	-	-	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-	-	-	-	-	-
C.7 Credit derivatives with exchange of underlying assets										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.8 Credit derivatives without exchange of underlying assets										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-

Self-securitisation transactions

Ifis Npl 2021-1 Spv

In March 2021, Banca Ifis realised for financing purposes, through its subsidiary Ifis Npl Investing, the very first securitisation in Italy of a non-performing portfolio mainly comprising unsecured loans backed by Garnishment Orders. The transaction is an innovative solution for this type of non-performing exposure, where the debt

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collection procedure through compulsory enforcement (attachment of one fifth of the salary) is at an advanced stage. The transaction aimed to collect funding for Ifis Npl Investing of up to 350 million Euro in liquidity on the institutional market, without deconsolidating the underlying credits. The loan portfolios concerned by the transaction (a portfolio of secured loans and an unsecured portfolio backed by Garnishment Orders) owned by the subsidiary Ifis Npl Investing, was transferred to a newly-established SPV called Ifis Npl 2021-1 Spv S.r.l., which issued senior, mezzanine and junior notes. These tranches were initially fully subscribed by Ifis Npl Investing, and subsequently the senior tranches (net of the 5% retained by Ifis Npl Investing as originator pursuant to the retention rule) were sold to Banca Ifis.

As at 31 December 2025 the Banca Ifis Group had therefore subscribed all the notes issued by the vehicle. It should be noted that the senior tranches held by Banca Ifis were used for long term repurchase agreements transactions with leading banking counterparties.

On the basis of the contractual terms underlying the securitisation in question, there is no substantial accounting transfer (“derecognition" in accordance with IFRS 9) of all the risks and rewards relating to the receivables being sold to the vehicle company.

Emma S.P.V.

The securitisation transaction called Emma, prepared by the former Farbanca (now renamed Banca Credifarma following the merger by incorporation of the former Credifarma in April 2022), became part of the Banca Ifis Group as a result of the acquisition of control of this company during 2020.

In March 2018, the former Farbanca autonomously completed this securitisation for a total nominal amount of 460 million Euro. The loan portfolio transferred regarded performing exposures relative to secured credit, mortgage and unsecured loans, characterised by average seasoning of 7 years. The transaction, structured by Banca IMI (Intesa Sanpaolo Group) was completed with the acquisition of loans by the SPV pursuant to Italian Law No. 130/1999, called Emma S.P.V. S.r.l. The securities were issued in three classes: a senior class for an amount of 322 million Euro (fully subscribed by institutional investors through private placement), a mezzanine class of 46 million Euro and a junior class of 96 million Euro (both subscribed fully by the former Farbanca).

This transaction was restructured during June 2021. The restructuring, which provided for the extension of the revolving period and a size increase in the transaction up to a total of 540 million Euro, was carried out with the involvement of the Parent company Banca Ifis and Intesa Sanpaolo as co-arrangers. Following this restructuring, the securities were issued in three partly paid classes: the senior class, with a nominal amount of 397,5 million Euro, was fully subscribed by Duomo Funding Plc while the mezzanine and junior classes, with a nominal amount respectively of 53,0 million Euro and 90,1 million Euro, were fully subscribed the former Farbanca (now Banca Credifarma), which also fulfils the retention obligations in accordance with the CRR, as originator.

As a result of the revolving structure of the transaction, a further 312 new loans were assigned during 2023, for a total equivalent value of 104,7 million Euro (residual outstanding stipulated amount, including unpaid principal and interest and expenses on past due and unpaid instalments).

During the first half of 2025, the Parent company Banca Ifis purchased all senior securities from Duomo Funding Plc. Therefore, at 31 December 2025, the securities issued by the vehicle were fully subscribed by the Banca Ifis Group and, consequently, from a consolidated point of view, this transaction was a self-securitisation.

The above securitisation transaction does not meet the requirements for derecognition in accordance with IFRS 9, not configuring a substantial transfer of all risks and related benefits. Therefore, the assets transferred and not cancelled with reference to the loans concerned by said securitisation, not meeting the requirements envisaged for derecognition, were “restored” to the consolidated accounts of the Banca Ifis Group.

Indigo Lease

In 2016, the Banca Ifis Group, through the originator company, the former Ifis Leasing S.p.A. (incorporated into Banca Ifis since May 2018) finalised a securitisation that involved selling a portfolio of performing loans totalling 489 million Euro to the special purpose vehicle Indigo Lease S.r.l.

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The securitisation was rated by the agencies Moody's and DBRS, which will also perform the annual monitoring throughout the term of the transaction.

The initial purchase price of the assigned receivables portfolio, equal to 489 million Euro, was paid by the vehicle to the merged entity, the former Ifis Leasing using funds raised from the issue of senior notes for an amount of 366 million Euro. These received an AA3 (sf) rating from Moody's and an AA (sf) rating from DBRS, and their redemption is connected to the collections realised on the receivables portfolio. In addition, the vehicle issued 138 million Euro in junior notes that were acquired by the former Ifis Leasing and did not receive a rating. In addition, the latter received a specific servicing mandate to collect and manage the receivables.

During 2017, following the transaction restructuring, a revolving system was launched involving monthly assignments of new credit to the SPV, until July 2021. At the same time, the maximum nominal amount of the senior and junior notes was increased respectively to 609,5 and 169,7 million Euro. In the same period, Banca Ifis acquired all the senior notes issued by the vehicle. Following the May 2018 merger of the former Ifis Leasing, for incorporation into Banca Ifis, the latter also became the subscriber of the junior notes.

A second restructuring took place in June 2021, with confirmation of the nominal amount of the securities and simultaneous extension of the revolving period until July 2023.

In July 2023, Banca Ifis finalised the restructuring of the securitisation, which entailed the extension of the revolving period for a further two years and an increase in the principal outstanding amount of the senior securities, as well as the derating and delisting of the same from the Luxembourg Stock Exchange (as of 20 July 2023), in addition to obtaining STS (Securitisation "Simple, Transparent and Standardised") status pursuant to EU Regulation 2017/2402 (Securitisation Regulation).

As part of the transaction, Banca Ifis sold to UniCredit Bank AG the entire amount of senior securities, corresponding to a nominal amount of 609,5 million Euro and a principal amount outstanding of 400 million Euro. The junior securities, with a principal amount outstanding of 147,6 million Euro, were fully retained by Banca Ifis as originator.

During the third quarter of 2025, the Parent company Banca Ifis carried out a further restructuring of the transaction, following which the securities related to the senior tranche were subscribed by the parent company. Therefore, as of 31 December 2025, the securities issued by the vehicle were fully subscribed by the Parent company Banca Ifis, and therefore this transaction was a self-securitisation.

The above securitisation transaction does not meet the requirements for derecognition in accordance with IFRS 9, not configuring a substantial transfer of all risks and related benefits. Therefore, the assets transferred and not cancelled with reference to the loans concerned by said securitisation, not meeting the requirements envisaged for derecognition, were “restored” to the consolidated accounts of the Banca Ifis Group.

Colt SPV

In December 2022, illimity Bank entered into a loan assignment agreement with the vehicle company Colt SPV, whereby it assigned a portfolio of performing loans originated by illimity Bank at variable interest rates to corporate counterparties en bloc and without recourse to the SPV.

Colt SPV is a vehicle established pursuant to Law 130/1999, not held by illimity Bank, which issued senior, mezzanine and junior notes with a total notional value of 570,1 million Euro in December 2022, which were fully subscribed by illimity Bank.

In the course of 2023, illimity Bank subscribed for additional vehicle notes in the amount of approximately 138 million Euro.

During 2024, illimity Bank entered into another loan assignment agreement with the Colt SPV under which it assigned a portfolio of performing loans originated by illimity Bank to corporate counterparties en bloc and without recourse to the SPV. Against this, the Colt SPV is structured in two sub-funds.

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As of the second half of 2025, this transaction became part of the Banca Ifis Group's self-securitisation operations, following Banca Ifis's acquisition of illimity Bank.

This transaction is one of the transactions without derecognition aimed at expanding the portfolio of eligible assets to build up a liquidity reserve that can be activated through ECB financing, repurchase agreements or other transactions. The notes subscribed by illimity Bank were in fact pledged as collateral for repurchase agreements in order to guarantee illimity Bank liquidity in line with its funding policies.

Energia Sostenibile SPV

During 2022, a number of mini-bond issues, issued by leading industrial companies, were underwritten by illimity Bank to support the energy transition and improve the sustainability profiles of the issuers.

With the main aim of mitigating the risk related to illimity Bank's exposure, it was agreed to give priority to minibond issues that could benefit from guarantees such as SACE and FEI. It was therefore ascertained from legal investigations that the minibonds benefiting from the aforementioned guarantees are not transferable to third parties or to any securitisation vehicle established pursuant to Law 130/99 precisely because of the guarantors' framework agreements.

In February 2023, illimity Bank then structured a synthetic securitisation transaction with Energia Sostenibile SPV, a vehicle set up pursuant to Law 130/1999 and not held by illimity Bank, which issued a one-sheet note fully subscribed by illimity Bank. Through the funds deriving from the subscription of the single-tranche note by illimity Bank (as sole underwriter), the SPV disbursed a 'limited recourse loan' for which illimity Bank was the sole borrower and whose characteristics were an exact replica of those of the minibonds at the individual closing (in terms of interest, repayments, economic conditions, etc.).

As of the second half of 2025, this transaction became part of the Banca Ifis Group's self-securitisation operations, following Banca Ifis's acquisition of illimity Bank.

This transaction is one of the transactions without derecognition ('self-securitisations') typically aimed at expanding the portfolio of eligible assets to build up a liquidity reserve that can be activated through financing, repurchase agreements or other transactions.

Securitisation transactions

As for the securitisations outstanding at 31 December 2025 and their purpose, see the comments made previously in the paragraph “1.1 Credit risk”, sub-paragraph “C. Securitisation transactions”.

1.5 Operational risks

Qualitative information

A. General aspects, management procedures and measurement methods concerning operational risk

Operational risk is the risk of losses arising from inadequate or dysfunctional processes, human resources, internal systems or external events. This definition does not include strategic risk and reputational risk, but it does include legal risk (i.e. the risk of losses deriving from failure to comply with laws or regulations, contractual or extra-contractual liability, or other disputes), IT risk, risk of non-compliance, fraud risk, risk of money laundering and terrorist financing, and the risk of financial misstatement.

The main sources of operational risk are, for example, operational errors, inefficient or inadequate operational processes and controls, internal and external frauds, the lack of compliance of internal regulations to the external regulations, the outsourcing of business functions, the quality of physical and logical security, inadequate or unavailable hardware or software systems, the growing reliance on automation, staff below strength relative to the size of the business, and inadequate human resources management and training policies.

Risk management is articulated through structured processes, such as:

- Loss Data Collection, i.e. the collection and recording of losses resulting from operational risk events;

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- periodic Risk Self Assessment and Model Risk Self Assessment campaigns, aimed at providing an overall view of risks in terms of frequency, potential impact and organisational safeguards;
- the definition and monitoring of processes, indicators and risk thresholds, in order to detect changes in the exposure to operational risks (including, where applicable, the risk of fraud) at an early stage.

For the definition of the Risk Appetite Framework (RAF), as part of the ICAAP Report and Recovery Plan, stress analyses are also conducted to verify the resilience of the Group in adverse scenarios.

To calculate capital requirements against operational risks, the Banca Ifis Group adopted the Standardised Measurement Approach (SMA) envisaged by supervisory regulations.

The Parent company's Risk Management function, in cooperation with other corporate functions, also oversees the risks associated with the outsourcing of corporate functions, assesses the risks associated with the introduction of new products and services, and analyses the operational impact of massive changes to contractual conditions.

Alongside operational risk, reputational risk is also managed. Reputational risk represents the current or prospective risk of a decrease in profits or capital deriving from a negative perception of the Group's image by customers, counterparties, shareholders, investors or the Supervisory Authorities. The management of reputational risk, like that of operational risk, is entrusted to the Parent company's Risk Management function. This function defines the overall framework, which includes specific evaluation processes and a set of risk indicators monitored on an ongoing basis, in accordance with regulatory requirements and industry best practices. The objective is to ensure effective control of reputational risk, through the identification, assessment and monitoring of risks assumed or potentially assumed by the Group's various organisational units.

With specific reference to monitoring the evolution of ICT and Security risks and assessing the effectiveness of ICT resource protection measures, the Banca Ifis Group has defined a framework aimed at ensuring the identification, assessment and monitoring of ICT and Security risks, while ensuring adequate communication to the relevant hierarchical levels. In compliance with the regulatory requirement, the Group has opted for a shared responsibility model by assigning tasks to the Risk Management and Compliance corporate control functions, in relation to the roles, responsibilities and competences of each of the two functions. In particular, the Risk Management function conducts ICT and security risk analysis processes in accordance with the organisational and methodological framework approved by the Board of Directors of Banca Ifis, which takes the form of IT risk measurement activities on IT services and the processes they support, with the aim of detecting potential threats and vulnerabilities that could compromise the availability, integrity and confidentiality of information. Added to this activity is the definition and monitoring of a set of ICT and Security risk indicators and related thresholds that can promptly highlight the emergence of potential vulnerabilities. In addition, the framework provides for risk assessment on projects involving substantial changes to information systems, to ensure that technological developments are consistent with the acceptable level of risk and the protection measures in place.

Finally, the Group adopts a structured approach to managing the risks associated with IT services provided by third parties, in line with the relevant regulatory framework, DORA. Risk analyses, conducted both pre-contractually and on an ongoing basis, ensure an adequate assessment of the main risk profiles, including concentration risk, and support the protection of business continuity, data security and overall compliance.

All these processes are accompanied by the Risk Management function's commitment to the dissemination of a culture geared towards proactive risk management.

The Banca Ifis Group has internal policies and regulations and ensures that they are regularly updated. These documents define the methodological framework, how risks are identified, assessed and mitigated, and the responsibilities of the functions involved. They are the reference to ensure a structured, consistent and regulatory-compliant approach.

Concerning the companies of the Banca Ifis Group, please note that currently the management of operational, reputational, ICT and security risks is guaranteed by the strong involvement of the Parent company Banca Ifis, which makes decisions in terms of strategies and risk management. The overall risk management framework was

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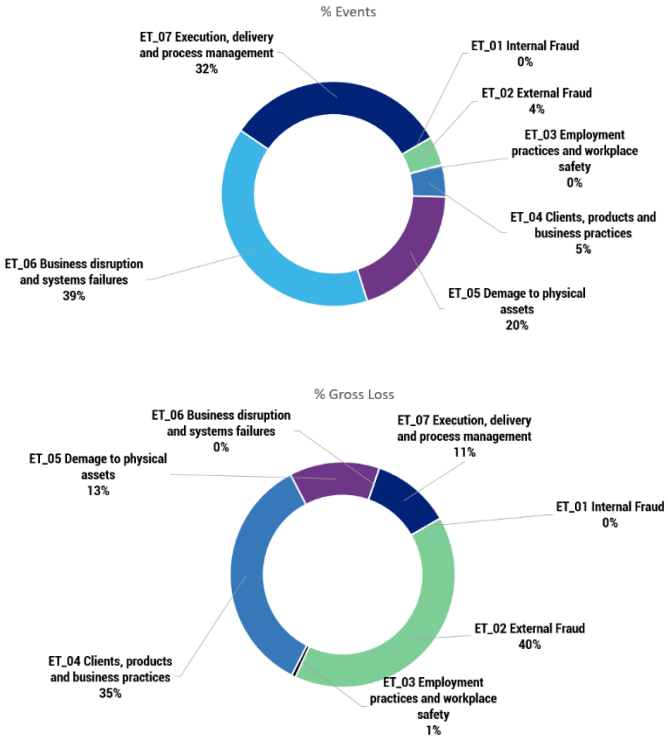
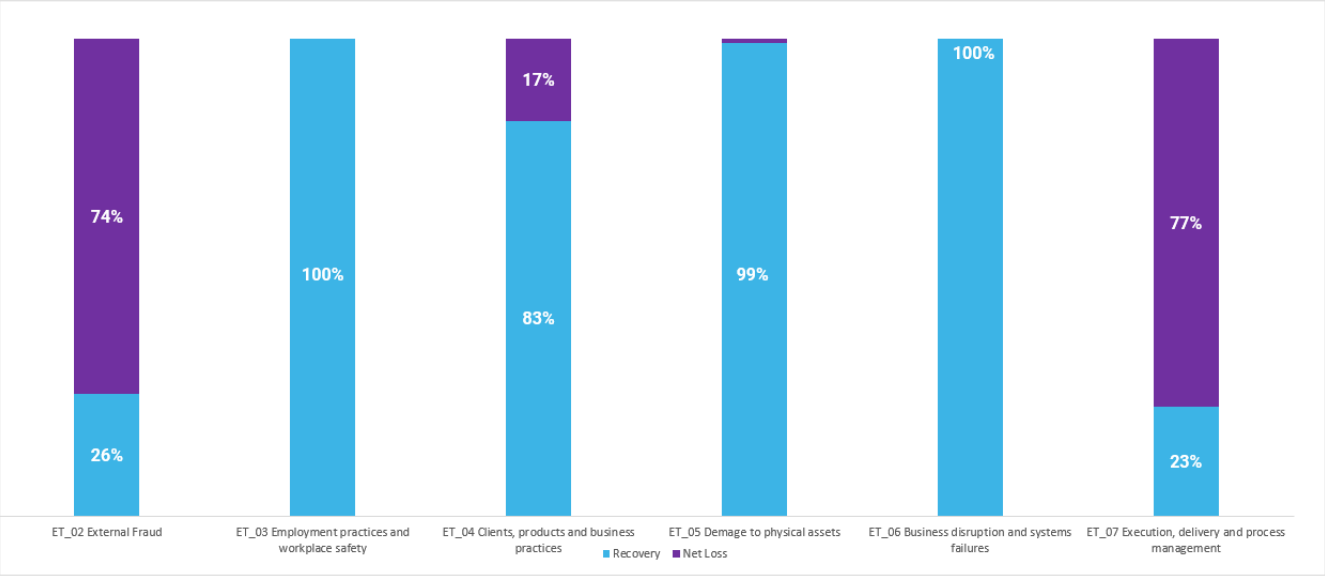
therefore extended, on the basis of the principle of proportionality, by adopting the same methodological approach and IT tools developed at the Parent company.

Quantitative information

This section provides a summary view of the results of the Loss Data Collection process at 31 December 2025 conducted at the Banca Ifis Group level. Operational events are subdivided by Event Type.



88% of the gross operating losses recognised in 2025, including provisions made, were attributable to events classified within Event Type categories ET_02 "External fraud" and ET_04 "Customers, Products and Professional Practices". Total net operating losses amount to approximately 45% and, as a result, 55% of the gross operating losses recognised in 2025 were recovered. Below are the details per Event Type.



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Section 3 - Insurance company risks

The Banca Ifis Group does not engage in transactions that give rise to risks to be reported in this section.

Section 4 - Risks of the other entities

Qualitative information

There are no additional material risks for the other entities included in the scope of consolidation that are not part of the Banking Group other than those reported in the section dedicated to the Banking Group.

Quantitative information

Refer to the information given in the paragraph above.

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Part F - Information on consolidated equity

Section 1 - Consolidated Equity

A. Qualitative information

Managing equity concerns a set of policies and decisions necessary to establish capital levels that are consistent with the assets and risks taken by the Group. The Banca Ifis Group is subject to the capital adequacy requirements established by the so-called Basel Committee (CRR/CRD IV).

The Board of Directors constantly monitors that the Bank meets the minimum supervisory requirements, and therefore the capital adequacy ratios, as well as complies with the capital limits set out in the Risk Appetite Framework (RAF).

Furthermore, also in accordance with the European Central Bank (ECB)'s recommendation of 28 January 2015, the Bank ensures compliance with capital adequacy ratios through a pay-out policy linked to the achievement of the above minimum capital requirements, as well as the careful assessment of the potential impact of extraordinary financial operations (share capital increases, convertible loans, etc.).

The Group's capital adequacy is further assessed and monitored every time an extraordinary operation is planned. In this case, based on available information regarding the operation to be implemented, the Bank estimates the impact on capital adequacy ratios as well as the RAF, and considers any measures necessary to meet the requirements.

Transactions on treasury shares

At 31 December 2024, Banca Ifis held 1.238.886 treasury shares recognised at a market value of 21,0 million Euro and a nominal amount of 1.238.886 Euro.

In 2025, Banca Ifis awarded the Top Management:

- as variable pay, under the scope of the Short-Term Incentive (“STI”) system, 121.031 treasury shares at an average price of 16,53 Euro, for a total of 2,0 million Euro and a nominal amount of 121.031 Euro, making losses of 269 thousand Euro that, in compliance with IAS/IFRS standards, were recognised under the premium reserve;
- as variable long-term remuneration, as part of the exercise by the various beneficiaries of the stock options assigned to them as a result of the "2021-2023 Long-Term Incentive Plan" (the "LTI Plan"), 378.600 treasury shares at an average price of 12,92 Euro (the strike price of the stock options), for an equivalent value of 4,9 million Euro and a nominal amount of 378.600 Euro, realising losses of 108 thousand Euro recognised in additional paid-in capital. The related stock option reserve associated with options exercised during 2025 totals 1,1 million Euro.

During FY 2025, there were no further transactions on treasury shares other than those mentioned above.

Considering the above operations, the stock at 31 December 2025 is 739.255 treasury shares, with an equivalent value of 13,7 million Euro and a nominal amount of 739.255 Euro.

It should be noted that the Banca Ifis Group does not hold, directly or indirectly, any shares in the ultimate Parent company Fürstenberg Scogliera Holding S.A. (formerly La Scogliera S.A.).

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B. Quantitative information

B.1 Consolidated equity: breakdown by type of entity

Equity items	Prudential consolidation	Insurance firms	Other entities	Consolida-tion eliminations and adjustments	Total
1. Share capital	71.634	-	6.000	(6.000)	71.634
2. Share premiums	235.673	-	114.010	(114.010)	235.673
3. Reserves	1.608.144	-	40.557	(40.557)	1.608.144
3.5 (Interim dividends)	(73.296)	-	-	-	(73.296)
4. Equity	-	-	-	-	-
5. (Treasury shares)	(13.701)	-	-	-	(13.701)
6. Valuation reserves:	(16.815)	-	-	-	(16.815)
- Equity securities measured at fair value through other comprehensive income	(6.163)	-	-	-	(6.163)
- Hedging of equity securities measured at fair value through other comprehensive income	4.178	-	-	-	4.178
- Financial assets (other than equity securities) measured at fair value through other comprehensive income	(10.487)	-	-	-	(10.487)
- Property, plant and equipment	-	-	-	-	-
- Intangible assets	-	-	-	-	-
- Foreign investment hedges	-	-	-	-	-
- Cash flow hedges	-	-	-	-	-
- Hedging instruments [non-designated items]	-	-	-	-	-
- Exchange differences	(5.274)	-	-	-	(5.274)
- Non-current assets under disposal	-	-	-	-	-
- Financial liabilities measured at fair value through profit or loss (changes in own credit risk)	-	-	-	-	-
- Actuarial gains (losses) on defined benefit pension plans	931	-	-	-	931
- Share of valuation reserves of equity accounted investments	-	-	-	-	-
- Specific revaluation laws	-	-	-	-	-
7. Profit (loss) for the year (+/-) of the Group and non-controlling interests	328.908	-	-	-	328.908
Total	**2.140.547**	**-**	**160.567**	**(160.567)**	**2.140.547**

The above table shows the components of equity, combining those of the Group and those of third parties, broken down by type of businesses included in the scope of consolidation. More in detail:

- the column "Prudential consolidation" shows the amount resulting from the consolidation of the entities that form part of the prudential consolidation and including the economic effects of transactions carried out with other entities included in the scope of consolidation;
- the column "Other entities" shows the amounts resulting from the consolidation, including the economic effects of transactions carried out with entities that form part of the Banking Group;
- the column “Consolidation eliminations & adjustments” shows the adjustments necessary to obtain the reported amount.

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B.2 Valuation reserves for financial assets measured at fair value through other comprehensive income: breakdown

Assets/Amounts	Prudential consolidation		Insurance companies		Other entities		Consolidation eliminations & adjustments		Total	
	Positive reserve	*Negative reserve*	*Positive reserve*	*Negative reserve*	*Positive reserve*	*Negative reserve*	*Positive reserve*	*Negative reserve*	*Positive reserve*	*Negative reserve*
1. Debt securities	4.128	(14.615)	-	-	-	-	-	-	4.128	(14.615)
2. Equity securities	5.848	(12.011)	-	-	-	-	-	-	5.848	(12.011)
3. Loans	-	-	-	-	-	-	-	-	-	-
Total 31.12.2025	**9.976**	**(26.626)**	**-**	**-**	**-**	**-**	**-**	**-**	**9.976**	**(26.626)**
Total 31.12.2024	**4.963**	**(28.113)**	**-**	**-**	**-**	**-**	**-**	**-**	**4.963**	**(28.113)**

The valuation reserves as at 31 December 2025 include the illimity Group's contribution of 0,2 million Euro to net positive reserves. This value represents the cumulative change in fair value recorded during the second half of 2025 on the Group's debt and equity securities measured at fair value with impact on comprehensive income (i.e. for the period following the acquisition by the Banca Ifis Group).

B.3 Valuations reserves for financial assets measured at fair value through other comprehensive income: annual changes

	Debt securities	Equity securities	Loans
1. Opening balance	**(16.597)**	**(6.553)**	**-**
2. Increases	**22.276**	**11.256**	**-**
2.1 Fair value gains	14.679	5.558	-
2.2 Credit risk losses	2.225	X	-
2.3 Reclassification to profit or loss of negative reserves from sale	3.515	X	-
2.4 Transfers to other components of equity (equity securities)	-	3.281	-
2.5 Other changes	1.857	2.417	-
3. Decreases	**(16.166)**	**(10.866)**	**-**
3.1 Fair value losses	(7.879)	(6.742)	-
3.2 Reversals of credit risk losses	(419)	X	-
3.3 Reclassification to profit or loss of positive reserves from sale	(3.883)	X	-
3.4 Transfers to other components of equity (equity securities)	-	-	-
3.5 Other changes	(3.985)	(4.124)	-
4. Closing balance	**(10.487)**	**(6.163)**	**-**

B.4 Valuation reserves for defined benefit plans: annual changes

Valuation reserves for defined benefit plans show a positive balance at 31 December 2025 of 931 thousand Euro, comprising a positive balance of 906 thousand Euro attributable to the Parent company and a positive balance of 25 thousand Euro attributable to minorities. The increase in the item compared to the positive value of 592 thousand Euro at the end of the previous year derives from the net actuarial gains accrued in 2025 on the severance indemnity and provisions for pensions of the Group companies, mainly as a result of the revision of the underlying assumptions (such as the discount rate and annual turnover rate) due to the changed macroeconomic environment. These net actuarial gains accrued in 2025 also include the contribution of the illimity Group and

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Euclidea SIM[103], which is represented by net actuarial gains totalling 242,000 and is limited to the period of accrual for the Banca Ifis Group (i.e. from the date of acquisition of illimity Bank and Euclidea SIM).

Section 2 - Own funds and prudential ratios

Pursuant to Bank of Italy Circular 262/2005 and related updates, the section on Own Funds and Capital Ratios is replaced with a reference to the similar information contained in the "Pillar III" public disclosure, i.e. the document "Disclosure to the Public as of 31 December 2025 - Pillar III" prepared at 31 December 2025 by the Banca Ifis Group, available on the website www.bancaifis.it in the "Investor Relations & Corporate Development" section.

[103] Euclidea SIM as of 26 January 2026 was renamed Fürstenberg SIM.

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Part G - Business combinations

Section 1 - Transactions carried out during the year

This section provides the information on business combinations required by IFRS 3 in paragraphs 59, letter a), 60 and 63. Moreover, in application of the Bank of Italy provisions set forth in Circular 262/2005 and subsequent updates, this section also conventionally includes any business combination transactions between entities subject to common control (referred to as "business combination between entities under common control").

1.1 Business combinations

In accordance with the provisions of Bank of Italy Circular No. 262, the following table shows the data on the entity subject to the business combination.

Company Name	Transaction date	(1)	(2)	(3)	(4)
1. illimity Bank S.p.A.	4 July 2025	330.514	100%	122.695	(76.565)
2. iREC Leaseco S.r.l.	29 July 2025	12	100%	-	8
3. Euclidea SIM	21 November 2025	19.905	100%	153	(157)

Key:
(1) = Cost of the transaction
(2) = Percentage interest acquired carrying voting rights in the annual general meeting
(3) = Total group revenues
(4) = Group net profit/loss

Acquisition of illimity Bank by Banca Ifis

As already mentioned in "Part A - Accounting Policies", "A.1 - General Part", "Section 5 - Other Aspects", paragraph "Significant Transactions during the year", during FY 2025 Banca Ifis carried out a series of share capital increases aimed at supporting the voluntary totalitarian takeover and exchange offer promoted on the ordinary shares of illimity Bank S.p.A. pursuant to Articles 102 and 106, paragraph 4, of Legislative Decree no. 58 of 24 February 1998 (TUF), with the exclusion of option rights pursuant to Article 2441, paragraph 4, first sentence, of the Italian Civil Code. The transaction entailed the total issue of 8.406.781 Banca Ifis ordinary shares, each with a nominal value of 1, regular dividend rights and characteristics identical to those of the shares in circulation at the issue date. The shares were released by contribution in kind as they served the offer.

For detailed information on the various stages of the acquisition of illimity Bank, refer to the section 'Significant events during the year' in the Directors' Report on the Group.

The Tender Offer that resulted in Banca Ifis gaining control of illimity Bank is a 'business combination' to be accounted for in accordance with the provisions of International Financial Reporting Standard (IFRS) 3, which requires the application of the acquisition method. Under this method, at the date of acquisition, the acquirer must proceed with the following:

- identification of the acquirer;
- determination of the date of acquisition;
- determination of the acquisition cost;
- recognition and measurement of identifiable assets acquired and liabilities assumed - purchase price allocation (PPA);
- recognition of goodwill or a profit from a bargain purchase.

Without prejudice to the identification of Banca Ifis as the acquiring party, the date of acquisition of control of illimity Bank for the purposes of IFRS 3 was identified as 4 July 2025, i.e. the settlement date of the transaction. In fact, on 4 July 2025, the ownership of illimity Bank shares, equivalent to 85,3% of the latter's share capital, was transferred to Banca Ifis.

As a result, illimity Bank S.p.A. was consolidated by Banca Ifis as of second half 2025.

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However, with a view to simplifying operations for the purpose of accounting for the business combination and the first consolidation of the acquired company, the situation of the acquired company as at 1 July 2025 was taken into account, as the facts and circumstances that emerged between the latter date and 4 July 2025 were not significant. This possibility is expressly provided for in the BC of IFRS 3 (BC110).

IFRS 3 requires that the cost of a business combination be determined as the sum of the fair value at the date of exchange: (i) the assets transferred, (ii) the liabilities incurred and (iii) the equity instruments issued by the acquirer in exchange for control of the acquiree.

In this transaction, the total consideration transferred amounted to 330,5 million Euro, of which 147,0 million Euro was cash consideration and 183,5 million Euro represented the fair value of the shares issued by Banca Ifis and assigned to the former shareholders of illimity Bank (acquired entity).

With reference to the time structure of the offer (as described in the section "Significant events during the year" in the Directors' Report on the Group), the entire transaction was accounted for as a single linked transaction, i.e. as a complex but economically indivisible business combination.

On the basis of these considerations, the purchase transactions carried out in sequence were considered as components of a single acquisition process. This treatment is in line with the principle of faithful representation and the general objective of IFRS to provide financial information that reflects the economic substance of the transaction.

In accordance with IFRS 3, acquisition-related costs were recognised by the acquirer as an expense for the year.

With regard to the Purchase Price Allocation (PPA) of 330,5 million Euro, through the recognition of the assets acquired, the liabilities assumed, including contingent liabilities, measured on the basis of the relative fair value, it should be noted that as of the date of this document it is to be considered as final, as it was completed during the fourth quarter of 2025, also in consideration of the results of the due diligence activities required by the regulator, which were completed in December 2025.

The following is a summary of the definitive results of the purchase price allocation process and the gain on a bargain purchase as well as the main balance sheet details of the assets and liabilities acquired of the subsidiary illimity Bank at the date of aggregation and the relative fair values determined in the PPA process.

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Description (in thousands of Euro)	Book value at acquisition date	Fair value adjustment	Assets and liabilities acquired at acquisition date
Cash and cash equivalents	355.932	-	355.932
Financial assets measured at fair value through profit or loss	566.950	(14.369)	552.581
Financial assets measured at fair value through other comprehensive income	760.189	(767)	759.422
Financial assets measured at amortised cost	5.538.069	122	5.538.191
a) receivables due from banks	*123.053*	-	*123.053*
b) receivables due from customers	*5.415.016*	*122*	*5.415.138*
Hedging derivatives	27.539	-	27.539
Equity investments	139.632	(22.771)	116.861
Property, plant and equipment	56.028	1.008	57.036
Intangible assets	61.121	(37.036)	24.085
- of which goodwill	*33.731*	(33.731)	-
Tax assets	102.598	30.069	132.667
Non-current assets and disposal groups	2.747	-	2.747
Other assets	244.027	(1.132)	242.895
Assets acquired	**7.854.832**	**(44.876)**	**7.809.956**
Financial liabilities at amortised cost	(6.826.000)	(49.117)	(6.875.117)
a) payables due to banks	*(640.541)*	-	*(640.541)*
b) payables due to customers	*(5.224.000)*	*(37.013)*	*(5.261.013)*
c) debt securities issued	*(961.459)*	*(12.104)*	*(973.563)*
Financial liabilities held for trading	(36.269)	-	(36.269)
Hedging derivatives	(4.010)	-	(4.010)
Change in value of macro-hedged financial liabilities	(75)	75	-
Tax liabilities	(2.986)	(26.838)	(29.824)
Other liabilities	(165.649)	-	(165.649)
Post-employment benefits	(4.646)	-	(4.646)
Provisions for risks and charges	(30.704)	(17.598)	(48.302)
Liabilities assumed	**(7.070.339)**	**(93.478)**	**(7.163.817)**
Net assets (A)	**784.493**	**(138.354)**	**646.139**
Acquisition consideration (B)			**330.514**
of which disbursed with cash			***147.006***
of which disbursed through Banca Ifis share offerings			***183.508***
Non-controlling interests (C)			**5.686**
Negative value difference (gain on a bargain purchase) from the acquisition (D=B+C-A)			**(309.939)**

Analysis of acquisition cash flow	Value (in thousand Euro)
Price of the acquisition disbursed using liquid funds	(147.006)
Net funds acquired with the subsidiary (included in cash flows of investments)	355.932
Net cash flow from acquisition	**208.926**

Specifically, the differences highlighted mainly concern the following items:

- financial assets measured at fair value: the fair value was restated of certain financial instruments, generating a lower PPA value of 15,1 million Euro, of which 0,7 million Euro related to a corporate bond,

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2,1 million Euro related to trading derivatives and 12,2 million Euro related to the measurement of the 'AIF portfolio'.

- financial assets measured at amortised cost: this item generated a total PPA impact of 0,1 million Euro, as detailed below:
  - the fair value was restated of securities classified in Level 1 of the fair value hierarchy in order to consider the value at market conditions at the date of the change of control. The result produced a higher value of 14,1 million Euro;
  - the value of the performing portfolio was restated, the fair value of which was estimated based on the information in the illimity Group's loan portfolio. A Discounted Cash Flow (DCF) model was used for the estimation, and the valuation generated a higher value on the performing portfolio of 68,1 million Euro.
  - the value of the illimity Group's non-performing portfolio (including POCI and transformed notes) was revalued, the fair value of which was estimated using an approach based on the application of a statistical method that involves discounting expected recoveries based on a discount rate that considers the risk/return profile and capital structure of the market participant that generally purchases the underlying asset being valued. The valuation resulted in an overall reduction in the value of the non-performing portfolio of 80,7 million Euro;
  - the fair value of securities classified in Levels 2 and 3 of the fair value hierarchy was restated. This resulted in a lower value of 1,3 million Euro.
- equity investments: new fair values were determined for equity investments, resulting in a lower valuation of the item of 22,8 million Euro. In particular, the investment in Hype was revalued by 3,8 million Euro, while the investment in AltermAInd was written down by 26,5 million Euro;
- property, plant and equipment: the value of the IAS 16/IAS 2 repossessed assets was redetermined through the appraisal of the appraisals re-performed by an independent third-party appraiser, resulting in a total value of approximately 1 million Euro. At the level of property, plant and equipment, no further significant impacts of PPPs emerged.
- intangible assets: in application of paragraph 18 of IFRS 3, prior goodwill has been eliminated, as it does not represent separately identifiable assets. As a result, overall lower values of 37 million Euro emerged, of which 33,7 million Euro referred to intangibles related to the goodwill value of the ARECneprix business and Quimmo Prestige Agency, and 3,3 million Euro related to contract assets that refer to the previous business combination of the ARECneprix business;
- financial liabilities measured at amortised cost:
  - the carrying value of outstanding securities was restated to align it with the relative fair value at the date of change control, generating a higher value of financial liabilities of 12,1 million Euro;
  - the value of time deposits with a maturity of more than 12 months was restated, the fair value of which was estimated based on the information in the illimity Group's loan portfolio. A Discounted Cash Flow (DCF) model was used for the estimation; the valuation generated a higher value of financial liabilities of 37,8 million Euro. Lastly, a value adjustment of 0,8 million Euro was made referring to the elimination of the discontinued fair value hedge on the same;
- provision for risks and charges: increased adjustments to consider possible contingent liabilities, as required by IFRS 3, totalling 11,6 million Euro;
- other assets: downward adjustments of 1,1 million Euro emerged;
- tax assets and liabilities: as a result of the recognition of capital gains and losses arising on various items subject to realignment under IFRS 3, higher deferred tax assets (DTA) of 30,1 million Euro and higher deferred tax liabilities (DTL) of 26,1 million Euro were recognised;

The recognition of the combination, on the basis of the above, led to the identification by the Banca Ifis Group, as purchaser, of a negative difference ('gain on a bargain purchase') between the cost of the combination and the fair value of the net identifiable assets acquired; this difference, amounting to 309,9 million Euro, was recognised in

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the 'Other operating income and expenses' item of the income statement, in application of paragraph 34 of IFRS 3. Furthermore, this recognition follows a verification of the value of the net assets acquired as part of an in-depth due diligence process.

In order to verify the overall reasonableness of the total amount of the gain on a bargain purchase recognised in the income statement as a result of the acquisition of the illimity Group, a summary valuation of the fair value of equity was carried out from the perspective of a market participant. The fair value of equity determined in this summary manner was then compared with the fair value of equity (fair value of assets – fair value of liabilities) derived from the PPA process as described above. The analysis carried out supports the conclusions reached through the PPA process

It is specified that the allocation of the acquisition cost, equal to 100 million Euro, through the recognition at fair value of the assets and liabilities of the acquired entity, including any intangible assets not previously recognised in these Consolidated financial statements, can now be considered as definitive.

Acquisition of iREC Leaseco by illimity Bank

During the second half of 2025, illimity Bank finalised the purchase of 100% of the shares of iREC Leaseco S.r.l. for 12 thousand Euro. This transaction did not result in the recognition of any goodwill in the consolidated financial statements.

Acquisition of Euclidea SIM by Banca Ifis

For an introduction on the acquisition transaction of Euclidea SIM (renamed Fürstenberg SIM as of 26 January 2026), refer to what has already been anticipated within "Part A - Accounting Policies", "A.1 - General Part", "Section 5 - Other Aspects", paragraph "Significant Transactions during the Year". In addition, for detailed information on the various stages of the acquisition of Euclidea SIM, see the specific paragraph in the section "Significant events during the year" of the Directors' Report on the Group.

Based on the analyses conducted and a careful assessment of the existing facts and circumstances, the acquisition date of Euclidea SIM for the purposes of IFRS 3 was identified as 21 November 2025, the date on which the consideration for the acquisition of 100% of the company's shares was paid in a lump sum.

However, in the interest of operational simplification for the purpose of recognising the transaction in the accounts, 30 November 2025 was assumed as the acquisition date for the business combination, as the facts and circumstances that arose between that date and 21 November 2025 were not significant. This possibility is expressly provided for in the BC of IFRS 3 (BC110).

The cost of the acquisition was determined to be 19,9 million Euro, of which 12,3 million Euro has already been paid through cash and 7,6 million Euro as 'deferred consideration' (contingent consideration under IFRS 3) based on existing contractual agreements. Net cash acquired with the subsidiary at the date of acquisition amounted to 2,1 million Euro. Therefore, the net cash flow from the acquisition of Euclidea SIM is negative 10,3 million Euro.

With regard to the relative allocation of this acquisition cost (PPA) of 19,9 million Euro, through the recognition of the assets acquired, liabilities assumed, including contingent liabilities, measured on the basis of the relative fair value, it should be noted that at the date the activity was still in progress and that the net assets acquired as of 30 November 2025 amounted to 2,7 million Euro.

The provisional recognition of the business combination led to the identification of a positive difference to be allocated between the cost of the combination and the fair value, provisionally defined as above, of the net identifiable assets acquired amounting to 17,2 million Euro; this difference was recognised as provisional goodwill in the balance sheet item 'Intangible Assets'.

Transactions between entities under common control

It should be noted that the merger by incorporation of the subsidiary Industrial Discount S.r.l. into Abilio S.p.A. was finalised with legal effect from 1 July 2025.

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This merger, qualified as a 'business combination between entities under common control' and therefore outside the scope of IFRS 3, had no effect on the consolidated financial statements since these companies were already controlled by the Group and included in the consolidated financial statements using the full consolidation method.

During 2025, no further transactions took place between entities under common control.

Section 2 - Transactions carried out after the end of the year

The Banca Ifis Group did not carry out any business combination between the end of the year and the date of preparation of this document.

Section 3 - Retrospective adjustments

In 2025, the Group did not make any retrospective adjustment to business combinations carried out in previous periods.

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Part H - Related-party transactions

In compliance with the provisions of Consob resolution No. 17221 of 12 March 2010 (as subsequently amended by means of Resolution No. 17389 of 23 June 2010) and the provisions of Bank of Italy Circular 263/2006 (Title V, Chapter 5), the "Group Policy covering transactions with related parties, associates and corporate representatives pursuant to Art. 136 of the Consolidated Law on Banking" was prepared. This document is publicly available on Banca Ifis's website, www.bancaifis.it, in the "Corporate Governance" Section.

During 2025, there were no transactions with related parties during the financial year that materially affected the Group's financial position or results.

With regard to transactions of greater significance carried out with related parties as defined by the Group's policies pursuant to Article 4 of the Consob regulation on related party transactions, see the specific paragraph in section "2. Information on related-party transactions" in this Part H.

As at 31 December 2025, the Banca Ifis Group is controlled by Fürstenberg Scogliera Holding S.A. (formerly La Scogliera S.A.) and consists of the Parent company Banca Ifis S.p.A. and its subsidiaries, including the newly acquired illimity Bank S.p.A. and Euclidea SIM S.p.A.. For full details of these companies (including companies subject to control by illimity Bank and falling under the so-called "illimity Group" acquired during 2025) refer to the list in "Part A - Accounting Policies", "A.1 - General Part", "Section 3 - Scope and Methods of Consolidation" of these Notes to the Consolidated Financial Statements.

The types of related parties, as defined by IAS 24, that are relevant for the Banca Ifis Group include:

- the ultimate Parent company Fürstenberg Scogliera Holding S.A. (formerly La Scogliera S.A.);
- associated companies, namely:
  - Edulia S.r.l.;
  - Justlex Italia S.T.A.P.A.;
  - Redacta S.T.A.a.r.l.;
  - AltermAInd S.r.l.;
  - LAISA - Società tra Avvocati per Azioni;
- joint ventures: the only one in the Group is Hype S.p.A.[104];
- key management personnel of the Parent company or the ultimate Parent company Fürstenberg Scogliera Holding;
- close relatives of key management personnel of the Parent company and the companies controlled by (or associated to) them or their close relatives.

Here below is the information on the remuneration of key management personnel as well as transactions undertaken with the different types of related parties.

1. Information on the remuneration of key management personnel

The definition of key management personnel, as per IAS 24, includes all those persons having authority and responsibility for planning, directing and controlling the activities of the Parent company Banca Ifis, directly or indirectly, including the Bank's Directors (whether executive or otherwise).

In compliance with the provisions of the Bank of Italy's Circular No. 262 of 22 December 2005 as subsequently updated, key management personnel also include the members of the Board of Statutory Auditors.

[104] *It should be noted that the 50% equity investment in Hype S.p.A., held by the newly acquired illimity Bank, as of 31 December 2025 is classified in the item of the balance sheet assets "Non-current assets and groups of assets held for sale". Following the obtaining of regulatory authorisations at the beginning of 2026, this equity investment was sold on 6 February 2026 (for further details, see the section 'Subsequent events' of the Directors' Report on the Group).*

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Key management personnel in office at 31 December 2025

Figures in thousands of Euro	Short-term employee benefits	Post-employment benefits	Other long-term benefits	Termination benefits	Share-based payments	
					Stock options	Other share-based payments
Administrative and auditing bodies [1]	4.990	-	175	-	-	343
Other managers [2]	6.452	25	424	343	-	823
Total at 31.12.2025	**11.442**	**25**	**599**	**343**	**-**	**1.166**

(1) These refer to positions on the Board of Directors (or similar bodies) and the Board of Statutory Auditors of the Parent company Banca Ifis.
(2) They refer to managers with the position of Co-General Manager or other Key Manager of the Parent company Banca Ifis.

2. Information on related-party transactions

Here below are the assets, liabilities, guarantees and commitments outstanding at 31 December 2025, broken down by type of related party pursuant to IAS 24.

Related party transactions: balance sheet and off-balance sheet items

Items (figures in thousands of Euro)	Parent company	Joint ventures and associates	Key management personnel	Other related parties	Total	As a % of the item
Financial assets measured at fair value through profit or loss	-	10.337	-	2.677	**13.014**	**1,6%**
Financial assets measured at fair value through other comprehensive income	-	303	-	-	**303**	**0,0%**
Receivables due from customers measured at amortised cost	-	809	2.510	31.500	**34.819**	**0,2%**
Equity investments	-	33.580	-	-	**33.580**	**100,0%**
Property, plant and equipment	-	-	-	1.189	**1.189**	**0,5%**
Non-current assets and disposal groups	-	85.000	-	-	**85.000**	**53,9%**
Other assets	3.372	579	-	1.155	**5.106**	**0,9%**
Total assets	**3.372**	**130.608**	**2.510**	**36.521**	**173.011**	**0,8%**
Payables due to customers measured at amortised cost	200	215.056	2.074	15.211	**232.541**	**2,1%**
Other liabilities	9	19.966	64	35	**20.074**	**4,0%**
Valuation reserves	-	(116)	-	-	**(116)**	**0,7%**
Total liabilities	**209**	**234.906**	**2.138**	**15.246**	**252.499**	**1,2%**
Commitments and guarantees (off-balance sheet)	**-**	**-**	**615**	**-**	**615**	**n.a.**

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Related party transactions: income statement items

Items (figures in thousands of Euro)	Parent company	Joint ventures and associates	Key management personnel	Other related parties	Total	As a % of the item
Interest receivable and similar income	-	6	42	560	608	0,1%
Interest due and similar expenses	-	(1.979)	(36)	(67)	(2.082)	0,4%
Commission income	-	-	-	20	20	0,0%
Commission expense	-	(6)	-	(64)	(70)	0,2%
Net credit risk losses/reversals	-	-	-	(72)	(72)	(0,4)%
Administrative expenses	(2.761)	(63.790)	-	(35)	(66.586)	10,8%
Other operating income and expenses	-	212	2	5	219	0,1%
Profit (loss) on equity investments	-	(73)	-	-	(73)	(36,9)%

Other information

With reference to Paragraph 8 of Article 5 "Public disclosure of related-party transactions" of the Consob Regulation containing provisions on related party transactions (adopted by Consob with Resolution No. 17221 of 12 March 2010, as amended), for the Banca Ifis Group, there are no significant transactions concluded in 2025.

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Part I - Share-based payments

Qualitative information

1. Description of share-based payment agreements

Below are the equity-based payment arrangements, as defined by IFRS 2, for the Banca Ifis Group's staff.

A variable remuneration arrangement is in place for all employees.

Access to the variable portion for all personnel is subject to compliance with the conditions for access (so-called "gate") provided for by the following indicators measured at year-end:

- Return On Risk-Adjusted Capital (RORAC) at Group level, defined as the ratio between consolidated net profit and Capital absorbed by Pillar 1 risks (i.e. 8% of Pillar 1 Risk Weighted Assets), above the tolerance threshold defined annually in the Banca Ifis Group's Risk Appetite Framework (RAF) at consolidated level;
- compliance with the tolerance threshold, higher than the minimum regulatory limit, of the Group's Liquidity Coverage Ratio (LCR) indicator, as defined annually in the Banca Ifis Group's RAF at a consolidated level in compliance with current supervisory regulations;
- compliance with the tolerance threshold, higher than the minimum regulatory limit, of the Group's Net Stable Funding Ratio (NSFR) indicator, as defined annually in the Banca Ifis Group's RAF at a consolidated level in compliance with current supervisory regulations;
- Consolidated Total Capital Ratio above the tolerance threshold defined annually in the Banca Ifis Group RAF at consolidated level, which exceeds the Overall Capital Requirement announced by the Supervisory Body as part of the “Capital Decisions” following the periodic Supervisory Review and Evaluation Process (SREP).

Failure to meet one of these conditions will result in variable pay not being awarded.

Without prejudice to the opening of the gates to the payment of variable remuneration described above, the variable remuneration of the Chief Executive Officer of the Bank is linked to the achievement of specific qualitative and quantitative performance targets.

In particular, the CEO is the recipient of a Short-Term Incentive System ("STI"). He was also assigned a “2021-2023 Long Term Incentive Plan” (the "LTI Plan"), which vested on 31 December 2023, for which please refer to the disclosure in the specific paragraph in this section.

With reference to the Short-term Incentive (STI) System, the objectives envisaged for 2025 for the CEO represent a combination of quantitative and qualitative criteria, referring to the Group's results, as well as qualitative aspects relating to strategic action.

The performance scorecard includes the declination of the following KPIs:

- Economic-financial KPIs with a weight of 65%, structured over three specific drivers (profitability, credit cost and efficiency), consistent with the Group's 2025 objectives;
- KPI of strategy and sustainability with a weight of 35%, which aim to assess the achievement of strategic directives, as well as the achievement of Group objectives in the ESG area.

The short-term variable remuneration cap payable to the CEO is set at 60% of fixed remuneration; variable remuneration accrues on the basis of the degree of achievement of objectives, with it being paid on a linear progression between 60% and 100%.

This variable component is paid in the amount of 40% with a non-deferred payment (up front) and in the amount of 60% with a deferred payment over a period of five years (starting from the year following the year in which the up front portion accrues), in accordance with the provisions of the relevant supervisory regulations for variable remuneration of particularly high amounts.

The deferred portion of variable remuneration (amounting to 60%) shall be paid as follows:

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- 55% (i.e. 33% of the total variable remuneration) in Banca Ifis shares, which may be exercised at the end of the further retention period of 1 year;
- 45% (i.e. 27% of the total variable remuneration) in cash, subject to annual revaluation at the legal rate in force over time.

The portion of variable remuneration up front (40%) and is paid as follows:

- 50% (i.e. 20% of the total variable remuneration) in Banca Ifis shares, which may be exercised at the end of the further retention period of 1 year;
- 50% (i.e. 20% of total variable remuneration) paid in cash.

It is understood that the allocation of Banca Ifis shares affects, in addition to the Chief Executive Officer and the Co-General Managers, the employees identified as most relevant pursuant to Circular No. 285/2013 and Delegated Regulation No. 923/2021 where the variable component of remuneration is above 50 thousand Euro or represent more than a third of the annual total remuneration.

For the purpose of assigning variable remuneration in financial instruments, or in Banca Ifis shares, the Bank calculates the fair value of the share - at the time of the assignment - based on the average stock market price with reference to the month prior to the date of approval of the Banca Ifis Financial Statements by the Shareholders' Meeting (or, in the case of assignment of variable remuneration for any reason subsequent to the Shareholders' Meeting, from the date of the event, this being understood to mean any dates of signing of agreements or in the absence thereof, the dates of approval by the competent bodies of the related awards). The number of shares is determined by rounding to the nearest integer.

Variable pay is subject to malus/clawback mechanisms that may cause the amount to be as low as zero if certain conditions are met.

Long Term Incentive (LTI) Plan 2021-2023 for the Chief Executive Officer, Co-General Managers and other Group employees

LTI Plan for the CEO

The Chief Executive Officer of Banca Ifis is also the recipient of a Long Term Incentive (LTI) Plan 2021-2023, approved by the Board of Directors on 24 June 2021 and by the Shareholders' Meeting of the Parent company on 28 July 2021 and which vested on 31 December 2023. The Plan provided for the assignment to the CEO, free of charge, of a certain number of options that gives the right to purchase, at a unit exercise price (the "strike price") equal to 12,92 Euro, a corresponding number of Banca Ifis shares.

The Plan granted the CEO of the Parent company the right to receive up to a maximum of 696.000 options at the end of the vesting period and on achievement of the objectives of the Plan.

Considering the vesting of the Plan on 31 December 2023 at the end of the three-year vesting period (2021-2023), and the options became exercisable after an additional year of retention, subject to the circumstance that the relationship between the Bank and the CEO is still in place, and that pre-determined quantitative and qualitative, financial and non-financial targets, linked to the Group's long-term strategies, have been achieved.

The final results confirmed the attainment of the minimum level with reference to the TSR objectives and the maximum level with reference to the economic-financial and ESG indicators. Consequently, on the basis of the resolution of the Shareholders' Meeting of Banca Ifis of 18 April 2024, the Chief Executive Officer was assigned 609.000 option rights, which became exercisable after a one-year retention period in accordance with the regulatory time-line.

Also for the 2021-2023 LTI Plan, options are granted to the CEO 40% as up front and 60% as deferred over 5 years.

During 2025, the CEO exercised 243.600 option rights at a strike price of 12,92 Euro, receiving 243.600 Banca Ifis shares as an allotment.

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LTI Plan for Co-General Managers and other Group employees

As envisaged in the Plan approved by the Shareholders' Meeting of 28 July 2021, and in execution of the mandate granted to the Board of Directors on that occasion, on 9 June 2022, the latter resolved to include 13 "additional beneficiaries" in the LTI Plan, apart from the CEO, assigning them the same objectives already envisaged for the Chief Executive Officer and illustrated in the 2022 Remuneration Policy. These additions to the Plan were then approved by the Shareholders' Meeting of Banca Ifis on 28 July 2022.

Also for these additional beneficiaries, represented by high-level managers (including 12 key managers and Co-General Managers), the Plan provides for the assignment of a certain number of options that will entitle them to purchase, free of charge and always at a strike price per share of 12,92 Euro, a corresponding number of Banca Ifis shares.

A further addition to this Plan, proposed by the Board of Directors and approved by the Shareholders' Meeting held on 20 April 2023, concerned operational aspects of the Plan's mechanics (which otherwise remains unchanged in all its essential and structural elements, as already approved at the aforementioned Shareholders' Meetings). In particular, the integration consisted in recognising the possibility for beneficiaries, at the opening of each option exercise window, to postpone the exercise of all or part of any options that may have vested and may already be exercised in that window in the subsequent "exercise windows" provided for by the Plan.

It is also noted that during 2023, the resignation of an executive with strategic responsibility included in the Plan took place, with the consequent loss of his status as a beneficiary of the Plan

As a result of the aforementioned changes in 2022 and 2023, the Plan's beneficiaries, apart from the CEO, total 12, including 11 executives with strategic responsibilities, and the maximum amount of options assignable is 300.000.

This Plan also vested on 31 December 2023 at the end of the vesting period, and the options will become exercisable after an additional year of retention, subject to the circumstance that the relationship between the Group and the beneficiaries is still in place, and that pre-determined quantitative and qualitative, financial and non-financial targets, linked to the Group's long-term strategies, have been achieved. The options will be exercisable upon attainment of the targets under the Plan and for a total number of up to a maximum of 300.000 options (320.000 original) in total that can be allocated to the 12 additional beneficiaries.

The aforementioned options are counted for each of the beneficiaries, for the purpose of calculating the ratio between fixed and variable remuneration, 50% for FY 2022 and the remaining 50% for FY 2023.

For the TSR and gross profit targets, the calculation was carried out for the two-year vesting period, while for the other targets the calculation was based on the results achieved at 31 December 2023 (thus considering the entire duration of the 2021 - 2023 Plan).

The outcome of the Plan's finalisation found that the TSR objectives were not achieved in view of the two-year vesting period instead of the three-year period; the other objectives were achieved at the maximum level. Consequently, by resolution of the Shareholders' Meeting of Banca Ifis of 18 April 2024 for the remaining 12 beneficiaries, a total of 225.000 option rights were assigned, which will be exercisable at the end of the one-year retention period.

During 2025, these additional beneficiaries exercised 135.000 option rights at a strike price of 12,92 Euro, receiving 135.000 Banca Ifis shares as an allotment.

Accounting representation at 31 December 2025

At an accounting level, this stock option plan has been accounted for in accordance with the provisions of IFRS 2 for equity settled transactions. In view of the difficulty of reliably assessing the fair value of the services received as consideration for stock options, reference is made to the initial fair value of the latter.

The fair value of the payments settled by the issuance of these options for the services covered by the LTI Plan is recognised as an expense in the income statement under "Administrative Expenses: a) Personnel Expenses" as

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an offsetting entry to "Reserves" in Equity on an accrual basis in proportion to the vesting period over which the service is provided. For FY 2025, there are no costs recorded in the Income Statement. The shareholders' equity reserve offsetting costs recorded in previous years, associated only with the stock options actually granted by resolution of the shareholders' meeting of 18 April 2024, amounted to a total of 2,2 million Euro at 31 December 2024. During 2025, a total of 378.600 options were exercised at a strike price of 12,92 Euro (of which 243.600 were exercised by the CEO and 135.000 by the other beneficiaries), with an associated stock option reserve totalling 1,1 million Euro. Therefore, the remaining stock option reserve at 31 December 2025 amounts to 1,1 million Euro.

For more details on the Banca Ifis Group's equity-based payment arrangements, refer to the “2025 Report on Remuneration Policy and Remuneration Paid”, prepared pursuant to Article 123 ter of the TUF, available on the corporate website www.bancaifis.it, where the remuneration policy valid for the Group for FY 2025 is illustrated.

Other information

With regard to the variable component, the illimity Group's Remuneration Policy included a Long-Term Incentive (LTI) plan. This plan resulted in the cancellation of exercise rights following failure to achieve the objectives set prior to the acquisition by the Banca Ifis Group.

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Quantitative information

1. Annual changes

Items / Number of options and strike price	Prudential consolidation			Insurance companies			Other entities			Total 31.12.2025			Total 31.12.2024		
	Number of options	Average prices	Average maturity	Number of options	Average prices	Average maturity	Number of options	Average prices	Average maturity	Number of options	Average prices	Average maturity	Number of options	Average prices	Average maturity
A. Opening balance	**834.000**	**12,92**	**Dec-30**	**-**	**-**	**n.a.**	**-**	**-**	**n.a.**	**834.000**	**12,92**	**Dec-30**	**-**	**-**	**n.a.**
B. Increases	**-**	**-**	**X**	**-**	**-**	**X**	**-**	**-**	**X**	**-**	**-**	**X**	**834.000**	**12,92**	**X**
B.1 New issues	-	-	n.a.	-	-	-	-	-	-	-	-	-	834.000	12,92	Dec-30
B.2 Other changes	-	-	X	-	-	X	-	-	X	-	-	X	-	-	X
C. Decreases	**378.600**	**12,92**	**X**	**-**	**-**	**X**	**-**	**-**	**X**	**378.600**	**12,92**	**X**	**-**	**-**	**X**
C.1 Cancelled	-	-	X	-	-	X	-	-	X	-	-	X	-	-	X
C.2 Exercised	378.600	12,92	X	-	-	X	-	-	X	378.600	12,92	X	-	-	X
C.3 Matured	-	-	X	-	-	X	-	-	X	-	-	X	-	-	X
C.4 Other changes	-	-	X	-	-	X	-	-	X	-	-	X	-	-	X
D. Closing balance	**455.400**	**12,92**	**Dec-30**	**-**	**-**	**-**	**-**	**-**	**-**	**455.400**	**12,92**	**Dec-30**	**834.000**	**12,92**	**Dec-30**
E. Options that can be exercised at the end of the year	**455.400**	**12,92**	**X**	**-**	**-**	**X**	**-**	**-**	**X**	**455.400**	**12,92**	**X**	**-**	**-**	**X**

The above table of annual changes is corroborated only for options related to the 2021-2023 Long Term Incentive (LTI) Plan that expired on 31 December 2023. As instead regards the share-based payment agreements intended by way of short-term incentive ("STI"), these do not fall within the category concerned by said table.

With regard to the stock options related to the LTI Plan, as described above, they were granted during 2024 following the Plan's vesting on 31 December 2023, and became exercisable after an additional one-year retention period starting on 31 December 2023 (i.e. from 1 January 2025). During 2025, a total of 378.600 options were exercised at a strike price of 12,92 Euro (of which 243.600 were exercised by the CEO and 135.000 by the other beneficiaries).

2. Other information

If a result is achieved that equals or exceeds 100% of the annual targets assigned, the variable component of Top Management will be considered as accrued in the amount of 100% of its value; the number of shares to be attributed will be in any case calculated as described above.

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Part L - Segment reporting

In accordance with standard IFRS 8, a company must provide information that allows users of the financial statements to assess the nature and effects on such of the balance of the business it pursues and the economic contexts in which it operates. The contribution therefore needs to be highlighted as made by the various operating segments to forming the Group's economic result.

Identification of the operating Segments is consistent with the methods adopted by the Management to take operative decisions and is based on internal reporting, used in order to allocate the resources to the various segments and analyse the relevant performance.

In line with the structure used by Management to analyse the Group's results, the information by Segment is broken down as follows:

- Commercial & Corporate Banking Segment, represents the Group's commercial offer dedicated to companies (with the exception of the offer to companies provided by the companies of the so-called "illimity Group", which is specifically included in the illimity Segment) and also includes personal loans with the assignment of one-fifth of salary or pension. The Segment consists of the Factoring, Leasing and Corporate Banking & Lending business Areas. This Segment includes, within the Corporate Banking & Lending Area, the contribution deriving from Euclidea SIM, a company acquired on 21 November 2025 (for further details, see "Part G - Business Combinations" of these Notes to the Consolidated Financial Statements);
- Npl Segment, dedicated to non-recourse factoring and managing distressed loans, servicing and managing non-performing, secured loans, with the exception of Npl loans acquired by the so-called "illimity Group" (which are specifically included in the illimity Segment);
- Governance & Services and Non-Core Segment, which provides the Segments operating in the Group's core businesses with the financial resources and services necessary to perform their respective activities. The Segment includes treasury and proprietary securities desk activities, as well as some corporate loans portfolio assigned for run-off insofar as held to be non-strategic to the Group's development, with the exception of those falling within the remit of the illimity Group (which is included in the illimity Segment referred to in the point below);
- illimity Segment, which includes the contribution of the business units of all companies included within the illimity Group headed by illimity Bank. This presentation is consistent with the organizational representation of the illimity Group and with the methods defined by the Parent company's Management for making decisions regarding the allocation of resources and the evaluation of results. For this reason, this Segment is new in the second half of 2025 in terms of its contribution to the results of the Banca Ifis Group, and therefore the income statement figures only reflect the post-acquisition period (the six months from July to December 2025 only). The results are inclusive of the effects of the so-called "PPA - Purchase Price Allocation".

The financial and balance sheet numerical of the Segments are attributed on the basis of homogeneous allocation criteria in order to take into account both the specificity of the various segments and the need to guarantee effective monitoring of business performance over time.

Moreover, considering the foregoing, the Segment information in relation to the items of the income statement shows the results at the level of the net profit.

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STATEMENT OF FINANCIAL POSITION DATA (in thousands of Euro)	COMMERCIAL & CORPORATE BANKING SEGMENT				NPL SEGMENT	GOVERNANCE & SERVICES AND NON-CORE SEGMENT	ILLIMITY SEGMENT	TOTAL CONS. GROUP TOTAL
	TOTAL COMMERCIAL & CORPORATE BANKING SEGMENT	*of which: FACTORING AREA*	*of which: LEASING AREA*	*of which: CORPORATE BANKING & LENDING AREA*				
Other financial assets mandatorily measured at fair value through profit or loss								
Amounts at 31.12.2025	164.082	*949*	-	*163.133*	58.252	56.919	501.366	**780.619**
Amounts at 31.12.2024	143.933	*975*	-	*142.958*	36.293	56.806	-	**237.032**
% Change	14,0%	*(2,7)%*	-.	*14,1%*	60,5%	0,2%	n.a.	**229,3%**
Financial assets measured at fair value through other comprehensive income								
Amounts at 31.12.2025	873	-	-	*873*	-	1.114.264	544.134	**1.659.271**
Amounts at 31.12.2024	993	-	-	*993*	-	700.837	-	**701.830**
% Change	(12,1)%	-	-	*(12,1)%*	-	59,0%	n.a.	**136,4%**
Receivables due from customers (1)								
Amounts at 31.12.2025	7.216.527	*2.772.130*	*1.673.498*	*2.770.899*	1.592.328	2.281.560	5.045.581	**16.135.996**
Amounts at 31.12.2024	6.985.624	*2.900.077*	*1.612.971*	*2.472.576*	1.521.001	2.303.393	-	**10.810.018**
% Change	3,3%	*(4,4)%*	*3,8%*	*12,1%*	4,7%	(0,9)%	n.a.	**49,3%**
Goodwill								
Amounts at 31.12.2025	17.248	-	-	*17.248*	38.020	-	-	**55.268**
Amounts at 31.12.2024	-	-	-	-	38.020	-	-	**38.020**
% Change	n.a.	-	-	*n.a.*	-	-	-	**45,4%**
Other assets								
Amounts at 31.12.2025	114.656	*114.656*	-	-	-	195.170	241.914	**551.740**
Amounts at 31.12.2024	163.000	*163.000*	-	-	-	219.965	-	**382.965**
% Change	(29,7)%	*(29,7)%*	-	-	-	(11,3)%	n.a.	**44,1%**

(1) In the Governance & Services and Non-Core Segment, at 31 December 2025, there are government securities for 1.770,6 million Euro (1.579,0 million Euro at 31 December 2024) and in the illimity Group Segment, at 31 December 2025, there are government securities for 1,000,2 million Euro.

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RECLASSIFIED INCOME STATEMENT DATA AT 31.12.2025 (in thousands of Euro)	COMMERCIAL & CORPORATE BANKING SEGMENT				NPL SEGMENT	GOVERNANCE & SERVICES AND NON-CORE SEGMENT (1)	ILLIMITY SEGMENT	CONS. GROUP TOTAL
	TOTAL COMMERCIAL & CORPORATE BANKING SEGMENT	*of which: FACTORING AREA*	*of which: LEASING AREA*	*of which: CORPORATE BANKING & LENDING AREA*				
Net interest income	**219.013**	***101.544***	***52.741***	***64.728***	**269.149**	**(17.363)**	**88.546**	**559.345**
Net commission income	**95.254**	***59.005***	***11.105***	***25.144***	**(2.420)**	**(1.710)**	**31.450**	**122.574**
Other components of net banking income	27.583	*(26)*	-	*27.609*	32.406	44.852	2.699	107.540
Net banking income	**341.850**	***160.523***	***63.846***	***117.481***	**299.135**	**25.779**	**122.695**	**789.459**
Net credit risk losses/reversals	(34.323)	*(8.018)*	*(4.579)*	*(21.726)*	(140)	6.176	(80.682)	(108.969)
Net profit (loss) from financial activities	**307.527**	***152.505***	***59.267***	***95.755***	**298.995**	**31.955**	**42.013**	**680.490**
Operating costs	**(179.905)**	***(100.821)***	***(34.463)***	***(44.621)***	**(190.515)**	**(39.577)**	**(89.663)**	**(499.660)**
Charges related to the banking system	-	-	-	-	-	(600)	(681)	(1.281)
Net allocations to provisions for risks and charges	(2.058)	*(1.882)*	*142*	*(318)*	(2.684)	369	(152)	(4.525)
Non-recurring expenses and income	-	-	-	-	-	222.814	(21.420)	201.394
Profit (loss) on equity investments	-	-	-	-	-	-	198	198
Gains (losses) on disposal of investments	-	-	-	-	-	-	195	195
Pre-tax profit (loss) from continuing operations	**125.564**	***49.802***	***24.946***	***50.816***	**105.796**	**214.961**	**(69.510)**	**376.811**
Income taxes for the year relating to current operations	(38.511)	*(15.274)*	*(7.651)*	*(15.586)*	(32.448)	30.656	(7.600)	(47.903)
Profit (loss) for the year	**87.053**	***34.528***	***17.295***	***35.230***	**73.348**	**245.617**	**(77.110)**	**328.908**
(Profit) loss for the year attributable to non-controlling interests	-	-	-	-	-	(1.457)	545	(912)
Profit (loss) for the year attributable to the Parent company	**87.053**	***34.528***	***17.295***	***35.230***	**73.348**	**244.160**	**(76.565)**	**327.996**

(1) The income statement figures of the Governance & Services and Non-Core Segment at 31 December 2025 include 309,9 million Euro related to the non-recurring income, i.e. the so-called "gain on a bargain purchase" in accordance with IFRS 3 related to the acquisition of illimity Bank, shown under "Non-recurring charges and income".

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As specifically regards the Npl Segment, below is the breakdown of net loans by credit quality.

STATEMENT OF FINANCIAL POSITION DATA (in thousands of Euro)	AMOUNTS		CHANGE	
	31.12.2025	31.12.2024	ABSOLUTE	%
Net bad loans	1.136.236	1.184.378	(48.142)	(4,1)%
Net unlikely to pay	400.758	308.540	92.218	29,9%
Net non-performing past due exposures	3.995	3.837	158	4,1%
Total net non-performing exposures to customers (Stage 3)	**1.540.989**	**1.496.755**	**44.234**	**3,0%**
Total net performing exposures (Stages 1 and 2)	51.339	24.246	27.093	111,7%
- of which: proprietary loans acquired	*7.826*	*10.666*	*(2.840)*	*(26,6)%*
- of which: loans and current accounts vs customers	*3.164*	*533*	*2.631*	*n.s.*
- of which: debt securities	*37.439*	*11.602*	*25.837*	*222,7%*
- of which: receivables related to servicer activities	*2.910*	*1.445*	*1.465*	*101,4%*
Total on-balance-sheet receivables due from customers	**1.592.328**	**1.521.001**	**71.327**	**4,7%**
- of which: owned receivables acquired measured at amortised cost	***1.548.815***	***1.507.421***	***41.394***	***2,7%***

For a more detailed analysis of the results of the operating Segments, refer to the section “Contribution of operating Segments to Group results” of the Directors’ Report on the Group.

It should be noted that operating activities and income are predominantly generated in Italy, confirming the Banca Ifis Group's rootedness in the national territory, considered as its primary sphere of action. The impact of foreign assets and operating income is negligible.

With particular reference to what ESMA emphasised regarding the relevance, in the current context of geopolitical uncertainty and trade barriers, of the disclosure on geographic areas on major customers required by paragraphs 33 and 34 of IFRS 8, it is specified that for the Banca Ifis Group, foreign revenues are very limited, and limited to those recorded by the foreign companies Ifis Finance Sp. z o.o. and Ifis Finance I.F.N. S.A., residing in Poland and Romania, respectively (for more details on the Group's revenues by geographic area, refer to the section "Public Information State by State" in this document). It should also be noted that for the Banca Ifis Group, there are no cases falling under the definition of 'revenue with major customers' pursuant to paragraph 34 of IFRS 8, i.e. revenue with individual external customers exceeding 10% of total revenue.

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Part M - Leasing disclosure

Section 1 - Lessee

Qualitative information

As lessee, the Group companies stipulate lease contracts on properties mainly to be used instrumentally. They are therefore leases of properties intended to host internal offices. As the lease business is correlated to the Group's need to offshore its offices, particularly close attention is paid to identifying the most suitable properties for use, designated in line with the economic criteria established by the Group.

At 31 December 2025, there are 84 passive lease contracts for buildings and 11 for car parking spaces, the related right of use (ROU) booked at 31 December 2025 is 34,2 million Euro, whilst the corresponding lease liabilities come to 38,7 million Euro. These amounts include the balances arising from the business combination transactions carried out during the year (i.e. those relating to the illimity Group and Euclidea SIM) in the amount of 18,4 million Euro at the right-of-use level and 22,2 million Euro at the lease liability level as at 31 December 2025. The Group also has a property in Florence, financially leased as described in "Part B - Information on the Consolidated Statement of Financial Position" of these Consolidated Notes.

As regards the contracts for cars, the Group has passive contracts for 493 cars at 31 December 2025, which are mainly long-term hires of structure cars and fringe benefits for employees. The related rights of use at 31 December 2025 are 4,9 million Euro, while the corresponding liabilities for leasing come to 4,9 million Euro. These balances include contributions from the illimity Group amounting to 1,2 million Euro in respect of right-of-use assets and 1,3 million Euro in respect of lease liabilities as at 31 December 2025.

The Group is not exposed to outgoing cash flows, which are not already reflected in the measurement of the leasing liabilities. In greater detail, exposure deriving from the extension options are included in lease liabilities booked, insofar as the Group considers the first renewal as certain; the other situations recalled by the standard (variable payments connected with leasing, guarantees of residual value, lease commitments that are not yet operative) are not present for the contracts stipulated as lessee.

The Group books the following costs:

- short-term leases in the event of assets such as properties and technologies (in particular, the mainframe hardware), when the related contracts have a maximum term of twelve months and have no option for extension;
- leases of low-unit-value assets (in accordance with the option granted by paragraph 5 of IFRS 16), identified as those with a replacement value of less than 5.000 Euro, mainly related to mobile telephony.

Quantitative information

The table below provides indication on the amortisation/depreciation cost for assets consisting of the right of use, broken down by classes of underlying asset.

AMORTISATION/DEPRECIATION COSTS FOR ASSETS COMPRISING THE RIGHT OF USE (in thousands of Euro)	31.12.2025	31.12.2024
a) Land	-	-
b) Buildings	780	2.726
c) Furniture	-	-
d) Electronic equipment	-	461
e) Other	2.113	1.883
Total	**2.893**	**5.070**

Section 2 - Lessor

Qualitative information

The Group operates on the market with fixed or variable-rate financial leasing solutions for vehicles (cars, commercial and industrial vehicles) and instrumental assets (industrial machinery, medical equipment,

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technological assets) to both private customers and small and medium enterprises (SMEs) through an internal commercial structure and a network of selected agents in financial assets throughout the whole of national territory. The leasing of instrumental assets is also distributed through relations with manufacturers, distributors and retailers. With reference to the specific financial leasing segments:

- the automotive sector: in 2025, this sector remained stable compared to 2024 in terms of the number of vehicles (+1%), while in terms of the value financed, it grew (+7,1%). Compared to 2024, the industrial vehicle leasing segment recorded an increase of 3,6% over the previous year (for 3,1 billion Euro), passenger car leasing 0,4% (for 4,57 billion Euro) and finally commercial vehicle leasing increased by 8,9% (for 1,88 billion Euro). In this segment, the Group has signed contracts for approximately 405 million Euro, namely 7,4% more than the amount disbursed in 2024;
- capital goods sector: in 2025 in Italy capital goods financial leasing grew by 18,1% compared to 2024, totalling 9,1 billion Euro. The Group recorded a 4,2% growth in the industrial goods segment for a total of 231,5 million Euro.

As lessor, the Parent company does not stipulate lease contracts for properties for commercial use or accommodation with third parties and/or other group companies.

In referring to the greater detail given in the section “Contribution of operating Segments to Group results” of the Directors’ Report on the Group, it is there pointed out that the lease agreements stipulated with customers enable the management of risk on the underlying assets in line with the Group’s policy, as there is no provision for buy-back agreements, guarantees on residual value or variable payments. The Group therefore books the financial lease in accordance with accounting standard IFRS 16 and classifies the transactions amongst financial assets measured at amortised cost.

Quantitative information

1. Information from the statement of financial position and income statement

For information on loans connected with financial lease transactions, reference is made to the contents of "Section 4 - Financial assets measured at amortised cost” of the Assets of “Part B - Information on the Consolidated Statement of Financial Position” of these Consolidated Notes. As regards interest income on lease loans, reference is made to the contents of “Section 1 - Interest - Items 10 and 20” of “Part C - Information on the Consolidated Income Statement" of the Consolidated Notes; for commissions, refer to “Section 2 - Commissions - Items 40 and 50” of Part C and, finally, for other operating income, refer to “Section 16 - Other operating income (costs) - Item 230” against of Part C.

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2. Finance leases

2.1. Classification by time frames of payments to be received and reconciliation with the leasing loans entered under assets

Time frames	31.12.2025	31.12.2024
	Payments to be received for leasing	Payments to be received for leasing
Up to 1 year	107.907	99.713
Over 1 to 2 years	228.892	213.905
Over 2 to 3 years	362.083	355.603
Over 3 to 4 years	453.724	441.146
Over 4 to 5 years	439.165	437.348
Over 5 years	59.796	62.171
Total payments to be received for leasing	**1.651.567**	**1.609.886**
RECONCILIATION WITH LOANS		
Financial gains not accrued (-)	(186.488)	(182.898)
Residual value not guaranteed (-)	-	-
Financing for leasing	**1.465.079**	**1.426.988**

The table shows the classification by time frame of payments receivable for leasing and the reconciliation of such payments and lease loans as lessor. The table does not show impairment losses totalling 29,1 million Euro at 31 December 2025 (29,8 million Euro in 2024).

2.2 Other information

There is no further information to report than that presented in the preceding paragraphs.

3. Operating leases

The case referred to in this disclosure is not applicable to the Banca Ifis Group.

Venice - Mestre, 12 March 2026

For the Board of Directors

The CEO

Frederik Herman Geertman

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2025 ANNUAL REPORT

Country-by-country reporting

Banca Ifis

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Country-by-country reporting

The following is the information relating to points a), b), c), d), e) and f) of Annex A of Part One, Title III, Chapter 2, of Circular No. 285 of the Bank of Italy (so-called "Circular"). “Country-by-Country” reporting).

a) Name of the companies established and nature of the activity

Compared to the previous year, the Banca Ifis Group as at 31 December 2025 confirms its presence in Poland with a company of a financial nature named Ifis Finance Sp. z o.o., in Romania with a company of a financial nature named Ifis Finance I.F.N. S.A. and in Italy through the remaining companies, with the nature of banking, financial and non-financial activities, forming part of the Group, for which refer to the details in 'Part A - Accounting Policies', 'A.1 - General Part', 'Section 3 - Scope and Methods of Consolidation' within the Notes to the Consolidated Financial Statements.

b) Turnover

Turnover	ITALY	POLAND	ROMANIA	OTHER CONSOLIDATION ENTRIES	GROUP
Turnover(1)	837.499	5.797	2.902	(183.063)	**663.135**

(1) Turnover refers to item 120 "Net interest and other banking income" in thousand Euro in the income statement of the consolidated financial statements as at 31 December 2025.

c) Number of full-time equivalents

Number of full-time equivalents	ITALY	POLAND	ROMANIA	OTHER CONSOLIDATION ENTRIES	GROUP
Number of full-time equivalents (1)	2.608	12	15	-	**2.635**

(1) The "Number of full-time equivalents" is calculated, in accordance with the relevant Provisions, as the ratio of total hours worked by all employees (including overtime) and the total contract work hours per year of a full-time employee (i.e. the total available work hours in a year excluding 20 days of annual leave).

d) Profit (loss) before tax

Profit (loss) before tax	ITALY	POLAND	ROMANIA	OTHER CONSOLIDATION ENTRIES	GROUP
Profit (loss) before tax(1)	242.225	4.012	887	129.687	**376.811**

(1) The figure represents item 290 "Profit (Loss) from current operations before tax" in thousand Euro in the income statement of the consolidated financial statements as at 31 December 2025.

e) Taxes on profit or loss

Taxes on profit or loss	ITALY	POLAND	ROMANIA	OTHER CONSOLIDATION ENTRIES	GROUP
Taxes on profit or loss(1)	(47.167)	(781)	(130)	175	**(47.903)**

(1) The figure represents item 300 "Income tax for the year on current operations" in thousand Euro in the income statement of the consolidated financial statements as at 31 December 2025.

f) Public contributions received

For information on subsidies, contributions, paid assignments and economic advantages of any kind received by Group companies, refer to the National Register of State Aid, “Transparency” section.

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2025 ANNUAL REPORT

Attestations and reports

Banca Ifis

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Certification of the Sustainability Statement at 31 December 2025 in accordance with Art. 81-ter, paragraph 1 of Consob Regulation No. 11971 of 14 May 1999 and subsequent amendments and additions

The undersigned Frederik Herman Geertman, Chief Executive Officer, and Massimo Luigi Zanaboni, Manager charged with preparing the Company's financial reports of Banca Ifis S.p.A., hereby certify, pursuant to Article 154-bis, paragraph 5-ter, of Legislative Decree No. 58 of 24 February 1998, that the Consolidated Sustainability Statement included in the Directors' Report on the Group has been prepared:

a) in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 and Legislative Decree No. 125 of 6 September 2024;
b) with the specifications adopted pursuant to Article 8(4) of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.

Venice - Mestre, 12 March 2026

CEO	Manager charged with preparing the Company's financial reports
Frederik Herman Geertman	Massimo Luigi Zanaboni

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Certification of the Consolidated Financial Statements as at 31 December 2025 pursuant to article 154-bis, paragraph 5, of Italian Legislative Decree No. 58 of 24 February 1998 and Art. 81-ter of Consob Regulation No. 11971 of 14 May 1999 and subsequent amendments and additions

1. We, the undersigned, Frederik Herman Geertman - CEO and Massimo Luigi Zanaboni - Manager charged with preparing the Company's financial reports of Banca Ifis S.p.A., having also taken into account the provisions of Art. 154-bis, paragraphs 3 and 4, of the Italian Legislative Decree No. 58 dated 24 February 1998, hereby certify:
   - i. the adequacy in relation to the characteristics of the business;
   - ii. the actual application of the administrative and accounting procedures for the preparation of the Consolidated Financial Statements, during the period 1 January 2025 - 31 December 2025.

2. The adequacy of the administrative and accounting procedures in place for preparing the consolidated financial statements has been assessed through a process established by Banca Ifis S.p.A. on the basis of the guidelines set out in the Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (CoSO), an internationally accepted reference framework.

3. The undersigned further confirm that:
   - 3.1 the consolidated financial statements:
     - a) have been prepared in accordance with the Accounting Standards applied recognized by the European Union pursuant to (EC) Regulation No. 1606/2002 of the European Parliament and the Council of 19 July 2002;
     - b) correspond to the accounting books and records;
     - c) provide a true and fair representation of the equity, economic and financial situation of the issuer and the whole of the companies included in the scope of consolidation.
   - 3.2 the management report contains a reliable analysis of the business outlook and management result, the financial position of the issuer and group of companies included in the scope of consolidation and a description of the main risks and uncertainties they are exposed to.

Venice - Mestre, 12 March 2026

CEO	Manager Charged with preparing the Company's financial reports
Frederik Herman Geertman	Massimo Luigi Zanaboni

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Board of Statutory Auditors' report

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REPORT OF THE BOARD OF STATUTORY AUDITORS TO THE SHAREHOLDERS' MEETING

Pursuant to article 153, of Legislative Decree no. 58/1998 and Article 2429, paragraph 2 of the Italian Civil Code)

(Translation from the original Italian text)

Dear Shareholders,

The Board of Statutory Auditors of Banca Ifis S.p.A. (hereinafter also "Banca Ifis" or the "Bank" or "Ifis"), pursuant to Article 153 of Legislative Decree no. 58/1998 and Article 2429, paragraph 2, of the Italian Civil Code, is required to report to the Shareholders' Meeting called to approve the financial statements for the year ended 31 December 2025 on the supervisory activity performed during the year in compliance with the duties attributed to it by Article 149 of the aforementioned legislative decree.

Background

On 17 April 2025, the Shareholders' Meeting of Banca Ifis, in continuity with the previous term of office, confirmed the composition of the Board of Statutory Auditors (hereinafter also "Board"), by means of the list voting system, for the period specified in Art. 2400(1) Civil Code, i.e., for the three-year period 2025–2027 (and, therefore, expiring on the date of the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2027), as follows: Mr. Andrea Balelli (Chair), Mr. Franco Olivetti (Standing Auditor), Ms Annunziata Melaccio (Standing Auditor), Ms Marinella Monterumisi (Alternate Auditor) and Ms Emanuela Rollino (Alternate Auditor), and determined the remuneration payable for each position. In preparing this report, due consideration was also given to the findings resulting from the activities carried out by the Board of Statutory Auditors in office during the first part of 2025, i.e., prior to the renewal of its mandate.

During FY 2025, the Board in office met 24 times, of which 5 times jointly with the Control and Risk Committee and 1 time jointly with the Boards of Statutory Auditors of the Italian Companies directly and indirectly controlled by Banca Ifis.

During 2026 and up to the date of this Report, 7 meetings of the Board of Statutory Auditors were held, 2 of which were held jointly with the Control and Risks Committee.

1. Activity of the Board of Statutory Auditors

During the financial year ended 31 December 2025, the Board of Statutory Auditors carried out its institutional duties in compliance with the provisions of the Civil Code, Legislative Decree No. 385/1993 (the "Consolidated Law on Banking" or "TUB"), Legislative Decree No. 58/1998 (the "Consolidated Law on Finance" or "TUF"), Law No. 231/2007, the provisions of the Articles of Association, the indications contained in the Code of Corporate Governance, the principles of conduct recommended by the Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili (Italian Professional Order of Tax Advisors), as well as the special laws on the subject and the provisions issued by the Supervisory Authorities (Bank of Italy and Consob).
Moreover, since Banca Ifis has adopted the traditional governance model, the Board of Statutory Auditors is identified with the "Internal Control and Audit Committee", which is responsible for

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further specific control and monitoring functions in the area of financial reporting and auditing provided for by Article 19 of Legislative Decree no. 39 of 27 January 2010, as amended by Legislative Decree 135, dated 17 July 2016.

Where the Board considered it necessary to make recommendations and suggestions, it communicated them both during the meetings held with the internal functions concerned, and directly to the body with management or strategic supervision functions and to the relevant internal board Committees, as minuted over time.

The Board of Statutory Auditors reported periodically to the Board of Directors on the activities carried out and the opinions given. Furthermore, the Board of Statutory Auditors, taking into account the provisions of the new "Rules of Conduct for the Board of Statutory Auditors of Listed Companies" approved by the CNDCEC in December 2024 (and applicable from 1 January 2025) and, in particular in Rule Q.1.7 - Self-Assessment of the Board of Statutory Auditors - conducted, with the assistance of an external consulting firm, a self-assessment process, as a result of which the Board of Statutory Auditors expressed an overall assessment of adequacy in relation to its size and composition, as well as a favourable opinion on the requirements of professionalism, independence and integrity and on the functioning mechanisms of the body.

In this Report, the Board of Statutory Auditors gives an account of the activities carried out during the financial year, separately for each supervisory area provided for by the regulations governing the activities of the Board.

2. Significant events and transactions

2.1 Period events and transactions

In carrying out the activities of supervision and control, the Board of Statutory Auditors obtained periodically from the Directors, including through the participation in meetings of the Board of Directors, information on the activities carried out and on the most important economic, financial and equity operations approved and implemented by the Bank and by the subsidiaries, also pursuant to Article 150, paragraph 1 of the Consolidated Law on Finance.

Reference should be made to the information provided in the Report on Operations regarding significant events during the year and after year-end.

In the context of the Public Takeover Bid (the "OPAS") launched on 8 January 2025 by Banca Ifis for illimity Bank S.p.A. (hereinafter also "illimity" or "illimity Bank"), it should be noted that:

- on 7 January 2025, the Board of Directors of Banca Ifis met in an extraordinary session to resolve on the approval of the promotion of the voluntary all-inclusive takeover and exchange offer on illimity Bank;
- on 8 January 2025, by means of a notice issued pursuant to Art. 102(1) of Italian Legislative Decree No. 58/98 (the 'TUF') and Article 37 of the regulations adopted by CONSOB Resolution No. 11971/99 (the 'Issuers' Regulations'), the offer was disclosed to the market. At the same time, the Extraordinary Shareholders' Meeting was convened for 17 April 2025, in a single call, in order to deliberate on the proposal to grant the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, the power to increase the share capital, in one or more tranches.

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- on 27 January 2025, Banca Ifis filed (i) the application for authorisation to acquire a controlling interest (up to 100%) in the capital of illimity with the Bank of Italy and the European Central Bank, (ii) the Offer Document with the National Commission for Companies and the Stock Exchange (Consob) and (iii) the notice pursuant to antitrust regulations with the Antitrust Authority (AGCM).
- in March 2025, the AGCM issued authorisation for the merger between the Banca Ifis Group and the illimity Bank Group, without imposing any conditions, limitations and prescriptions.
- on 14 March 2025, the Prime Minister's Office forwarded to Banca Ifis the resolution accepting the proposal of the Ministry of Economy and Finance not to exercise the special powers under the "Golden Power" regulation in relation to the acquisition by Banca Ifis, through the Offer, of the entire share capital of illimity Bank;
- on 28 April 2025, Banca Ifis obtained approval from the European Central Bank for the direct and indirect acquisition of a controlling stake in illimity Bank, in accordance with Articles 19 *et seq.* of Legislative Decree 1 September 1993, no. 385;
- on 2 May 2025, following the aforementioned authorisation from the European Central Bank for direct control over illimity, Banca Ifis also received all the necessary authorisations pertaining to the Bank of Italy and specifically: (i) the authorisation of the indirect acquisition of a controlling interest in illimity SGR S.p.A. and the purchase of a qualified shareholding in Hype S.p.A.; (ii) the authorisation of the acquisition of the stake in illimity for a consideration exceeding 10% of the Banca Ifis Group's equity on a consolidated basis; and (iii) the provision to ascertain that the amendments to the Banca Ifis articles of association resulting from the share capital increase to service the Offer ("Capital Increase") do not conflict with the sound and prudent management of Banca Ifis. The Bank of Italy also confirmed the eligibility of the new shares issued as part of the Capital Increase as Common Equity Tier 1;
- on 8 May 2025, the Board of Directors, in exercise of the power conferred by the Extraordinary Shareholders' Meeting pursuant to Article 2443 of the Italian Civil Code on 17 April 2025, resolved to increase the share capital dedicated to the aforementioned offer;
- on 4 July 2025, the transfer to Banca Ifis was completed of ownership of the illimity Bank shares tendered in acceptance of the voluntary all-inclusive takeover and exchange offer promoted by Banca Ifis during the acceptance period (which ended on 27 June 2025). Therefore, Banca Ifis has become the ultimate controlling shareholder of illimity and, as a result, as of 4 July 2025, illimity is subject to the management and coordination of Banca Ifis pursuant to Articles 2497 et seq. of the Civil Code and Article 61 of the Consolidated Law on Banking (TUB). On the same date, the Parent Company, La Scogliera SA, ceased to meet the control requirement pursuant to Article 120 of the TUIR (Consolidated Law on Income Tax), resulting in the termination of the National Tax Consolidation (pursuant to Articles 117 et seq. of Italian Presidential Decree 917/1986, "TUIR") in place between La Scogliera SA (an Italian permanent establishment) and the subsidiaries Banca Ifis S.p.A., Cap.Ital.Fin S.p.A., Ifis NPL Investing S.p.A., Ifis NPL Servicing S.p.A. and Ifis Rental Services S.r.l.;
- on 6 November 2025, in line with the expected timetable, the sale of the entire equity interest held by illimity Bank in Hype S.p.A. was completed for a financial consideration of 85 million

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Euro, with Banca Sella Holding making an irrevocable commitment to purchase the aforementioned equity interest;

- in December 2025, the accounting and financial due diligence activities initiated following the completion of the takeover bid were successfully concluded, with the support of the independent firm PricewaterhouseCoopers Business Service S.r.l., in order to determine the so-called badwill arising from the acquisition of illimity Bank, as requested by the European Central Bank on 29 April 2025.

On 20 March 2025, the Board of Directors of Banca Ifis S.p.A. approved the 2025 Liquidity Funding Plan as well as the 2026 funding forecast, a document that goes into detail on the current and prospective capital structure of the Banca Ifis Banking Group and assesses, also with a view to the sound and prudent management of the Bank, the evolution of the sources of liquidity funding from the point of view of both the quality of funding and the mix of the various technical forms that make it up, as well as the changes in the balances for the time buckets envisaged.

Funding activities also include the bond issuance programme known as the "Euro Medium Term Note Programme" ("EMTN Programme"), originally entered into in September 2017 and, most recently, renewed for 2025 by a board resolution passed on 5 June 2025, which sets a maximum issue ceiling (overall and cumulative) of 5 billion Euro. Therefore, on 7 July 2025, by means of an urgency resolution passed by the Chief Executive Officer in accordance with the Articles of Association, Banca Ifis S.p.A. completed the placement of a 400 million Euro senior preferred debenture loan aimed at institutional investors, as part of the aforementioned 5 billion Euro EMTN issuance programme.

Nevertheless, on 17 July 2025, the Board approved the restructuring of the 'Indigo Lease' and 'Emma' securitisation transactions, which concern, respectively, receivables arising from finance lease contracts referred to as 'transportation' entered into by Banca Ifis with its performing user customers, and receivables arising from land, mortgage or unsecured loan agreements entered into by Banca Credifarma with its performing customers, respectively.

In this regard, on 8 October 2025, Banca Ifis successfully completed an STS securitisation transaction of loans with a total nominal amount of about 610 million Euro for the purpose of funding its subsidiary Banca Credifarma. The transaction, with Banca Ifis acting as Sole Arranger, was finalised with the acquisition of the loans by the special purpose vehicle Emma SPV.

On 17 April 2025, the Banca Ifis Ordinary and Extraordinary Shareholders' Meeting (i) approved the renewal of the Board of Directors, increasing from 13 to 14 the number of Directors who will hold office until the date of the Shareholders' Meeting convened to approve the Annual Financial Statements at 31 December 2027, (ii) renewed the Board of Statutory Auditors for the three-year period 2025–2027, (iii) resolved to approve the assignment to the Board of Directors of the proxy for the capital increase dedicated to the voluntary takeover and exchange offer on all the shares of illimity Bank promoted by Banca Ifis and announced on 8 January 2025, as mentioned above, and (iv) established and appointed the new Scenarios and Sustainability Committee, a sub-committee of the Board of Directors, with the aim of further strengthening oversight of sustainability issues, for which the Bank already holds an AAA rating from MSCI.

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As part of the Banca Ifis Group's framework for managing climate change, on 18 September 2025, the Board of Directors approved the 'Climate Report 2024' (formerly the Task Force on Climate-related Financial Disclosures Report – TCFD Report). The document – now in its third edition and prepared in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (established in 2015 on the initiative of the Financial Stability Board (FSB), the body responsible for monitoring and promoting the stability of the global financial system) – covers the structure of the Banca Ifis Group at 31 December 2024 and, therefore, does not include qualitative or quantitative information relating to illimity Bank or its subsidiaries or investee companies.

On 24 October 2025, the closing took place for the Banca Ifis acquisition of a 20% stake in Edulia S.r.l., a company belonging to the Treccani Group, with the signing of a new shareholders' agreement between the existing shareholders, Treccani Scuola S.p.A. and CDP Venture Capital S.p.A., on the one hand, and Banca Ifis, on the other.

On 10 November 2025, the Board of Directors resolved to distribute an interim dividend for FY 2025 for a total amount of about 73 million Euro, i.e. 1.20 Euro per share outstanding at 30 September 2025 (gross of any withholding taxes).

On 21 November 2025, Banca Ifis successfully completed the acquisition of 100% of Euclidea SIM S.p.A., a securities brokerage firm offering portfolio analysis and management services, which was subsequently renamed Fürstenberg SIM S.p.A. with effect from 26 January 2026.

Finally, it is noted that, on 3 December 2025, the Board resolution of 23 October 2025 became effective, which provided for the co-option, pursuant to Article 2386 of the Italian Civil Code and Article 11 of the Articles of Association, of Mr. Riccardo Preve (non-independent director) and Mr. Moroello Diaz della Vittoria Pallavicini (independent director), in replacement of the resigning Mr. Giovanni Meruzzi and Ms Monica Regazzi. The latter had in turn been appointed on 25 September 2025 to the Board of Directors of illimity Bank in order to ensure oversight by the Parent Company during the integration phase.

2.2 Significant subsequent events

Significant events subsequent to the close of FY 2025 that this Board believes should be recalled are outlined below.

On 13 January 2026, the placement with institutional investors of a ten-year Tier 2 bond issue, maturing in April 2036 and carrying a coupon of 4.546%, for a total amount of 400 million Euro, was successfully completed, with demand exceeding the issued amount by more than twofold.

On 15 January 2026, the Bank of Italy notified Banca Ifis that it had been designated a High-Impact Less Significant Institution, making it subject to intensive direct supervision by the competent Supervisory Authorities and indirect supervision by the ECB, in accordance with the principle of proportionality.

On 23 January 2025, in accordance with the current 'Group Digital Operational Resilience Strategy Policy' and with the Board's powers to define and approve the Digital Operational Resilience Strategy, as set out in the current 'Banca Ifis General Regulations', the Board of Directors approved the implementation of the Banca Ifis Group's Digital Operational Resilience

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Strategy (DORS), as defined pursuant to Regulation (EU) 2022/2554 (DORA Regulation), based on the DORS strategic document held on file and applicable to all Banca Ifis Group Legal Entities (including companies incorporated under foreign law).

On 6 February 2026, following Banca Sella receipt of authorisation from the Bank of Italy to acquire the entire share capital of Hype S.p.A., the closing took place, thereby completing the transaction involving the sale of the equity interest held by illimity Bank in the aforementioned company to Banca Sella.

On 11 February 2026, the Board of Directors approved the decision to pay, in 2026, the extraordinary contribution provided for in paragraph 69 of Article 1 of the 2026 Budget Law, in the amount of 27.5% of the reserve referred to in Article 26, paragraph 5-bis of Decree-Law No. 104 of 10 August 2023, converted with amendments by Law No. 136 of 9 October 2023 (the 'extra-profit reserve'), amounting to 6,573,906 Euro (calculated as 27.5% of the €23,905,112 of the extra-profit reserve already recognised under Shareholders' Equity), as well as the corresponding recognition of this amount under the item 'Other Liabilities', offset against the item 'Other Reserves'. The identification of the Shareholders' Equity reserve to be used to pay this extraordinary contribution will be submitted for approval by the Shareholders' Meeting on 16 April.

On 26 February 2026, the Board of Directors approved the extension of the tax consolidation scope, exercising the option for the National Tax Consolidation scheme, with Banca Ifis S.p.A. – as the Consolidating Company – and the companies illimity Bank S.p.A., Fürstenberg SGR S.p.A., Arecneprix S.p.A., Abilio S.p.A., Quimmo Agency S.r.l., Quimmo Prestige Agency S.r.l. and Fürstenberg SIM S.p.A. – in the role of consolidated companies.

Nevertheless, on 26 February 2026, the Board of Directors expressed its assessments regarding Guideline (EU) 2025/2595 of the European Central Bank on the coverage of non-performing exposures of less significant supervised entities ('ECB Guideline'), which were then submitted to the Bank of Italy on 27 February 2026.

At its meeting scheduled for 26 March this year, the Board of Directors of Banca Ifis S.p.A. will approve the 2026 Liquidity Funding Plan as well as the 2027 funding forecasts, having also taken into account the assessments made today by the Supervisory Body.

Finally, with regard to funding activities, it is noted that in the first quarter of 2026, Banca Ifis launched its first Euro-Commercial Paper (ECP) programme, thereby diversifying its funding sources. The programme, which is intended for the placement of short-term debt exclusively with professional investors, has an expected maturity of three years, a maximum total amount of up to 1 billion Euro, and provides for the possibility of issuing notes denominated in both Euro and US Dollars.

3. Supervisory activities

3.1 Supervisory Activities on compliance with the law and the Articles of Association

The undersigned Board of Statutory Auditors monitored compliance with the law and the Articles of Association, acquiring the information instrumental to the performance of the tasks assigned to it through the articulated system of information flows provided for in the Group, as

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well as through participation, in 2025, as a collegial body or with the presence of at least one member, in all meetings of the Board of Directors (22), of the Control and Risk Committee (21) - of which 5 held jointly with the Board of Statutory Auditors - of the Remuneration Committee (11) and of the Appointments Committee (10) - of which 1 held jointly between the two bodies - and, lastly, the Scenarios and Sustainability Committee (1).

The undersigned Board of Statutory Auditors also participated, as a collegial body, in the Ordinary Shareholders' Meeting held on 17 April 2025 to approve the financial statements at 31 December 2024.

In the course of 2025, the members of the current Board of Statutory Auditors participated in various training and induction courses on topics related to the banking environment, risk scenarios, digital innovation, ESG topics, and regulatory and legislative matters (such as, for example, the introduction of the EBA guidelines). Such refresher training is carried out as part of the training plan prepared in compliance with the provisions of Circular 285/2013 (point e., paragraph 2.1, Section IV, Chapter 1, Title IV), taking into account the individual as well as the collective training needs of the Bank's control body and governing body.

The minutes of the Board of Statutory Auditors, which sometimes contain explicit recommendations to rapidly resolve difficulties that have come to light, are made available, in full, to the CEO and to the Chair of the Board of Directors. The Chairman of the Control and Risk Committee is constantly invited to attend the meetings of the Board, in the belief that this ensures an adequate flow of information within the company.

The Head of Internal Auditing also attends the meetings of the Board of Statutory Auditors, as a permanent invitee for the continuous interaction with the corporate function of third-level control.

During FY 2025, the Board of Statutory Auditors expressed:

- opinions in relation to what are termed "non-audit fees" for non-audit services, as provided for by the regulations in force and by the internal procedure adopted by the Company, verifying in particular their effects on independence, with no exceptions to be noted;
- a reasoned opinion, submitted to the Shareholders' Meeting of Banca Ifis S.p.A., on the supplement to the fees for the statutory audit engagement of the auditing firm PricewaterhouseCoopers S.p.A.

Relations with Supervisory Authorities

Bank of Italy

During 2025, there were various discussions with the Bank of Italy, including for the purpose of periodically reporting on the activities carried out in connection with the Public Takeover Bid launched by Banca Ifis on 8 January 2025 for illimity Bank, encompassing all mandatory and/or informal communications aimed at completing the transaction.

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On 13 February 2026, the Bank of Italy, in a letter addressed to the Company, highlighted the need to "*repeat the collection of funding plans for 2026 as well, in order to have reliable information to promptly identify potential vulnerabilities*", considering the ongoing uncertainty in the geopolitical and macroeconomic context, in which banks remain a priority in order to ensure the effective pursuit of corporate strategies and risk management. In detail, the Bank of Italy requested the Less Significant Institutions (LSI) and, therefore, also the Company, to provide "*updated funding plans for the two-year period 2026-2027, together with comparative data for 2025 and any contingency plans drafted by banks*". The Bank of Italy also requested that this information be submitted to the Board of Directors and the Board of Statutory Auditors for evaluation, based on prior feedback from the Risk Management department. Following this communication, Banca Ifis drew up an updated version of the planning forecasts and this Board of Statutory Auditors expressed its assessments.

In this context, subsequent to the approval of the 2025 Liquidity Funding Plan, the Board of Directors will approve, lastly, on 26 March 2026, the 2026 Liquidity Funding Plan as well as the 2027 funding forecasts.

3.2 - Supervision of compliance with the principles of proper administration, relations with subsidiaries or other related parties

The Board of Statutory Auditors, as part of its supervisory activity on the observance of the principles of proper administration - also in compliance with the obligation set forth in Article 150 of the Consolidated Law on Finance - periodically obtained from the Directors, the Chief Executive Officer (hereinafter also referred to as 'CEO'), the control functions and the management, information on the activities carried out and on the most significant economic, financial and equity transactions carried out by the Company and its subsidiaries, as well as on the Group's strategic guidelines.

The Board of Statutory Auditors held regular meetings with the Manager Charged with preparing the Company's financial reports and the internal control functions. Hearings were scheduled with the Bank's management and periodic meetings were held with the representatives of the independent auditors in order to mutually exchange data and information relevant to the performance of their duties, as required by Article 150, paragraph 3 of the Consolidated Law on Finance.

On the basis of the information made available to the Board of Statutory Auditors, it would appear reasonable to believe that the transactions resolved by the Board of Directors and implemented by the CEO are not in breach of the law, the Articles of Association and the provisions issued by the Supervisory Authorities, as it can also be reasonably excluded that they are manifestly imprudent, or risky, or in conflict of interest, or in contrast with the resolutions passed by the Shareholders' Meeting, or such as to compromise the integrity of the company's assets.

Acknowledging the Directors' Report, the information produced to the Board of Directors by the CEO, the Supervisory Board pursuant to Legislative Decree No. 231/2001, and in light of the findings gathered as part of its supervisory activities, it is possible, on the part of the Board of Statutory Auditors, to reasonably exclude the existence of atypical and/or unusual transactions

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entered into with third parties, with Group companies or with related parties and associated parties.

With specific reference to transactions with related parties, the Board of Statutory Auditors regularly receives periodic information flows on any transactions concluded with such related parties and connected persons and to monitor the performance of exposures attributable to connected persons; where necessary, it has proceeded to request further information and details.

Detailed and exhaustive information is given on related party transactions in the specific section "Related Party Transactions" of the Directors' Report as well as in Part H of the Notes to the Consolidated and Separate Financial Statements.

As far as the Board of Statutory Auditors is aware, these transactions were concluded in the interest of the Bank and do not give rise to any remarks on their fairness, as they are part of Ifis' ordinary operations. It is therefore acknowledged that adequate information was provided to the Board of Statutory Auditors on transactions concluded with related parties and/or connected persons, in accordance with Consob provisions and in compliance with the provisions on connected persons set forth in Bank of Italy Circular 285.

The Board of Statutory Auditors has monitored the adequacy of the instructions issued by the Bank to its subsidiaries, verifying the effectiveness of the exchange of information and information flows between the Parent Company and the subsidiaries. The rules and procedures in place enable the Parent Company to fulfil its public disclosure obligations in a timely manner in accordance with the provisions of Article 114, paragraph 2 of the Consolidated Law on Finance.

Throughout 2025, the Board of Statutory Auditors was kept fully informed and updated on the progress of the public takeover bid launched by Banca Ifis on illimity Bank, as well as on the related financial and accounting due diligence activities carried out on illimity Bank. In particular, it is noted that, from the outset, the Control Body monitored the various phases of the transaction and the underlying rationale through a continuous flow of information with the Chief Executive Officer and the relevant corporate structures, with the primary aim of overseeing the appropriateness of the process from the perspective of sound and prudent corporate management.

The Board of Statutory Auditors, as provided for in Article 151-ter, paragraph 4, of the Consolidated Law on Finance, exchanged information flows with the Boards of Statutory Auditors of the subsidiaries, both on the basis of special joint meetings and through the completion of a questionnaire for the exchange of information prepared on an annual basis. In addition, as part of the process of appointing the statutory auditors for the period 2023-2031, in order to ensure continuity in the application of the Single Auditor principle for the Group, the procedure to identify the Auditor has been put in place by Ifis and the companies belonging to the Group.

In this regard, it should be noted that, during 2025, the Statutory Auditors of the Parent company were also appointed to the Board of Statutory Auditors of illimity Bank and to the Boards of Statutory Auditors of Fürstenberg SIM S.p.A. and Fürstenberg SGR S.p.A., both collectively and individually, respectively, with a view to ensuring maximum synergy and a proper flow of information between the Banca Ifis Group's supervisory bodies.

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In 2025, the Board reviewed the audits conducted by Internal Audit regarding the outsourcing of Essential or Important Operating Functions and agreed with the comments contained therein.

3.3 - Supervisory activities on the implementation of corporate governance

In relation to the provisions of Article 149, paragraph 1, letter c-*bis*, of the Consolidated Law on Financial Intermediation concerning the supervision by the Board of Statutory Auditors '*on the procedures for the concrete implementation of the corporate governance rules set forth in codes of conduct drawn up by management companies of regulated markets or by trade associations, which the company, by means of public disclosures, declares that it complies with*', the Board of Statutory Auditors reports that it performed this activity during the year. Pursuant to Article 123-*bis* of the Consolidated Law on Financial Intermediation, the Company prepared its annual Report on Corporate Governance and Ownership Structures (hereinafter also referred to as the 'Corporate Governance Report') for 2025, which was approved on 12 March 2026, to which reference should be made for further details, which illustrates, *inter alia*, Banca Ifis' administration and control model and provides full information on the manner in which the Bank has adopted and implemented the recommendations made by the Corporate Governance Committee.

The Board of Statutory Auditors also supervised the adoption of the policy for the remuneration of directors and key managers, in line with the provisions of the Corporate Governance Code, as well as the subsequent Remuneration Report pursuant to Article 123-*ter* of the Consolidated Law on Finance, expressing an opinion on the adequacy of the remuneration policy adopted by the Bank with respect to the purposes expressed in this area by Circular 285/2013 and the Remuneration Report itself.

The Board of Statutory Auditors, also through its attendance of all the meetings of the Remuneration Committee, oversaw the application of the remuneration policies and 2025 innovations, examined by the Remuneration Committee on 11 March 2026, and submitted to the Shareholders' Meeting for approval.

At the above-mentioned meeting of the Remuneration Committee, the Board of Statutory Auditors acknowledged the positive opinion expressed by Compliance on the compliance of the Remuneration Report with the applicable regulatory provisions, sharing its conclusions and comments. At the 25 March 2026 meeting of the Remuneration Committee, the Board also acknowledged, and shared the comments contained, the checks conducted by the Internal Audit function and set out in the document "Compliance of remuneration practices with internal policies and reference regulations", checks which led to a substantially favourable opinion.

In general, in light of the provisions of the Supervisory Authorities on the subject of remuneration and incentive systems, the Board of Statutory Auditors monitored, in close connection with the Remuneration Committee, the changes introduced to the 2026 Remuneration Policy, although substantially in line with that of 2025, examined by the Remuneration Committee on 11 March 2026, for details of which reference should be made to the Remuneration Report, on the correct application of the rules relating to the remuneration of the Chief Executive Officer, the heads of the Control Functions and the Manager Charged with preparing the company's financial reports, and on the dissemination of the remuneration policies for FY 2026 to the companies belonging to the Group.

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The Board of Statutory Auditors has no objections to the Remuneration Policy submitted to the Shareholders' Meeting.

3.4 - Supervision of the statutory audit process and the independence of the auditing firm

Pursuant to the Consolidated Law on Auditing (Art. 19 of Legislative Decree No. 39/2010 as amended by Legislative Decree No. 135/2016) the Board of Statutory Auditors (identified by the Consolidated Act as the "Internal Control and Statutory Audit Committee") is in charge of (i) informing the board of directors of the audited entity of the outcome of the statutory audit and transmitting to that body the additional report referred to in Article 11 of the European Regulation, accompanied by any observations, (ii) monitoring the statutory audit of the annual and consolidated accounts (iii) verifying and monitoring the independence of the statutory auditors or statutory audit firms pursuant to Articles 10 and 17 of the aforementioned decree and Art. 6 of European Regulation 537/2014 (the "European Regulation"), in particular with regard to the adequacy of the provision of non-audit services to the audited entity in accordance with Art. 5 of such Regulation and (iv) the responsibility for the procedure to select statutory auditors or audit firms and to recommend statutory auditors or audit firms for appointment pursuant to Art. 16 of the European Regulation.

In this context, the Board of Statutory Auditors currently in office carried out an ongoing monitoring process of the activities performed in 2025 and up to the date of this report by PricewaterhouseCoopers S.p.A. (hereinafter also referred to as 'PwC'), both through meetings at special meetings of the Board of Statutory Auditors and at joint meetings of the Board of Statutory Auditors and the Control and Risks Committee.

Information to the Board of Directors on the outcome of the statutory audit and the Additional Report pursuant to Art. 11 of the European Regulation

In relation to the auditing company, the Board of Statutory Auditors reports that PwC has today issued the Additional Report pursuant to Article 11 of the European Regulation, from which no significant deficiencies emerge in the internal control system for financial reporting and/or in the accounting system.

Supervisory activities on the statutory audit of annual and consolidated accounts

- the accounts were audited in accordance with the regulations by the auditing firm PwC to which the Shareholders' Meeting of 28 April 2022 appointed the auditor for financial years 2023-2031;
- the Board of Statutory Auditors met periodically with the auditing firm PwC, and the meetings did not reveal any significant facts worthy of mention concerning the auditing activity nor any decisive deficiencies in the integrity of the internal control system with regard to the financial reporting process in particular;
- PwC today issued its report containing its opinion on the financial statements and consolidated financial statements prepared in accordance with the IFRS accounting standards issued by the International Accounting Standards Board and adopted by the European Union, as well as the measures issued in implementation of Art. 9 of Legislative Decree No. 38/05 and Article 43 of Legislative Decree No. 136/15. Furthermore, in the same report, PwC issued an opinion on the consistency of the Directors' Report and the

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information in the Corporate Governance Report with the Financial Statements. This report does not contain any remarks or requests for information.

- on the same date, PwC issued an attestation report on the compliance of the Consolidated Sustainability Statement with the European Sustainability Reporting Standards ("ESRS") and Article 8 of Regulation (EU) No. 852/2020 ("Taxonomy Regulation")

Independence of the audit firm, in particular with regard to the provision of non-audit services

With regard to the annual confirmation of independence pursuant to Art. 6, paragraph 2, letter a) of the European Regulation and paragraph 17 of Standard ISA Italia 260, the Board of Statutory Auditors represents that it received written confirmation from the auditing firm on 16 March 2026.

The Board of Statutory Auditors monitored the independence of the auditing firm and, in particular, received periodic evidence of the non-audit assignments to be assigned (or assigned by virtue of specific regulatory provisions) to the statutory auditor.

As can be seen from the consolidated financial statements of the Banca Ifis Group, in 2025, the auditing firm PricewaterhouseCoopers S.p.A. and the other companies of the PwC network performed the following activities in favour of the Group:

Company and reporting period (*Euro/000*)		**PwC**		**Other companies in the PwC network**		
		Independent auditors' fees	**Certification services**	**Independent auditors' fees**	**Other services (*)**	**Total**
Banca Ifis S.p.A.	2025	365,108	553,300	-	553,500	1,471,908
Subsidiaries	2025	1,028,924	101,400	89,900	-	1,220,224
Total		**1,394,032**	**654,700**	**89,900**	**553,500**	**2,692,132**

(*) "Other services" include due diligence for the acquisition of VAT credits.

The Board of Statutory Auditors considers that the aforementioned fees are appropriate to the size, complexity and characteristics of the work performed and also considers that the engagements (and related fees) other than audit services are not such as to affect the statutory auditor's independence. The Board also verified that the tasks entrusted to the auditing firm are not among those prohibited for the auditing company in office under the aforementioned European Regulation.

It is also acknowledged that the Board of Directors and the undersigned Board of Statutory Auditors have shared the view that it is deemed appropriate for the appointed auditing firm to focus on its typical activity and to be involved, either directly or through companies belonging to its network, limited to projects that have already been commissioned and for which the assignment to another firm might be uneconomic.

Appointment as statutory auditor for the period 2023-2031

Please note that the 2025 Annual Report of Banca Ifis represents the third financial statements whose accounts have been audited by PwC, following the audit engagement for FY 2023-2031 on the grounded proposal of the Board of Statutory Auditors, by resolution of the shareholders' meeting of Banca Ifis on 28 April 2022.

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3.5 - Supervisory activities on the administrative-accounting system and on the financial report and non-financial disclosure processes

Referring to the aforementioned Article 19 of Legislative Decree No. 39/2010 as amended by Legislative Decree no. 135/2016, the Board of Statutory Auditors, in monitoring the financial reporting process, interacted with the Control and Risk Committee set up within the Board of Directors, in order to coordinate their respective competences and avoid any overlapping of activities. In this regard, the Board of Statutory Auditors participated, where possible with all its members, in the activities of the Control and Risk Committee, particularly when they referred to issues of specific relevance for the purposes of Legislative Decree No. 39/2010 and the above-mentioned supervisory matters, making relations fluid and facilitating the coordination and exchange of information between the two bodies.

With specific reference to the different areas of supervision, we would point out the following.

Supervision of the financial reporting process

The Board of Statutory Auditors verified the existence of rules and procedures governing the process of the formation and dissemination of financial information. In this regard, the Corporate Governance Report defines the reference guidelines for the establishment and management of the system of administrative and accounting procedures for Ifis and its consolidated companies, regulating the relevant steps and responsibilities.

The Board of Statutory Auditors examined, with the assistance of the Manager Charged with preparing the Company's financial reports, the procedures relating to the preparation of the Company's financial statements and consolidated financial statements, as well as other periodic accounting documents. The Board of Statutory Auditors also had evidence of the process by which the Manager Charged with preparing the Company's financial reports and the director delegated to do so can issue the certifications required by Article 154-*bis* of the Consolidated Law on Finance.

The Board of Statutory Auditors has been informed that the administrative/accounting procedures for the preparation of the financial statements and all other financial disclosures are prepared under the responsibility of the Manager charged with preparing the company's financial reports, who, together with the Chief Executive Officer, certifies the adequacy and effective application of these procedures in the preparation of the separate and consolidated financial statements and the half-year financial report.

The Board of Statutory Auditors acknowledges that it has not received, during the periodic meetings held with the Manager Charged with preparing the company's financial reports, any reports of significant deficiencies in the operational and control processes that could affect the judgement of the adequacy and effective application of the administrative-accounting procedures, for the purpose of the correct representation of the economic, equity and financial situation of management events, in accordance with international accounting standards.

The annual financial statements of the Bank and the consolidated financial statements of the Group, in application of Legislative Decree no. 38/2005 are prepared by applying the IAS/IFRS issued by the International Accounting Standards Board and the related interpretations of the

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International Financial Reporting Interpretations Committee, endorsed by the European Commission, as established by European Community Regulation no. 1606/2002.

European Commission Regulation 815/2019 (the "European Single Electronic Format" or "ESEF" Regulation), issued in order to implement Directive 2004/109/EC (the "Transparency Directive"), introduced the obligation to prepare the annual financial reports of issuers whose securities are listed on regulated markets in the European Union in a single electronic reporting format. For 2025, it is expected that only the Consolidated Financial Statements and the Notes to the Consolidated Financial Statements must be "branded" to the ESEF taxonomy, according to the "Inline XBRL" specifications of the basic taxonomy issued by the ESMA. Since the document "2025 Financial Statements" also includes the separate financial statements of the parent company, the entire document is in XHTML format.

The Bank's separate financial statements and the Group's consolidated financial statements are prepared on the basis of the instructions issued by the Bank of Italy in Circular 262/2005 and subsequent updates. The draft financial statements of Ifis at 31 December 2025 and the consolidated financial statements of the Group at 31 December 2025 were approved by the Board of Directors at its meeting on 12 March 2026. The public disclosure, in accordance with the provisions of the prudential supervisory regulations, was made through the Bank's website within the deadlines set for the publication of financial statements.

The Board of Statutory Auditors also examined declarations, issued on 12 March 2026 by the CEO and by the Manager Charged with preparing the company's financial reports, in accordance with the provisions contained in Article 154 *bis* of the Consolidated Law on Finance and in Article 81 *ter* of Consob Regulation 11971/1999, including the certification of the Sustainability Statement at 31 December 2025, from which no shortcomings emerged that might affect the judgement of adequacy of the administrative-accounting procedures.

PwC, during the periodic meetings and in the light of the Additional Report - provided for by Article 11 of Regulation (EU) no. 537/2014 issued today, did not report any critical situations to the Board of Statutory Auditors that could affect the internal control system relating to the administrative and accounting procedures, nor did it ever highlight facts that were deemed reprehensible or any irregularities that would require reporting pursuant to Article 155, paragraph 2, of the Consolidated Law on Finance.

As already mentioned, the Board of Directors has prepared, in accordance with the law, the Financial Statements and Consolidated Financial Statements as at 31 December 2025 in accordance with International Financial Reporting Standards as adopted by the European Union, as well as the measures issued in implementation of Art. 9 of Legislative Decree No. 38/05, both of which are audited by PwC.

With regard to the above, no elements were revealed that would lead to the conclusion that the activity has not been carried out in accordance with the principles of correct administration or that the organisational structure, the system of internal audit and accounting and administrative systems were not, in their entirety, substantially adequate to the needs and dimensions of the company.

Consolidated Sustainability Statement

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Banca Ifis, as a public interest entity (PIE), is required to publish the Consolidated Sustainability Statement in line with the provisions of Legislative Decree no. 125/24, which must comply with the standards set by the European Financial Reporting Advisory Group (EFRAG) and the requirements of other applicable European regulations, such as EU Regulations 2088/2019 and 852/2020.

This requires a dual approach, considering both the impacts of the company on society and the environment (inside-out perspective) and how sustainability factors affect the company itself (outside-in perspective).

The Board of Statutory Auditors plays a central role in monitoring the adequacy and effective functioning of the internal control and risk management system, with particular reference also to sustainability issues and the new provisions introduced by the Corporate Sustainability Reporting Directive (CSRD).

In this context, the Board of Statutory Auditors, pursuant to Art. 10, paragraph 1, Legislative Decree No. 125/2024, monitored compliance with regulatory requirements governing the Sustainability Statement, verifying the Bank's implementation of appropriate procedures and processes to ensure the reliability and transparency of non-financial information. To this end, the Board interacted with the corporate structures in charge of monitoring ESG topics, the Control and Risk Committee and the Internal Audit Department.

Information was gathered through a centralised process as part of which Banca Ifis's functions consolidated the data received from all subsidiaries under the supervision of the Finance function.

In addition, the Board of Statutory Auditors monitored the integration of ESG factors into the Bank's business models and risk management systems, promoting constant alignment with national and international best practices. Particular attention was also paid to the Bank's involvement in the analysis of the so-called dual materiality required by CSRD, i.e. the assessment of the Bank's impacts on the environment and society, as well as the risks and opportunities that sustainability topics may generate on the business.

The Board of Statutory Auditors actively participated in the processes of verification and assurance of sustainability information, also in cooperation with the statutory auditor. This activity included assessing the reliability of the data, analysing the methodologies adopted to measure ESG impacts and the consistency of the reported information with international sustainability standards.

In addition, the Board of Statutory Auditors promoted an ongoing dialogue with governance bodies and relevant stakeholders to foster a proactive and integrated approach to sustainability, helping to strengthen the transparency and credibility of the company's ESG reporting.

3.6 - Supervisory activities on the adequacy of the internal audit system, of the risk management systems and of the organisational structure

The Group's internal control system is based on:

- control bodies and functions, involving in particular, each for their respective competences, the Board of Directors, the Control and Risk Committee, the Director in charge of the internal

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control and risk management system, the Board of Statutory Auditors, as well as the other corporate functions with specific tasks in this respect;

- information flows and coordination between the parties involved in the internal control and risk management system.

The design of Banca Ifis's system of internal controls, briefly described, has three levels:

- first-level (or line) controls: exercised directly by the operational and back-office structures, which are primarily responsible for the risk management process;
- second-level controls: exercised by the risk management function (identifies the risks to which Banca Ifis and the Group companies are exposed and periodically measures and monitors these risks through specific indicators, planning any mitigation actions), the compliance function (verifies the effectiveness of the organisational measures proposed and implemented for the purpose of non-compliance risk management) and the anti-money laundering function;
- third-level controls: exercised by the internal audit function, through activities aimed at identifying violations of procedures and regulations, as well as periodically assessing the completeness, adequacy, functionality and reliability of the internal control system and the information system.

In carrying out its activities, the Board of Statutory Auditors maintained continuous contact with the various control functions, as well as supervised the adequacy of the systems of internal control and risk management systems through:

- meetings with the management of the Bank;
- regular meetings with the various control departments (i.e., Internal Audit, Compliance, Anti-money laundering (AML) and Risk Management and the Manager Charged with preparing the company's financial reports) in order to evaluate the methodology for the planning of operations, based on the identification and evaluation of the principal risks present in the organisational processes and units;
- examination of the periodical reports from the Audit Functions and the periodical information regarding the results of monitoring activities;
- acquired information from the managers of corporate functions;
- discussion of the results of the work carried out by the independent auditing firm;
- participation in the work of the Risk Management and Control Committee and, when the topics so required, in their joint examination with the Committee.

The Board of Statutory Auditors acknowledges that the annual reports from the Control Departments conclude with a substantially favourable judgement on the internal control system.

Over the course of 2025, the Board of Statutory Auditors supervised the suitability and effects of the entire ICAAP and ILAAP 2025 processes on the requirements set out by the regulations, underscoring the usefulness of appropriate data aggregation, integration, and validation processes to maintain the aforementioned documents.

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Intervention plans were provided with reference to the activities and areas for improvement identified, whose timely implementation is judged by the Board of Statutory Auditors as essential and that require particular attention by the management body.

On the basis of the activities carried out, the Board of Statutory Auditors - also in relation to the continuous evolution of the Bank and the Group - believes that although there are certain areas for possible further improvement, there are no elements that are sufficiently critical as to invalidate the internal control system and risk management.

The Board of Statutory Auditors was today updated about the meetings held by the Supervisory Body and the exchange of information was ensured by the dialogue that took place within the Board of Statutory Auditors with the auditor who is a member of the Supervisory Body, without receiving any reports and/or comments worthy of note. The main information flows between the Supervisory Body and the Board of Statutory Auditors include, inter alia, the ongoing and structured sharing of information relating to the Organisation, Management and Control Model pursuant to Legislative Decree No. 231/2001, with particular reference to the activities involved in updating, revising and adapting said Model. In particular, this information exchange covers significant regulatory changes, the outcomes of supervisory and control activities, and any critical issues that have arisen. This information sharing is carried out in such a way as to ensure effective coordination between the two bodies in the performance of their respective control functions.

* * *

The Board of Statutory Auditors is not aware, in addition to what has already been discussed earlier, of facts or details that need to be communicated to the Shareholders' Meeting.

In the course of the activity performed and on the basis of the information obtained, no omissions, reprehensible facts, irregularities or in any case other significant circumstances were detected that would require reporting to the Supervisory Authorities or mention in this Report.

Concluding remarks

As detailed in this Report, the Board of Statutory Auditors verified the functionality of the internal procedures, which were found to be sufficiently adequate and suitable to ensure compliance with the law, regulations and Articles of Association. The Board of Statutory Auditors ascertained that the decision-making process takes into account the riskiness and effects of the management choices made and that the corporate bodies have a sufficient information flow system, also with reference to any interests of the Directors. The organisational structure, the administrative accounting system and the statutory audit process were found to be adequate and functional for the tasks they are called upon to perform. It was also verified that there were no elements such as to render the internal control system and the governance and risk management process unreliable, even though they presented aspects for improvement that the Board of Statutory Auditors had pointed out in the exercise of its mandate.

Final considerations and proposals to the Shareholders' Meeting

This Report details the control activities carried out and the actions taken by the Board of Statutory Auditors with regard to the information obtained and the supervisory activities performed in fulfilment of its duties.

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In light of the overall supervisory activity performed, in relation to the audits concluded at the date of publication of this Report, the Board of Statutory Auditors of Banca Ifis has no observations to make to the Shareholders' Meeting pursuant to Article 153, paragraph 2, of Legislative Decree no. 58/1998 concerning the financial statements and their approval as well as matters falling within its competence.

In actual fact, taking into account all of the foregoing, considering the content of the opinions issued by the Independent Auditors and having acknowledged the attestations issued jointly by the Chief Executive Officer and the Manager Charged with preparing the company's financial reports, including the internal attestation and the Report by the Independent Auditing Firm on the Sustainability Statement (included in the Directors' Report) - the Board of Statutory Auditors does not deem that there exist - to the extent of its competence - any elements hindering the approval of the financial statements of Banca Ifis S.p.A. as at 31 December 2025 accompanied by the Directors' Report and the Notes to the Financial Statements, as resolved by the Board of Directors on 12 March 2026.

Venice - Mestre, 25 March 2026

THE BOARD OF STATUTORY AUDITORS

Andrea Balelli (Chairman)

Annunziata Melaccio (Standing Auditor)

Franco Olivetti (Standing Auditor)

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Independent auditors' report on the Sustainability Statement

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Independent auditor's limited assurance report on the consolidated sustainability statement in accordance with article 14-bis of Legislative Decree 39/2010

To the Shareholders of

Banca Ifis SpA

Conclusion

In accordance with articles 8 and 18, paragraph 1, of Legislative Decree 125/2024 (the "Decree"), we have undertaken a limited assurance engagement on the consolidated sustainability statement of Banca Ifis Group (the "Group") for the year ended 31 December 2025 prepared in accordance with article 3 of the Decree, presented in the specific section of the consolidated report on operations.

Based on the procedures performed, nothing has come to our attention that causes us to believe that:

- the consolidated sustainability statement of Banca Ifis Group for the year ended 31 December 2025 is not prepared, in all material respects, in accordance with the reporting criteria adopted by the European Commission pursuant to Directive (EU) 2013/34/UE ("European Sustainability Reporting Standards", also the "ESRS");

- the information set out in paragraph *"Other sustainability information - Disclosures pursuant to Article 8 of Delegated Regulation (EU) 2020/852 (Taxonomy Regulation)"* of the consolidated sustainability statement is not prepared, in all material respects, in accordance with article 8 of Regulation (UE) 852/2020 (the "Taxonomy Regulation").

PricewaterhouseCoopers SpA

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Basis for conclusion

We conducted our limited assurance engagement in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia). The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our responsibilities under this standard are further described in the "Auditor's responsibilities for the limited assurance conclusion on the consolidated sustainability statement" section of this report.

We are independent in accordance with the principles of ethics and independence applicable to assurance engagements on consolidated sustainability statements under Italian law.

Our firm applies International Standard on Quality Management 1 (ISQM Italia 1), which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of the directors and the board of statutory auditors of Banca Ifis SpA for the consolidated sustainability statement

The directors of Banca Ifis SpA are responsible for developing and implementing the procedures adopted to identify the information included in the consolidated sustainability statement in accordance with the provisions of the ESRS (the "materiality assessment process") and for describing those procedures in the paragraph *"Impact, risk and opportunity management: Double materiality assessment - Description of the processes to identify and assess material impacts, risks and opportunities"* of the consolidated sustainability statement.

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The directors are also responsible for preparing the consolidated sustainability statement, which contains the information identified through the materiality assessment process, in accordance with the provisions of article 3 of the Decree, including:

- its compliance with the ESRS;
- its compliance with article 8 of the Taxonomy Regulation of the information set out in paragraph *"Other sustainability information - Disclosures pursuant to Article 8 of Delegated Regulation (EU) 2020/852 (Taxonomy Regulation)"*.

That responsibility involves designing, implementing and maintaining, in the terms prescribed by law, such internal control as they determine is necessary to enable the preparation of a consolidated sustainability statement in accordance with article 3 of the Decree that is free from material misstatement, whether due to fraud or error. That responsibility also involves selecting and applying appropriate methods for processing the information, as well as developing hypotheses and estimates about specific items of sustainability information that are reasonable in the circumstances.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, compliance with the Decree.

Inherent limitations in the preparation of the sustainability statement

For the purpose of reporting forward-looking information in accordance with ESRS, the directors are required to prepare such information on the basis of assumptions, described in the consolidated sustainability statement, about future events and possible future actions by the Group. Because of the uncertainty connected with any future event, in terms both of occurrence and of the extent and timing of occurrence, variances between actual results and forward-looking information may be significant.

The disclosure provided by the entity about Scope 3 emissions is subject to greater inherent limitations compared with Scope 1 and 2 emissions, because of the poor availability and relative accuracy of the information used to define both qualitative and quantitative information on Scope 3 emissions related to the value chain.

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Auditor's responsibilities for the limited assurance conclusion on the consolidated sustainability statement

Our objectives are to plan and perform procedures to obtain limited assurance about whether the consolidated sustainability statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that contains our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the consolidated sustainability statement.

As part of our engagement designed to achieve limited assurance in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia), we exercised professional judgement and maintained professional scepticism throughout the engagement.

Our responsibilities include:

- Performing risk assessment procedures to identify the disclosures where a material misstatement, whether due to fraud or error, is likely to arise.

- Designing and performing procedures to verify the disclosures where a material misstatement is likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Directing, supervising and performing a limited assurance engagement on the consolidated sustainability statement and assuming full responsibility for the conclusion on the consolidated sustainability statement.

Summary of the work performed

An engagement designed to obtain limited assurance involves performing procedures to obtain evidence as a basis for our conclusion.

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The procedures performed were based on our professional judgement and included inquiries, primarily of personnel of Banca Ifis SpA responsible for the preparation of the information presented in the consolidated sustainability statement, analyses of documents, recalculations and other procedures designed to obtain evidence considered useful.

We performed the following main procedures:

- We understood the Group's business model and strategies, and the environment in which it operates with reference to sustainability issues.
- We understood the processes underlying the generation, collection and management of the qualitative and quantitative information included in the consolidated sustainability statement.
- We understood the process implemented by the Group to identify and assess the material impacts, risks and opportunities, in accordance with the double materiality principle, related to sustainability issues and, based on the information thus obtained, we considered whether any contradictory items emerged that could point to the existence of sustainability issues not considered by the Company in the materiality assessment process.
- We identified the disclosures where a material misstatement is likely to arise.
- We defined and performed procedures, based on our professional judgement, to address the risks of material misstatement identified.
- We understood the process implemented by the Group to identify the eligible economic exposures and to determine whether they are aligned in accordance with the provisions of the Taxonomy Regulation, and we verified the related disclosures in the sustainability statement.
- We reconciled the information reported in the consolidated sustainability statement with the information reported in the annual consolidated financial statements in accordance with the applicable financial reporting framework, or with the accounting information used for the preparation of the annual consolidated financial statements, or with management accounting information.

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- We verified the structure and presentation of disclosures included in the consolidated sustainability statement in accordance with the ESRS.

- We obtained management's representation letter.

Milano, 25 March 2026

PricewaterhouseCoopers SpA

Signed by

Pierfrancesco Anglani

(Partner)

This report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

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Independent auditors' report on the Consolidated Financial Statements

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Independent auditor's report in accordance with article 14 of Legislative Decree 39/2010 and article 10 of Regulation (EU) 537/2014

To the Shareholders of

Banca Ifis SpA

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Banca Ifis group (the "Group"), which comprise the consolidated statement of financial position as of 31 December 2025, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, the consolidated cash flows statement for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as of 31 December 2025, and of the result of its operations and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005 and article 43 of Legislative Decree 136/2015.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of this report. We are independent of Banca Ifis

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SpA (the "Bank") pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	Auditing procedures performed in response to key audit matters
Measurement of receivables due from customers measured at amortised cost other than government bonds and financial assets relating to the NPL segment Notes to the consolidated financial statements: Part A - Accounting policies Part B – Information on the consolidated statement of financial position – Assets, Section 4 Part C – Information on the consolidated income statement, Section 8 Part E – Information on risks and related hedging policies Receivables due from customers, measured at amortised cost other than government bonds and financial assets relating to credit portfolios purchased by the NPL segment, represent, as of 31 December 2025, the largest part of financial position line item 40 b) "Financial assets measured at amortised cost – Receivables due from customers" which shows a balance of Euro 16,136 million, corresponding in aggregate to 74.5 per cent of total consolidated assets.	In performing our audit procedures, we considered internal control relevant to the financial reporting process. To address this key audit matter, we performed the following main procedures, also with the support of experts of the PwC network as needed: • Analysis of the adequacy of the IT environment and testing the operating effectiveness of the applicable relevant controls over the systems and computer applications used by the Group for the measurement of receivables due from customers. • Understanding and evaluation of the design of relevant controls relevant to monitoring, classification and measurement of receivables due from customers and testing of the operating effectiveness of certain controls.

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Key audit matters	Auditing procedures performed in response to key audit matters
These amounts include a significant contribution from the portfolio of the subsidiary illimity Bank SpA with respect to the debt securities component, mainly relating to investments in securitisation notes also backed by distressed assets. Net credit losses recognised during the year for these loans amount to Euro 105 million and represent directors' best estimate of expected credit losses at the reporting date in accordance with the applicable reporting standards. The process for classifying loans into different risk categories and measuring expected credit losses are characterized by a high degree of complexity, significant judgement and requires the estimation of several variables. The use of significant assumptions is particularly relevant for measuring the significant increase in credit risk ("SICR"), allocating exposures to the different risk stages ("Staging") and determining assumptions and input data used in the expected credit loss ("ECL") calculation models and, for loans assessed on an individual basis (Stage 3), in estimating the future cash flows, recovery times and the recoverable amount of any collateral. For the current year, in addition to the recurring process of updating the input data and risk parameters, the Group implemented targeted enhancements to the estimation processes in order to improve their accuracy and predictive capability. Considering the materiality of the amounts, the complexity of the estimation processes and the significant degree of judgement involved, we considered the measurement of these loans to be a key audit matter.	• Understanding and assessment the appropriateness of the policies, procedures and models used for determining SICR, Staging and ECL, both on a collective and individual basis, also taking into account the enhancements to the estimation processes introduced during the year. • Understanding and analysis of the methods used to define the estimation parameters within the models used to determine the ECL and of the related updates introduced during the year. In particular, we verified the reasonableness of the macroeconomic scenarios assumed, also by comparison with external sources, as well as the probabilities of occurrence assigned to those scenarios. • Verification of the correct application of criteria defined for loans classified as not impaired (Stage 1 and 2) and of the completeness and accuracy of the data used for the determination of ECL. • Testing, for a sample of loans, of the reasonableness of the classification as not impaired (Stage 1 and 2) and impaired (Stage 3) on the basis of available information on the borrower's status and other supporting evidences, including external information • For impaired loans (Stage 3), in order to assess the reasonableness of directors' conclusions, also considering the classification criteria and categories required by the applicable financial and regulatory reporting framework, testing, on a sample basis, the reasonableness of the assumptions used to determine the future cash flows from workout activity, the

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Key audit matters	Auditing procedures performed in response to key audit matters
	valuation of collaterals and the estimated recovery times. • Assessment of the control activities carried out during the year by the internal control functions, the related results and any remedial actions undertaken. • Performance of comparative and trend analyses of the volumes of receivables due from customers and related coverage ratios, also by comparison with previous years data and publicly available industry information. • Examination of ECL sensitivity analyses to the macroeconomic scenarios that influence the risk parameters of the models used. • Testing the completeness and adequacy of financial statements disclosures provided in accordance with International Financial Reporting Standards, the applicable regulatory framework and the communications and recommendations issued by the Supervisory Authorities.
Measurement of loans of the NPL segment Notes to the consolidated financial statements: Part A - Accounting policies Part B – Information on the consolidated statement of financial position – Assets, Section 4 Part C – Information on the consolidated income statement, Sections 6 and 8 Part E – Information on risks and related hedging policies The line item 40 b) “Financial assets measured at amortised cost – Receivables due from customers” of consolidated financial position includes Euro 1,549 million of exposures relating to the NPL segment resulting from the	In performing our audit procedures, we considered internal control relevant to the financial reporting process. To address this key audit matter, we performed the following main procedures, also with the support of the experts of the PwC network: • Analysis of the adequacy of the IT environment and testing the operating effectiveness of the applicable key controls over the systems and computer applications used by the Group for the measurement of these loans.

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Key audit matters	Auditing procedures performed in response to key audit matters
acquisition without recourse of portfolios of non-performing loans (NPLs) mainly unsecured and difficult to collect, by the subsidiary IFIS NPL Investing SpA. The contribution to the result of the year recognised in income statement line items 10 “Interest receivable and similar income”, 100 a) “Profit (loss) from sale or buyback of financial assets measured at amortised cost” and 130 a) ”Net credit risk losses/reversals on financial assets measured at amortised cost” amounts in aggregate to Euro 341 million. Under the IFRS 9 “Financial Instruments”, these loans qualify as purchased or originated credit impaired financial assets (so-called POCI) and are therefore measured at amortised cost on the basis of the credit adjusted effective interest rate determined by estimating the cash flows expected from collection activities. For this purpose, the Group uses both deterministic criteria and proprietary models developed also on the basis of internal historical data regarding to debtors and their payment behaviour. Such criteria and models differ depending on the workout phase, the characteristics of individual exposures, and the type of recovery procedures applied (extrajudicial or judicial). During the current financial year, the Group implemented a number of evolutionary enhancements to the models used, with the aim of ensuring greater robustness and accuracy, also in light of the most recent historical recovery data. Considering the materiality of the carrying amount of these loans, the complexity of the estimation processes and the significant degree	• Understanding and evaluation of the design of relevant controls relevant to monitoring, classification and measurement of these loans and tests of the operating effectiveness of certain controls. • Understanding and testing of the appropriateness of the policies, criteria and models used for estimating the cash flows expected from collection activities and of evolutionary enhancements to the models used implemented during the year. • Analysis of the control activities carried out during the year by the internal control functions (in particular by the Validation function) and of the related results. Particular attention was paid to the activities relating the validation of the models’ changes made during the year. • Verification of the correct application of the defined valuation criteria and of the completeness and accuracy of the databases used for the determination of amortised cost. • Verification of the reasonableness of certain assumptions underlying the calculation of the amortised cost also by performing sensitivity analyses. • Assessing, on a sample basis, of the qualitative characteristics of individual exposures and of the information on recovery procedures, to verify the reasonableness of expected cash flows, recovery times and the accuracy of other information relevant to the determination of amortised cost. • Performance of comparative analytical procedures by correlating, for each recovery and valuation method, the statement of financial position data with the related income statement effects and cash collections, as

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Key audit matters	Auditing procedures performed in response to key audit matters
of judgement involved, we considered this aspect to be a key audit matter.	well as analysis and discussion with management of most significant variances. • Testing the completeness and adequacy of financial statements disclosures in accordance with International Financial Reporting Standards and the applicable regulatory framework.
Measurement of financial assets mandatorily measured at fair value not quoted in active markets Notes to the consolidated financial statements: Part A – Accounting policies Part B – Information on the consolidated statement of financial position – Assets, Section 2 Part C – Information on the consolidated income statement, Section 7 Financial assets mandatorily measured at fair value and not quoted in active markets whose fair value was determined using valuation models incorporating input data and parameters not directly observable in the market (Level 3 instruments in the fair value hierarchy) amount to Euro 772 million, corresponding to 3.6 per cent of total consolidated assets. This amount, representing directors' best estimate of the fair value of the financial assets at the reporting date determined in accordance with the applicable reporting standards, includes a significant contribution from the portfolio of the subsidiary illimity Bank SpA. In our audit, we paid particular attention to the measurement of these financial assets held by illimity Bank SpA and, in particular, to those characterised by a high degree of complexity. This was considered to be a key audit matter in	In performing our audit procedures, we considered internal control relevant to the financial reporting process. To address this key audit matter, we performed the following relevant procedures, also with the support of the experts of the PwC network: • Analysis of the adequacy of the IT environment and testing the operating effectiveness of the applicable relevant controls over the systems and computer applications. • Understanding and evaluation of the design of controls relevant to identification and measurement of financial assets and testing of the operating effectiveness of certain controls. • Understanding and assessment of the policies adopted for determining the fair value of financial assets, in order to verify their appropriateness. • Analysis of the valuation techniques and models used as well as of the methods for determining significant assumptions and input data required. • Performance of specific substantive procedures on the related account balances, including the assessment, on a sample

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Key audit matters	Auditing procedures performed in response to key audit matters
relation to the materiality of the amounts, the complexity of the valuation models applied and the significant use of estimates and assumptions required. The valuation models used require specific qualitative and quantitative assumptions that may lead to significantly different outcomes and, therefore, by their nature, incorporate a risk of misstatement.	basis, of the reasonableness of the qualitative and quantitative assumptions made by the management and of the input data used for the determination the fair value. • Testing the completeness and adequacy of financial statements disclosures in accordance with International Financial Reporting Standards and the applicable regulatory framework.
Accounting for the business combination with illimity Bank SpA Notes to the consolidated financial statements: Part A - Accounting policies Part C – Information on the consolidated income statement, Section 16 Part G – Business combinations During 2025, following the successful outcome of the Public Purchase and Exchange Offering (OPAS) for all shares, the Group completed the acquisition of control of illimity Bank SpA (hereinafter the "Transaction"). The Transaction qualifies as a business combination under IFRS 3 "Business Combinations" which requires the application of the purchase acquisition method. As a result, the transaction required specific valuation activities particularly regarding the determination of the fair value of the assets acquired and liabilities assumed and to the purchase price allocation (PPA) in accordance with IFRS 3. In particular, the difference between the purchase price (equal to the considerations transferred through newly issued ordinary shares and cash) and the net amount of the assets acquired and liabilities assumed measured at fair value resulted in a bargain	To address this key matter, also with the support of the experts of the PwC network, we performed the following relevant procedures: • Understanding of the Transaction through obtaining and analysing supporting documentation and through inquiries with management. • Assessment of the reasonableness of the assumptions made and of conclusions reached by the directors, and of compliance with IFRS 3 with respect to the following aspects: ○ identification of the acquirer; ○ identification of the acquisition date; ○ calculation of the purchase price; ○ purchase price allocation; • Inquiries with management and with the Group's advisors to understand the valuation models adopted in the purchase price allocation process and in the calculation of the fair value of the identifiable assets acquired and liabilities assumed.

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Key audit matters	Auditing procedures performed in response to key audit matters
purchase gain of Euro 310 million recorded in the income statement line item 230 “Other operating income/expenses”. Considering the materiality of the amounts as well as the complexity of the Transaction, of the valuations and measurements of the assets acquired and liabilities assumed, and of the audit activities consequently required, the Transaction was considered as a key audit matter.	• Testing, on a sample basis, of the mathematical accuracy of the calculations underlying the valuation models adopted. • Verification of the reasonableness of the main qualitative and quantitative assumptions used by directors, also considering the specific characteristics of the assets and liabilities being measured. • Verification of the correct determination and recognition of deferred taxes in relation to temporary differences between the new carrying amounts determined and their respective tax bases. • Testing the completeness and adequacy of financial statements disclosures in accordance with International Financial Reporting Standards.

Responsibilities of the directors and the board of statutory auditors for the consolidated financial statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005 and article 43 of Legislative Decree 136/2015 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Group’s ability to continue as a going concern and, in preparing the consolidated financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the consolidated financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate the parent company Banca Ifis SpA or to cease operations or have no realistic alternative but to do so.

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The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- We concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern.

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If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- We evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- We obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion on the consolidated financial statements.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Additional disclosures required by article 10 of Regulation (EU) 537/2014

On 28 April 2022, the shareholders of Banca Ifis SpA in general meeting engaged us to perform the statutory audit of the Bank's and the consolidated financial statements for the years ending 31 December 2023 to 31 December 2031.

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We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) 537/2014 and that we remained independent of the Bank in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on compliance with other laws and regulations

Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 815/2019

The directors of Banca Ifis SpA are responsible for the application of the provisions of Commission Delegated Regulation (EU) 815/2019 concerning regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (the "Commission Delegated Regulation") to the consolidated financial statements as of 31 December 2025, to be included in the annual report.

We have performed the procedures specified in auditing standard (SA Italia) 700B in order to express an opinion on the compliance of the consolidated financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the consolidated financial statements as of 31 December 2025 have been prepared in XHTML format and have been marked up, in all significant respects, in compliance with the provisions of the Commission Delegated Regulation.

Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree 39/2010 and with article 123-bis, paragraph 4, of Legislative Decree 58/1998

The directors of Banca Ifis SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of Banca Ifis group as of 31 December 2025, including their consistency with the relevant consolidated financial statements and their compliance with the law.

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We have performed the procedures required under auditing standard (SA Italia) 720B in order to:

- express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998, with the consolidated financial statements;

- express an opinion on the compliance with the law of the report on operations, excluding the section on the consolidated sustainability reporting, and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998;

- issue a statement on material misstatements, if any, in the report on operations and in the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are consistent with the consolidated financial statements of Banca Ifis group as of 31 December 2025.

Moreover, in our opinion, the report on operations, excluding the section on the consolidated sustainability reporting, and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree 39/2010, issued on the basis of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have nothing to report.

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Our opinion on compliance with the law does not extend to the section of the report on operations relating to the consolidated sustainability reporting. The conclusions on the compliance of that section with the rules governing its preparation and on compliance with the disclosure requirements established by article 8 of Regulation (EU) 852/2020 are expressed by ourselves in the report prepared in accordance with article 14-bis of Legislative Decree 39/2010.

Milan, 25 March 2026

PricewaterhouseCoopers SpA

Signed by

Pierfrancesco Anglani

(Partner)

As disclosed by the directors, the accompanying consolidated financial statements of Banca Ifis group constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 815/2019. This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

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2025 ANNUAL REPORT

Attachments to the Consolidated Financial Statements

Banca Ifis

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Reconciliation between reclassified consolidated financial statements and consolidated financial statements

RECONCILIATION BETWEEN ASSETS ITEMS AND RECLASSIFIED ASSETS ITEMS (in thousands of Euro)			31.12.2025	31.12.2024
Cash and cash equivalents			**787.290**	**505.016**
+	*10.*	*Cash and cash equivalents*	*787.290*	*505.016*
Financial assets mandatorily measured at fair value through profit or loss			**780.619**	**237.032**
+	*20.c*	*Financial assets measured at fair value through profit or loss: c) other financial assets mandatorily measured at fair value*	*780.619*	*237.032*
Financial assets measured at fair value through other comprehensive income			**1.659.271**	**701.830**
+	*30.*	*Financial assets measured at fair value through other comprehensive income*	*1.659.271*	*701.830*
Receivables due from banks measured at amortised cost			**700.276**	**703.763**
+	*40.a*	*Financial assets measured at amortised cost: a) receivables due from banks*	*700.276*	*703.763*
Receivables due from customers measured at amortised cost			**16.135.996**	**10.810.018**
+	*40.b*	*Financial assets measured at amortised cost: b) receivables due from customers*	*16.135.996*	*10.810.018*
Property, plant and equipment and intangible assets			**385.209**	**252.153**
+	*90.*	*Property, plant and equipment*	*256.210*	*166.665*
+	*100.*	*Intangible assets*	*128.999*	*85.488*
Tax assets			**368.495**	**213.464**
+	*110.a*	*Tax assets: a) current*	*117.727*	*42.033*
+	*110.b*	*Tax assets: b) deferred*	*250.768*	*171.431*
Other assets			**831.228**	**402.462**
+	*20.a*	*Financial assets measured at fair value through profit or loss: a) financial assets held for trading*	*27.473*	*12.069*
+	*50.*	*Hedging derivatives*	*60.880*	*7.404*
+	*70.*	*Equity investments*	*33.580*	*24*
+	*120.*	*Non-current assets and disposal groups*	*157.555*	*-*
+	*130.*	*Other assets*	*551.740*	*382.965*
Total assets			**21.648.384**	**13.825.738**

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RECONCILIATION BETWEEN ASSETS AND LIABILITIES ITEMS AND RECLASSIFIED ASSETS AND LIABILITIES ITEMS (in thousands of Euro)		31.12.2025	31.12.2024
Payables due to banks		**4.018.193**	**1.443.250**
+ *10.a*	*Financial liabilities measured at amortised cost: a) payables due to banks*	*4.018.193*	*1.443.250*
Payables due to customers		**11.256.836**	**7.001.763**
+ *10.b*	*Financial liabilities measured at amortised cost: b) payables due from customers*	*11.256.836*	*7.001.763*
Debt securities issued		**3.441.393**	**3.152.737**
+ *10.c*	*Financial liabilities measured at amortised cost: c) debt securities issued*	*3.441.393*	*3.152.737*
Tax liabilities		**117.272**	**51.924**
+ *60.a*	*Tax liabilities: a) current*	*69.848*	*23.345*
+ *60.b*	*Tax liabilities: b) deferred*	*47.424*	*28.579*
Provisions for risks and charges		**106.877**	**52.339**
+ *100.a*	*Provisions for risks and charges: a) commitments and guarantees granted*	*8.600*	*5.559*
+ *100.b*	*Provisions for risks and charges: b) pensions and similar obligations*	*364*	*231*
+ *100.c*	*Provisions for risks and charges: c) other provisions for risks and charges*	*97.913*	*46.549*
Other liabilities		**567.266**	**375.579**
+ *20.*	*Financial liabilities held for trading*	*26.566*	*13.765*
+ *40.*	*Hedging derivatives*	*33.748*	*14.868*
+ *50.*	*Value adjustment to financial liabilities with generic hedges (+/-)*	*(2.936)*	*-*
+ *80.*	*Other liabilities*	*498.447*	*339.377*
+ *90.*	*Post-employment benefits*	*11.441*	*7.569*
Consolidated equity		**2.140.547**	**1.748.146**
+ *120.*	*Valuation reserves*	*(16.840)*	*(28.144)*
+ *150.*	*Reserves*	*1.604.673*	*1.543.729*
+ *155.*	*Interim dividends (-)*	*(73.296)*	*(63.084)*
+ *160.*	*Share premiums*	*229.093*	*85.391*
+ *170.*	*Share capital*	*61.819*	*53.811*
+ *180.*	*Treasury shares (-)*	*(13.701)*	*(20.971)*
+ *190.*	*Equity attributable to non-controlling interests (+/-)*	*20.803*	*15.836*
+ *200.*	*Profit (loss) for the year (+/-)*	*327.996*	*161.578*
Total liabilities and equity		**21.648.384**	**13.825.738**

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RECONCILIATION BETWEEN THE CONSOLIDATED INCOME STATEMENT AND THE RECLASSIFIED CONSOLIDATED INCOME STATEMENT (in thousands of Euro)		31.12.2025	31.12.2024
Net interest income		**559.345**	**532.505**
+ 30.	*Net interest income*	*432.870*	*402.018*
	+ 10. Interest receivable and similar income	*907.483*	*835.367*
	+ 20. Interest due and similar expenses	*(474.613)*	*(433.349)*
+ 130.a (partial)	*Net impairments/reversals of impairments of the Npl Segment to the extent representative of business operations*	*126.475*	*130.487*
Net commission income		**122.574**	**91.775**
+ 60.	*Net commission income*	*122.574*	*91.775*
	+ 40. Commission income	*150.720*	*111.574*
	+ 50. Commission expense	*(28.146)*	*(19.799)*
Other components of net banking income		**107.540**	**74.872**
+ 70.	*Dividends and similar income*	*32.059*	*12.543*
+ 80.	*Net profit (loss) from trading*	*5.835*	*(1.924)*
+ 90.	*Net result from hedging*	*1.874*	*(1.140)*
+ 100.a	*Gains (losses) on sale/buyback of: a) financial assets measured at amortised cost*	*46.463*	*32.666*
- 100.a (partial)	*Profits (losses) from the sale/repurchase of loans at amortised cost other than those of the Npl Segment*	*(151)*	*332*
+ 100.b	*Gains (losses) on sale/buyback of: b) financial assets measured at fair value through other comprehensive income*	*368*	*8.204*
+ 100.c	*Gains (losses) on sale/buyback of: c) financial liabilities*	*(265)*	*64*
+ 110.b	*Net result of other financial assets and liabilities measured at fair value through profit or loss: b) other financial assets mandatorily measured at fair value*	*21.357*	*24.127*
Net banking income		**789.459**	**699.152**
+ 120.	*Net banking income*	*663.135*	*568.333*
+ 130.a (partial)	*Net impairments/reversals of impairments of the Npl Segment to the extent representative of business operations*	*126.475*	*130.487*
- 100.a (partial)	*Profits (losses) from the sale/repurchase of loans at amortised cost other than those of the Npl Segment*	*(151)*	*332*
Net credit risk losses/reversals		**(108.969)**	**(37.670)**
+ 130.a	*Net credit risk losses/reversals related to: a) financial assets measured at amortised cost*	*21.015*	*92.914*
- 130.a (partial)	*Net impairments/reversals of impairments of the Npl Segment to the extent representative of business operations*	*(126.475)*	*(130.487)*
+ 130.b	*Net credit risk losses/reversals related to: b) financial assets measured at fair value through other comprehensive income*	*(1.806)*	*483*
+ 100.a (partial)	*Profits (losses) from the sale/repurchase of loans at amortised cost other than those of the Npl Segment*	*151*	*(332)*
+ 200.a (partial)	*Net allocations to provisions for credit risk on commitments and guarantees issued other than by the Npl Segment to the extent representative of business operations*	*(1.854)*	*(248)*

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RECONCILIATION BETWEEN THE CONSOLIDATED INCOME STATEMENT AND THE RECLASSIFIED CONSOLIDATED INCOME STATEMENT (in thousands of Euro)		31.12.2025	31.12.2024
Net profit (loss) from financial activities		**680.490**	**661.482**
+ 150.	*Net profit (loss) from financial activities*	*682.344*	*661.730*
+ 200.a (partial)	*Net allocations to provisions for credit risk on commitments and guarantees issued other than by the Npl Segment to the extent representative of business operations*	*(1.854)*	*(248)*
Administrative expenses		**(509.204)**	**(417.390)**
a) personnel expenses		**(209.906)**	**(169.852)**
+ 190.a	*a) personnel expenses*	*(258.806)*	*(169.852)*
- 190.a (partial)	*Charges for staff leaving incentives*	*48.900*	*-*
b) other administrative expenses		**(299.298)**	**(247.538)**
+ 190.b	*b) other administrative expenses*	*(359.958)*	*(256.284)*
- 190.b (partial)	*b) other administrative expenses: non-recurring charges*	*59.379*	*610*
- 190.b (partial)	*b) other administrative expenses: contributions to resolution and deposit protection funds*	*1.281*	*8.136*
Net impairment losses/reversals on property, plant and equipment and intangible assets		**(36.814)**	**(23.276)**
+ 210.	*Net impairment losses/reversals on property, plant and equipment*	*(17.090)*	*(12.215)*
+ 220.	*Net impairment losses/reversals on intangible assets*	*(19.724)*	*(11.061)*
Other operating income/expenses		**46.358**	**33.750**
+ 230.	*Other operating income/expenses*	*356.031*	*33.750*
- 230. (partial)	*Other non-recurring operating income/expenses*	*(309.673)*	*-*
Operating costs		**(499.660)**	**(406.916)**
+ 240.	*Operating costs*	*(305.926)*	*(416.388)*
- 190.a (partial)	*Charges for staff leaving incentives*	*48.900*	*-*
- 190.b (partial)	*b) other administrative expenses: non-recurring charges*	*59.379*	*610*
- 190.b (partial)	*b) other administrative expenses: contributions to resolution and deposit protection funds*	*1.281*	*8.136*
- 200.	*Net allocations to provisions for risks and charges*	*6.379*	*726*
- 230. (partial)	*Other non-recurring operating income/expenses*	*(309.673)*	*-*
Charges related to the banking system		**(1.281)**	**(8.136)**
+ 190.b (partial)	*b) other administrative expenses: contributions to resolution and deposit protection funds*	*(1.281)*	*(8.136)*
Net allocations to provisions for risks and charges		**(4.525)**	**(478)**
+ 200.b	*Net allocations to provisions for risks and charges: b) other net allocations*	*(4.525)*	*(478)*
Non-recurring expenses and income		**201.394**	**(610)**
+ 190.a (partial)	*Charges for staff leaving incentives*	*(48.900)*	*-*
+ 190.b (partial)	*b) other administrative expenses: non-recurring charges*	*(59.379)*	*(610)*
+ 230. (partial)	*Other non-recurring operating income/expenses*	*309.673*	*-*
Profit (loss) on equity investments		***198***	***-***
+ 250.	*Profit (loss) on equity investments*	*198*	*-*
Gains (losses) on disposal of investments		***195***	***-***
+ 280.	*Gains (losses) on disposal of investments*	*195*	*-*

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RECONCILIATION BETWEEN THE CONSOLIDATED INCOME STATEMENT AND THE RECLASSIFIED CONSOLIDATED INCOME STATEMENT (in thousands of Euro)		31.12.2025	31.12.2024
Pre-tax profit (loss) from continuing operations		**376.811**	**245.342**
+ 290.	*Pre-tax profit (loss) from continuing operations*	*376.811*	*245.342*
Income taxes for the year relating to current operations		**(47.903)**	**(82.168)**
+ 300.	*Income taxes for the year relating to current operations*	*(47.903)*	*(82.168)*
Profit (loss) for the year		**328.908**	**163.174**
+ 330.	*Profit (loss) for the year*	*328.908*	*163.174*
	+ 310. Profit (loss) from continuing operations, net of taxes	*328.908*	*163.174*
(Profit) loss for the year attributable to non-controlling interests		**(912)**	**(1.596)**
+ 340.	*Profit (loss) for the year attributable to non-controlling interests*	*(912)*	*(1.596)*
Profit (loss) for the year attributable to the Parent company		**327.996**	**161.578**
+ 350.	*Profit (loss) for the year attributable to the Parent company*	*327.996*	*161.578*

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Glossary

Below are definitions of some of the terms used in financial statement disclosures, excluding terms that have now become part of standard Italian language or have been included in a context that already clarifies their meaning.

ABS - Asset Backed Securities

Financial instruments whose performance and redemption are secured 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. Examples of assets pledged as collateral are mortgages, receivables from credit card companies, short-term trade receivables and loans to purchase cars.

ALM - Asset & Liability Management

Integrated management of assets and liabilities for risk/return optimisation in resource allocation.

Other related parties - close family members

The term "close family members" of a subject should be understood to mean those family members who are expected to influence, or be influenced by, the subject in their relations with the entity. They include the cohabitee (including the not legally separated spouse) and the subject's children, the cohabitee's children and the subject's or the cohabitee's dependants.

Arranger

In the Structured Finance segment, this is the figure who - albeit in various forms and with different assignment configurations (mandated lead arranger, joint lead arranger, sole arranger, etc.) - acts as the coordinator of the organisational aspects of the transaction.

AT1 - Additional Tier 1

Additional Tier 1 capital. The AT1 category generally includes capital instruments other than common stock (which are eligible for inclusion in Common Equity) and which meet the regulatory requirements for inclusion in that level of equity.

Intangible or intangible asset

An intangible asset is an identifiable non-monetary asset without physical substance.

Discounting

Process of determining the current value of a payment or stream of payments to be received in the future.

Audit

In listed companies, this is the entirety of the control of the company's activities and accounts, which is carried out either by internal structures (internal audit) or by independent auditing companies (external audit).

β (beta)

Beta coefficient of an issuer or a group of comparable issuers, an expression of the interrelation between the actual return on an equity and the total return of the reference market.

Backtesting

Retrospective analyses aimed at verifying the reliability of risk source measurements associated with asset portfolio positions.

Banking book

This usually refers to positions in securities, and more generally in financial instruments, held with “proprietary” intent.

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Best practice

This generally identifies behaviour commensurate with the best level of knowledge attained in a certain technical/professional field.

Bid-ask spread

This is the detectable difference between bid and ask prices on a given financial instrument or group of financial instruments.

Budget

Estimate or plan of future revenues and expenses of a business.

Business combination

Under IFRS 3, a transaction or other event in which an acquirer obtains control of one or more businesses.

Business model

This is the business model with which financial instruments are managed. With regard to the business model, IFRS 9 identifies three cases in relation to how cash flows and sales of financial assets are managed: Held to Collect (HTC), Held to Collect and Sell (HTC&S), Others/Trading.

CAGR - Compound Annual Growth Rate

Compound annual growth rate of an investment over a given period of time. If n is the number of years, the CAGR is calculated as follows: (Current value/Initial value)^(1/n) -1.

Capital Asset Pricing Model (CAPM)

Model for determining the "opportunity cost", i.e. the amount of operating income needed to remunerate the cost of capital.

Capital structure

It consists of all the various classes of bonds (tranches) issued by a vehicle (SPV), secured by the acquired portfolio, which have different risks and yields to meet the needs of different categories of investors. The subordination relationships between the various tranches are governed by a set of rules specifying the distribution of losses generated by the collateral:

- Equity Tranche: represents the riskiest portion of the portfolio, also known as the "first loss" and is subordinate to all other tranches; it therefore bears first the losses that may occur during the recovery of the underlying assets.
- Mezzanine Tranche: represents the tranche with a degree of subordination intermediate between that of the equity tranche and that of the senior tranche. The mezzanine tranche is usually divided into 2-4 tranches with different degrees of risk, subordinated to each other. They are typically characterised by a rating in the BBB-AAA range.
- Senior/Supersenior Tranche: represents the tranche with the highest degree of credit enhancement, i.e. the highest degree of privilege in terms of remuneration and repayment priority. It is also commonly referred to as a super senior tranche and, if rated, has a higher rating of AAA being senior than the AAA mezzanine tranche.

Securitisation

Transaction involving the transfer of risk relating to financial or real assets to a special purpose vehicle, carried out either by selling the underlying assets, i.e. by using derivative contracts. In Italy, the matter is mainly regulated by Law No. 130 of 30 April 1999, as amended.

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Cash Generating Unit (CGU)

It represents the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows generated by other assets or groups of assets.

Transfer without recourse

Transfer of a claim without the assignor offering any guarantee in the event of non-performance by the debtor. The assignor therefore guarantees to the assignee only the existence of the assigned claim and not also the solvency of the debtor.

Transfer with recourse

Transfer of a claim in which the assignor is guarantor of payment for the third party obligor. The assignor therefore guarantees to the assignee both the existence of the assigned claim and the solvency of the debtor.

CCF - Credit Conversion Factor

In determining credit risk, the CCF is the factor that allows the EAD (Exposure At Default) of an off-balance sheet exposure to be transformed into a cash exposure. Where the Bank does not use internal models to estimate these factors (internal CCFs), they are reported as follows by the supervisory rules (regulatory CCFs):

- 100% in the case of a full risk element;
- 50% in the case of a medium-risk element;
- 20% in the case of medium-low risk elements;
- 0% in the case of a low-risk element.

Consob - the National Commission for Companies and the Stock Exchange

This is the controlling body of the Italian financial market. As part of its main duties:

- it verifies the transparency and correctness of operators' behaviour in order to safeguard the trust and competitiveness of the financial system, investor protection, and compliance with financial regulations;
- it supervises to prevent and, where necessary, sanction any misconduct; it exercises the powers conferred by law to ensure that the necessary information is made available to savers to enable them to make informed investment choices;
- it works to ensure the maximum efficiency of trading, guaranteeing the quality of prices as well as the efficiency and certainty of the manner in which contracts concluded on regulated markets are executed.

Core Business

Main activity towards which the company's strategic choices and policies are oriented.

Common Equity Tier 1 Ratio (CET1 Ratio)

This is the ratio of common equity tier 1 capital (CET1) to total risk weighted assets.

Corporate

Customer segment corresponding to medium and large-sized companies (mid corporate, large corporate).

Reclassified cost/income ratio

Economic index represented by the ratio of "Operating costs" to "Net banking income" as shown in the reclassified Income Statement.

Amortised cost

This differs from cost in that it provides for the gradual amortisation of the difference between the book value and the nominal amount of an asset or liability based on the effective rate of return.

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Transaction costs

Marginal costs directly attributable to the acquisition, issue or disposal of a financial asset or liability. This is a cost that would not have been incurred if the Bank had not acquired, issued or disposed of the financial instrument.

Covenant

The covenant is a clause, explicitly agreed upon in the contractual phase, which grants the lender the right to renegotiate or revoke the credit upon the occurrence of the events in the clause, linking the debtor's economic-financial performance to termination/modification events of the contractual conditions (maturity, rates, etc.).

Coverage ratio

It represents the percentage coverage of the value adjustment against the gross exposure of a financial asset.

Credit enhancement

Techniques and instruments used by issuers to improve the rating of their issues (provision of security deposits, granting of liquidity facilities, etc.).

Credit Risk Adjustment (CRA) - Credit Valuation Adjustment (CVA)

Technique aimed at highlighting the penalty due to the creditworthiness of the counterparty and used in determining the fair value of unlisted derivative financial instruments.

CRP - Country Risk Premium

Country risk premium; expresses the component of the cost of capital designed to specifically remunerate the implicit risk of a defined country (i.e. the risk associated with economic-financial, political and currency instability).

Date of reclassification

First day of the first reporting period following the change in business model that resulted in the reclassification of financial assets.

Default

The inability to pay principal and/or interest when due.

Held For Trading - (HFT)

Financial assets or liabilities that meet one of the following conditions:

- they are acquired or incurred primarily for the purpose of being sold or repurchased in the short term;
- at the time of initial recognition, they are part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent and effective strategy aimed at obtaining a profit in the short term;
- they are derivatives other than those put in place as a designated and effective hedging instrument under IFRS 9.

Duration

This is an indicator of the interest rate risk to which a bond or bond portfolio is subject. In its most frequent configuration, it is calculated as the weighted average of the maturities of interest and principal payments associated with a bond.

EAD - Exposure At Default

Relating to on- or off-balance sheet positions, it is defined as an estimate of the future value of an exposure at the time of a debtor's default. Only banks that meet the requirements for adopting the AIRB approach are entitled to estimate EAD. For all others, reference must be made to regulatory estimates.

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EBA - European Banking Authority

Independent authority of the European Union created in 2011 as part of the European System of Financial Supervisors (ESFS, a group of authorities and supervisory bodies that has constituted the new European micro- and macro-prudential supervisory framework since 2008). The objective of the EBA is to ensure an effective and uniform level of regulation and prudential supervision in the European banking sector, securing financial stability in the EU and ensuring the integrity, efficiency and orderly functioning of the banking sector.

ECAI - External Credit Assessment Institution

External credit rating assessment agency.

ECL - Expected Credit Loss

The adoption of accounting standard IFRS 9 resulted in a revision of the way in which credit risk losses are determined, moving from a concept of incurred loss (Incurred Credit Loss) to one of expected loss (Expected Credit Loss, ECL). The quantification of write-downs is done through the inclusion of forward-looking scenarios and differs according to the deterioration of credit quality, with a time horizon of 1 year for positions classified in Stage 1 and over the entire life (lifetime ECL) of the instrument for those included in Stages 2 and 3.

EPS (Earnings per share)

This is the ratio of net profit to the average number of shares for the period, adjusted if necessary to account for other potential equity instruments such as options and convertible bonds.

ERP (Equity Risk Premium)

Risk premium demanded by investors in the reference market, i.e. the expected excess return over risk-free assets.

Factoring

Contract for the assignment of trade receivables activated by specialised companies, for management and collection purposes, to which, as a rule, a loan may be associated in favour of the assignor.

Fair value

This is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm’s length transaction.

Fair Value Option (FVO)

The Fair Value Option is an option for the classification of a financial instrument. Through the exercise of the option, even a non-derivative financial instrument not held for trading purposes can be measured at fair value through profit or loss.

Prudential filters

In the context of the calculation of own funds, corrections made to the balance sheet items in order to safeguard the quality of own funds and to reduce their potential volatility induced by the application of the international accounting standards "IAS/IFRS".

Funding

Procurement, in various forms, of the funds needed to finance the company's business or particular financial transactions.

FVTOCI (FVOCI) - Fair Value Through Other Comprehensive Income

How changes in the fair value of financial assets are recognised in the statement of comprehensive income (i.e. in equity) and not in the income statement.

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FVTPL - Fair Value Through Profit and Loss

Method of recognising changes in the fair value of financial instruments with a balancing entry in the income statement.

GBV (Gross Book Value)

Carrying amount of a loan considered before value adjustments.

Goodwill

Identifies goodwill paid for the acquisition of an ownership interest.

Governance

Identifies the set of instruments and rules that regulate corporate life with particular reference to the transparency of corporate documents and acts and the completeness of information to the market.

Hedge accounting

Rules on hedge accounting for derivative transactions under IFRS 9.

IAS/IFRS

International Accounting Standards (IAS) are issued by the International Accounting Standards Board (IASB), the body responsible for issuing international accounting standards. Standards issued after July 2002 are referred to as IFRS (International Financial Reporting Standards).

ICAAP - Internal Capital Adequacy Assessment Process

Under Basel II Pillar 2, banks are required to have a process (Internal Capital Adequacy Assessment Process, ICAAP) to estimate their own internal capital requirements to cover all risks, including those not captured by the total capital requirement (Pillar 1), as part of the assessment of the bank's current and future exposure, taking account of the bank's strategies and possible developments in the environment in which it operates.

IFRS-IC (International Financial Reporting Standards Interpretations Committee)

The IASB Committee that issues the official interpretations of the IAS/IFRS.

Impairment

With respect to a financial asset, impairment is identified when the carrying amount of that asset is greater than its estimated recoverable amount. According to IAS 36, the following must be tested annually for impairment:

- intangible assets with an indefinite useful life;
- goodwill acquired in a business combination pursuant to IFRS 3;
- any asset if there is an indication that it may be impaired.

Impairment testing consists of estimating the recoverable amount (which is the higher of its fair value less costs to sell and its value in use) of an asset or a group of assets.

Deferred Tax Assets, Deferred Tax Liabilities (DTA, DTL)

Deferred tax liabilities (DTL) are the amounts of income taxes due in future years related to taxable temporary differences. Deferred tax assets (DTA) are the amounts of income taxes recoverable in future years related to:

- deductible timing differences;
- carry-forward of unused tax losses; and
- carry-forward of unused tax credits.

Temporary differences are the differences between the carrying amount of an asset or liability in the balance sheet and its recognised value for tax purposes. Temporary differences may be:

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- taxable temporary differences, i.e. temporary differences that, in determining taxable income (tax loss) for future years, will result in taxable amounts when the carrying amount of the asset or liability is realized or settled;
- deductible temporary differences, i.e. temporary differences which, in determining taxable income (tax loss) for future years, will result in deductible amounts when the carrying amount of the asset or liability is realised or settled.

Junior

In a securitisation transaction, it is the most subordinated tranche of the securities issued that bears first the losses that may occur in the course of recovering the underlying assets.

k_e (Cost of Equity)

The cost of equity is the minimum return required for investments of equal risk.

k_e - g

The difference between the discount rate of flows and the long-term growth rate; with equal flows, if this difference decreases, the Value in Use (VIU) increases.

LCR - Liquidity Coverage Ratio

Prudential requirement designed to ensure that a bank maintains an adequate level of unencumbered high-quality liquid assets that can be converted into cash to meet its liquidity needs within 30 calendar days under highly stressed conditions. The liquidity coverage ratio is equal to the ratio of liquidity reserves to net liquidity outflows over a 30-calendar-day stress period.

LGD - Loss Given Default

This represents the percentage of credit that is estimated to be uncollectable in the event of a debtor default.

M - Maturity

Residual life of an exposure, calculated according to prudential rules. For banks authorised to use internal ratings, it is considered explicitly if the advanced approach is used, while it is set at 2,5 years if the basic approach is used.

Mark to Market

The process of valuing a portfolio of securities or other financial instruments on the basis of market prices.

Mezzanine

In a securitisation transaction, this is the tranche with a degree of subordination intermediate between that of the junior tranche and that of the senior tranche.

NAV - Net Asset Value

This is the value of the unit into which the fund's assets are divided.

NBV - Net carrying amount

Carrying amount of a loan considered net of value adjustments.

Non performing exposure (Npe) – Non performing loan (Npl)

Terms used to refer to impaired loans, i.e. loans with a non-regular trend. By contrast, the term performing refers to credit exposures with a regular performance. Impaired loans are classified into three categories:

- non-performing loans: loans the full collection of which is not certain because the debtors are in a state of insolvency (even if not judicially ascertained) or in substantially similar situations;
- unlikely to pay (UTP): exposures other than non-performing loans for which the Bank considers it unlikely, without recourse to actions such as enforcement of collateral, that the borrower will meet its credit

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obligations in full (principal and/or interest), irrespective of the presence of any past due and unpaid instalments or amounts;
- past due: exposures past due and/or in arrears by more than 90 days and exceeding a predefined materiality threshold.

The EBA also introduced a further category, which cuts across the previous ones, namely that of exposures that have been subject to forbearance measures. These exposures can be either impaired loans (forborne non-performing) or performing loans (forborne performing). Forbearance measures consist of concessions to a debtor that is experiencing or about to experience difficulties in meeting its financial commitments ("financial difficulties") and include, for example, renegotiation of the terms of the contract or full/partial refinancing of the debt.

NSFR - Net Stable Funding Ratio

Prudential requirement aimed at promoting greater recourse to stable funding, preventing medium- and long-term operations from giving rise to excessive imbalances to be financed in the short term. The requirement is equal to the ratio between the stable financing available to the institution and the stable financing requested from the institution and is expressed as a percentage.

UCITS - Collective Investment Undertakings

Under the Consolidated Law on Finance, these include:

- mutual funds, i.e. vehicles whose function is to pool the financial resources of a plurality of savers into a single undifferentiated asset that is invested in financial assets; and
- SICAVs (“Società di Investimento a Capitale Variabile”), i.e. companies whose sole object is to invest their assets, raised through the placement of their shares with the public.

Option

Represents the right, but not the commitment, acquired on payment of a premium, to buy (call option) or sell (put option) a financial instrument at a specified price (strike price) by (American option) or at (European option) a specified future date.

OTC - Over The Counter

Definition relating to transactions concluded directly between the parties, without using an organised market.

Outsourcing

Use of operational support activities carried out by external companies.

PD - Probability of Default

This represents the probability that, over a time horizon of one year or equal to the expected life of the financial instrument, the debtor will default.

Plain vanilla (derivatives)

Products whose price depends on that of the underlying instrument, which is listed on regulated markets.

POCI - Purchased or Originated Credit Impaired Assets

Impaired assets acquired or originated for which expected losses over the life of the loan are to be recognised and are automatically classified in Stage 3 on initial recognition.

PPA - Purchase Price Allocation

This indicates the process of allocating the purchase price of the assets and liabilities of an acquired entity, to be performed by the acquiring company, within the scope of application of IFRS 3 - Business Combinations.

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Pricing

In a broad sense, this refers generally to the way in which the prices of financial instruments and/or the costs of products and services offered by the Bank are determined.

Private equity

Activity aimed at the acquisition of equity interests and their subsequent sale to specific counterparties, without public placement.

Asset-Backed Commercial Paper Programme or ABCP Programme

Securitisation programme whose securities take predominantly the form of asset-backed commercial paper with an original maturity of one year or less, as defined in Regulation (EU) 2017/2402.

Project finance

Technique by which industrial projects are financed on the basis of a forecast of the cash flows generated by them. The examination is based on a series of assessments that differ from those generally implemented for the analysis of ordinary credit risks. These assessments include, in addition to the cash flow analysis, the technical examination of the project, the suitability of the sponsors undertaking to implement it, and the product's distribution markets.

Rating

Assessment of the quality of a company or its issues of debt securities based on the financial strength of the company and its outlook. Such rating can be external when this assessment is made by external specialist agencies, and internal when made by the Bank using internal models.

Real estate

Structured Finance transactions in the real estate sector.

Retail

Category of customers that includes individuals, small and medium-sized enterprises.

Right Of Use (ROU)

In accordance with IFRS 16, this term identifies the "asset representing the lessee's right to use the leased asset for the lease term".

Risk free (rf)

Return on risk-free investments.

Risk Management

Identification, measurement, assessment and management of the various types of risk and protection against risks.

ROE - Return On Equity

This expresses the return on equity in terms of net profit. It is the indicator of most interest to shareholders as it allows them to assess the profitability of risk capital.

RWA - Risk Weighted Assets

On-balance sheet and off-balance sheet assets (derivatives and guarantees) classified and weighted for their associated risks. Risk weightings are established in accordance with the rules of prudence issued by supervisory authorities in relation to calculation of capital ratios.

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Senior/super senior

In a securitisation transaction, it is the tranche with the highest degree of privilege in terms of priority of remuneration and repayment.

Sensitivity

The degree with which certain assets or liabilities react to movements in rates or other parameters.

Servicer

In securitisation transactions, it is the entity that - on the basis of a special servicing agreement - continues to manage the securitised receivables or assets after they have been sold to the special purpose vehicle in charge of issuing the securities.

AMC - Asset Management Company

Public limited liability company that is allowed to provide collective and individual asset management services jointly. In particular, it is authorised to set up mutual funds, to manage mutual funds of their own or others' instruction, as well as Sicav assets, and to provide the service of individual portfolio management.

SICR - Significant Increase in Credit Risk

Criterion used to check stage transition: if the credit risk of the financial instrument has increased significantly since initial recognition, the value adjustments are equal to the expected losses over the life of the instrument (lifetime ECL).

SPE/SPV

A Special Purpose Entity or Special Purpose Vehicle is a company specifically set up by one or more entities to carry out a specific transaction. SPEs/SPVs generally do not have their own operational and management structures but make use of those of the various players involved in the operation.

SPPI (Solely Payment of Principal and Interest) Test

This is one of the two (the other is the "business model") criteria, or classification drivers, on which the classification of financial assets and the measurement criterion depends. The objective of the SPPI Test is to identify instruments, which can be defined as "basic lending arrangements" within the meaning of the standard, whose contractual terms provide for cash flows at certain dates consisting solely of payments of principal and interest on the amount of principal to be repaid. Activities with contractual characteristics other than SPPI must be measured at FVTPL.

Spread

This term usually denotes 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.

SREP - Supervisory Review and Evaluation Process

Regular risk assessment and measurement exercise at individual bank level. In SREP decisions, the supervisory authority may require each individual bank to hold additional capital and/or set qualitative requirements ("Pillar 2"). It is carried out by the Single Supervisory Mechanism, based on the regulations contained in the Capital Requirement Directive (CRD).

Stage 1

This represents financial instruments whose credit risk has not increased significantly since the date of initial recognition. An expected loss of one year is recognised for these financial instruments.

Stage 2

This represents financial instruments whose credit risk has increased significantly since the date of initial recognition. A lifetime expected loss is recognised for these financial instruments.

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Stage 3

This represents impaired/defaulted financial instruments. For these financial instruments, the expected lifetime loss is accounted for.

Stakeholders

Subjects who, for various reasons, interact with the company's activity, participating in its results, influencing its performance, evaluating its economic, social and environmental impact.

Stock options

Term used to refer to options offered to managers of a company, which allow them to purchase shares of the company on the basis of a predetermined strike price.

Stress test

A simulation used to measure the impact of extreme market scenarios on the Bank’s overall risk exposure.

Financial instruments listed in an active market

A financial instrument is regarded as listed in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm’s length basis.

Swaps

Transactions by means of derivative contracts consisting, as a rule, in the exchange of financial flows between operators according to different contractual modalities. In the case of an interest rate swap, the counterparties exchange payment flows, whether or not indexed to interest rates, calculated on a notional reference principal (e.g. one counterparty pays a flow on the basis of a fixed rate, the other on the basis of a variable rate). In the case of a currency swap, the counterparties exchange specific amounts of two different currencies, repaying them over time in a pre-defined manner that may involve either notional principal or indexed interest rate flows.

Effective interest rate

The effective interest rate, as defined by IFRS 9, is the rate at which the present value of expected cash flows for the principal and interest is equal to the amount of the loan granted, including any directly attributable costs/revenues. This finance-based accounting method allows to spread the economic effect of costs/revenues over the expected residual life of the receivable.

Tax rate

Effective tax rate, determined by the ratio of income tax to pre-tax profit.

Terminal Value (TV)

Value of a company at the end of the analytical cash flow forecast period; it is calculated by multiplying the analytical cash flow of the last period by (1+g) and dividing this amount by (Ke-g).

Tier 1

Tier 1 capital comprises Common Equity Tier 1 (CET1) capital and Additional Tier 1 (AT1) capital.

Tier 1 Ratio

It is the ratio of Tier 1 capital to total risk weighted assets (RWA).

Tier 2

Tier 2 capital consists primarily of eligible subordinated liabilities and any excess of value adjustments over expected losses (excess reserve) for AIRB-weighted positions. Specific transitional provisions (grandfathering) are also foreseen for subordinated instruments that do not meet the requirements of the new Basel III regulations, aimed at the gradual exclusion from own funds (over a period of 8 years) of instruments that are no longer eligible.

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Time value

Change in the financial value of an instrument in relation to the different time horizon at which certain cash flows will be available or receivable.

Total Capital Ratio (TCR)

Capitalisation ratio referring to the total of the elements making up own funds (Tier 1 and Tier 2). It is the ratio of own funds to total risk weighted assets (RWA).

Trading book

This usually refers to positions in securities, and more generally in financial instruments, held with trading intent.

Value in Use

This is the present value of future cash flows expected to arise from an asset or cash-generating unit.

Collective measurement of performing loans

With reference to a homogeneous group of financial assets with a regular performance, the collective assessment defines the extent of the credit risk potentially inherent in them, even though it is not yet possible to attribute it to a specific position.

VaR - Value at Risk

This is a value that indicates the maximum possible loss on a portfolio due to market performance, with a certain probability and assuming that the positions will take a certain period of time to be disposed of.

Vintage

Term used to indicate the seniority of Npe/Npl. This is also to be understood as the origination date of the collateral underlying the securitisation as an important factor in judging the riskiness of that collateral.

Expected life

This refers to the maximum contractual life and takes into account expected prepayments, extensions, call options and similar. The exceptions are certain revolving financial instruments such as credit cards, overdrafts, which include both drawn and undrawn components for which the Bank's contractual ability to request repayment and cancel undrawn lines does not limit the exposure to credit losses to the contractual period. The expected life of these credit lines is their actual life. When the data are insufficient or the analysis not conclusive, a maturity factor may be considered to reflect the estimated life based on other tested cases or similar cases of competitors. Future contractual changes are not taken into account when determining the expected life or Exposure At Default (EAD) until they occur.

Warrant

Tradable instrument giving the holder the right to buy from or sell to the issuer fixed income securities or shares in accordance with specified terms.

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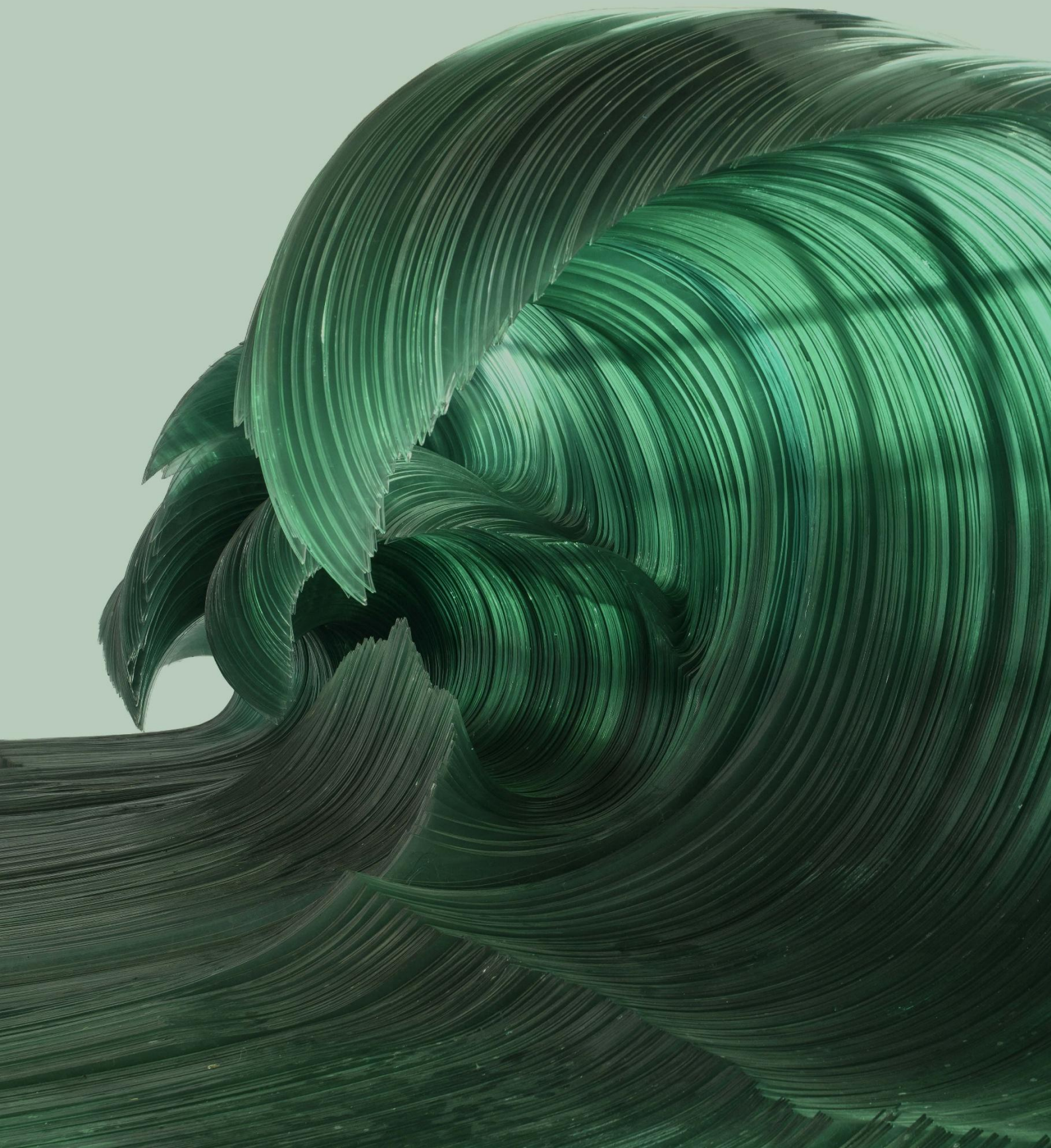
Banca Ifis

Company Financial Statements and Reports 2025 Banca Ifis S.p.A.

2025



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2025 ANNUAL REPORT

Directors' Report

Banca Ifis

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General aspects

The “Report and Financial Statements of Banca Ifis S.p.A. 2025” comprises: the Schedules, the related Notes and this Directors’ Report on the Bank.

To allow a more immediate reading of the results, a condensed reclassified income statement is prepared within the Directors' report on Banca Ifis. Analytical details of the restatements and reclassifications made with respect to the financial statements compliant with Bank of Italy Circular 262 are provided in separate tables published among the annexes (see the section “Annexes to the Financial Statements" of Banca Ifis), also in compliance with the requirements of Consob Communication No. 6064293 of 28 July 2006.

Reclassifications and aggregations of the income statement concern the following:

- net allocations to provisions for risks and charges are excluded from the calculation of "Operating costs";
- the cost and revenue items considered as “non-recurring” (for example because related directly or indirectly to business combinations) are excluded from the calculation of "Operating costs", and are therefore reversed from the respective items as per Circular 262 (e.g. "Other administrative expenses", "Other operating income/costs") and included in a specific item "Non-recurring expenses and income";
- the ordinary and extraordinary charges introduced for Banca Ifis under the Single and National Resolution Mechanisms (SRF and NRF) and the Deposit Protection Mechanism (DGS or FITD) are shown under a separate item called “Charges related to the banking system” (which is excluded from the calculation of “Operating costs”), instead of being shown under “Other administrative expenses” or “Net allocations to provisions for risks and charges”;
- the following is included under the single item "Net credit risk losses/reversals":
  - net credit risk losses/reversals relating to financial assets measured at amortised cost and to financial assets measured at fair value through other comprehensive income;
  - net allocations to provisions for risks and charges for credit risk relating to commitments and guarantees granted;
  - gains (losses) on sale/buyback of loans at amortised cost.

The balance sheet components were aggregated without reclassification.

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Highlights

Below is the Bank's main equity and economic data.

STATEMENT OF FINANCIAL POSITION HIGHLIGHTS (in thousands of Euro)	AMOUNTS		CHANGE	
	31.12.2025	31.12.2024	ABSOLUTE	%
Cash and cash equivalents	307.869	334.190	(26.321)	(7,9)%
Financial assets measured at fair value through profit or loss	280.386	233.920	46.466	19,9%
Financial assets measured at fair value through other comprehensive income	1.115.132	701.825	413.307	58,9%
Receivables due from banks measured at amortised cost	715.334	760.945	(45.611)	(6,0)%
Receivables due from customers measured at amortised cost	10.041.559	9.320.250	721.309	7,7%
Total assets	**14.357.620**	**12.767.350**	**1.590.270**	**12,5%**
Payables due to banks	3.442.350	1.327.384	2.114.966	159,3%
Payables due to customers	6.911.659	8.199.423	(1.287.764)	(15,7)%
Debt securities issued	1.909.740	1.507.351	402.389	26,7%
Equity	**1.622.224**	**1.394.367**	**227.857**	**16,3%**

RECLASSIFIED INCOME STATEMENT HIGHLIGHTS (in thousands of Euro)	YEAR		CHANGE	
	2025	2024	ABSOLUTE	%
Net banking income	**480.289**	**429.285**	**51.004**	**11,9%**
Net credit risk losses	(24.902)	(33.983)	9.081	(26,7)%
Net profit (loss) from financial activities	**455.387**	**395.302**	**60.085**	**15,2%**
Operating costs	**(219.572)**	**(210.513)**	**(9.059)**	**4,3%**
Charges related to the banking system	(583)	(7.945)	7.362	(92,7)%
Net allocations to provisions for risks and charges	(1.211)	(2.748)	1.537	(55,9)%
Non-recurring expenses and income	(87.125)	(77)	(87.048)	n.a.
Profit (loss) on equity investments	(2.862)	(3.017)	155	(5,1)%
Pre-tax profit (loss) from continuing operations	**144.034**	**171.002**	**(26.968)**	**35,1%**
Income taxes for the year relating to current operations	16.865	(31.699)	48.564	(153,2)%
Profit (Loss) for the year	**160.899**	**139.303**	**21.596**	**15,5%**

Refer to the section “Reclassified financial and income results” for comments on the dynamics in the balance sheet and income statement.

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KPIs

ASSET KPIs	YEAR		CHANGE
	2025	2024	
CET1 ratio(1)	17,53%	15,91%	1,62%
Total Capital ratio(1)	17,53%	15,91%	1,62%
Number of company shares (in thousands)	61.819	53.811	14,9%
Number of shares outstanding at year end (2) (in thousands)	61.080	52.572	16,2%
Price Book Value per share	26,56	26,52	0,1%
Dividend per share(3)	2,12	2,12	0,0%

(1) Total Capital and CET1 include the profits generated by Banca Ifis at 31 December 2025, net of the related dividend, including the portion distributed on an interim basis in compliance with the provisions of Article 2433, paragraph 4 of the Italian Civil Code.
(2) Outstanding shares are net of treasury shares held in the portfolio.
(3) The figures for FY 2025 comprise the total of 1,20 Euro per share distributed as an interim dividend in November 2025 and 0,92 Euro per share as a proposal for a final dividend for the FY 2025 prepared by the Board of Directors of Banca Ifis

ECONOMIC KPIs	YEAR		CHANGE
	2025	2024	
ROE	10,7%	10,0%	0,6%
ROA	1,1%	1,1%	0,0%
Reclassified cost/income ratio	45,7%	49,0%	(3,3)%
Earnings per share (EPS)	2,83	2,65	6,9%
Payout ratio	80,5%	80,3%	0,1%

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Context

For an illustration of the macroeconomic context, refer to the 'Context' section in the Directors' Report on the Group of the Consolidated Financial Statements.

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Reclassified financial and income results

Reclassified Statement of financial positions items

STATEMENT OF FINANCIAL POSITION HIGHLIGHTS (in thousands of Euro)	AMOUNTS		CHANGE	
	31.12.2025	31.12.2024	ABSOLUTE	%
Cash and cash equivalents	307.869	334.190	(26.321)	(7,9)%
Financial assets mandatorily measured at fair value through profit or loss	273.365	230.431	42.934	18,6%
Financial assets measured at fair value through other comprehensive income	1.115.132	701.825	413.307	58,9%
Receivables due from banks measured at amortised cost	715.334	760.945	(45.611)	(6,0)%
Receivables due from customers measured at amortised cost	10.041.559	9.320.250	721.309	7,7%
Equity investments	1.048.698	699.511	349.187	49,9%
Property, plant and equipment and intangible assets	242.306	203.114	39.192	19,3%
Tax assets	211.290	173.774	37.516	21,6%
Other assets	402.067	343.310	58.757	17,1%
Total assets	**14.357.620**	**12.767.350**	**1.590.270**	**12,5%**
Payables due to banks measured at amortised cost	3.442.350	1.327.384	2.114.966	159,3%
Payables due to customers measured at amortised cost	6.911.659	8.199.423	(1.287.764)	(15,7)%
Debt securities issued	1.909.740	1.507.351	402.389	26,7%
Tax liabilities	76.558	36.198	40.360	111,5%
Provisions for risks and charges	77.153	48.985	28.168	57,5%
Other liabilities	317.936	253.642	64.294	25,3%
Equity	1.622.224	1.394.367	227.857	16,3%
Total liabilities and equity	**14.357.620**	**12.767.350**	**1.590.270**	**12,5%**

Cash and cash equivalents

At 31 December 2025, the item of 307,9 million Euro records a reduction of 26,3 million Euro compared with December 2024. This change is attributable to a negative change recorded in overnight deposits with the Bank of Italy, partially offset by an increase in liquidity towards banks in relation to the performance of the underlying loans.

Financial assets mandatorily measured at fair value through profit or loss

The item totals 273,4 million Euro at 31 December 2025 and consists of loans and debt securities that have not passed the SPPI Test, equity securities traceable to minority shares and UCITS units.

Below is the breakdown of this line item:

FINANCIAL ASSETS MANDATORILY MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS (in thousand Euro)	AMOUNTS		CHANGE	
	31.12.2025	31.12.2024	ABSOLUTE	%
Debt securities	57.414	68.082	(10.668)	(15,7)%
Equity securities	80.007	68.725	11.282	16,4%
UCITS units	135.033	92.417	42.616	46,1%
Loans	911	1.207	(296)	(24,5)%
Total	**273.365**	**230.431**	**42.934**	**18,6%**

This item increased by 18,6% compared to 31 December 2024 mainly due to the effect:

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- of a reduction of 10,7 million Euro in debt securities due to lower reinvestments compared to natural maturities, partially offset by positive fair value changes of approximately +1 million Euro;
- growth in equity securities of 11,3 million Euro, the performance of which is attributable to positive fair value measurements of approximately 12,0 million Euro only partially offset by lower net subscriptions of new securities of -0,7 million Euro;
- an increase in UCITS units of about 42,6 million Euro, linked to net new subscriptions up by about 35,5 million Euro and growth in fair value measurements (+7,1 million Euro);
- the reduction in the value of loans compared to 31 December 2024 (-24,5%).

Financial assets measured at fair value through other comprehensive income

Financial assets measured at fair value through other comprehensive income total 1.115,1 million Euro at 31 December 2025, up 58,9% from December 2024, and include the debt securities characterised by the "Held to Collect & Sell" (HTC&S) business model that passed the SPPI test as well as equity securities for which the Bank elected the so-called OCI option pursuant to IFRS 9.

FINANCIAL ASSETS MANDATORILY MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (in thousand Euro)	AMOUNTS		CHANGE	
	31.12.2025	31.12.2024	ABSOLUTE	%
Debt securities	885.829	544.936	340.892	62,6%
of which: government securities	*825.798*	*455.312*	*370.486*	*81,4%*
Equity securities	229.303	156.889	72.415	46,2%
Total	**1.115.132**	**701.825**	**413.307**	**58,9%**

This item shows an overall increase of 58,9% compared to FY 2024. In particular, debt securities increase by 340,9 million Euro. This growth is mainly attributable to net subscriptions of government bonds, which increase by 365,7 million Euro, as well as, for an additional 4,8 million Euro, the effects of fair value measurements. The related net negative fair value reserve amounts to 11,4 million Euro (of which 11,7 million Euro associated with government securities).

Equity securities in the portfolio attributable to non-controlling interests increased by 46,2% compared to 31 December 2024, mainly due to new investments (approximately 106,3 million Euro), only partially offset by disposals of -38,9 million Euro. Equity securities also saw an increase in fair value measurements of 5,1 million Euro. The related net positive fair value reserve amounts to 3,2 million Euro (negative for -7,8 million Euro at 31 December 2024).

Receivables due from banks measured at amortised cost

Total receivables due from banks measured at amortised cost amount to 715,3 million Euro at 31 December 2025, down 6,0% on the balance booked at 31 December 2024 of 760,9 million Euro.

These loans include loans to central banks of about 50,8 million Euro, mainly attributable to the reserve requirement, which decrease by about 22,4 million Euro compared to 2024. In addition, the item includes bank debt securities managed according to a 'Held to Collect (HTC)' business model and which have passed the SPPI Test. As at 31 December 2025, these securities have a carrying amount of 382,3 million Euro, down 31,3% from the 556,1 million Euro recorded at the end of 2024, mainly due to the lower volume of net investments made during 2025.

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Receivables due from customers measured at amortised cost

Total receivables due from customers measured at amortised cost amount to 10.041,6 million Euro, showing growth of 7,7% on the previous year's figure of 9.320,2 million Euro.

RECEIVABLES DUE FROM CUSTOMERS (in thousand Euro)	BAD LOANS	UNLIKELY TO PAY	PAST DUE EXPOSURES	TOTAL NON-PERFORMING (STAGE 3)	PERFORMING EXPOSURES (STAGES 1 AND 2)	TOTAL LOANS
POSITION AT 31.12.2025						
Nominal amount	131.472	262.974	33.843	**428.289**	9.863.613	**10.291.902**
Losses	(93.571)	(117.417)	(4.726)	**(215.714)**	(34.629)	**(250.343)**
Carrying amount	37.901	145.557	29.117	**212.575**	9.828.984	**10.041.559**
Coverage ratio	*71,2%*	*44,6%*	*14,0%*	***50,4%***	*0,4%*	***2,4%***
Gross ratio	*1,3%*	*2,6%*	*0,3%*	***4,2%***	*95,8%*	***100,0%***
Net ratio	*0,4%*	*1,4%*	*0,3%*	***2,1%***	*97,9%*	***100,0%***
POSITION AT 31.12.2024						
Nominal amount	121.705	230.585	55.150	**407.440**	9.173.816	**9.581.256**
Losses	(88.062)	(103.719)	(5.762)	**(197.543)**	(63.463)	**(261.006)**
Carrying amount	33.643	126.866	49.388	**209.897**	9.110.353	**9.320.250**
Coverage ratio	*72,4%*	*45,0%*	*10,4%*	***48,5%***	*0,7%*	***2,7%***
Gross ratio	*1,3%*	*2,4%*	*0,6%*	***4,3%***	*95,7%*	***100,0%***
Net ratio	*0,4%*	*1,4%*	*0,5%*	***2,3%***	*97,7%*	***100,0%***

The overall increase recorded by the item is about 721,3 million Euro, with the securities component in particular growing by 23,6%. Financing grows by 2,6% compared to 2024, thanks to the growth in mortgages (+480,6 million Euro) and leasing financing (+38,9 million Euro), only partially offset by the decrease in factoring (-136 million Euro).

Debt securities amount to 2,8 billion Euro at the end of 2025 (+23,6% year-on-year). In particular, the item includes 1.770,6 million Euro in government bonds, which were purchased to optimise the liquidity target (+12,1% compared to 2024; 1.579,0 million Euro). The Level 3 debt securities included in the item mainly relate to securitisations.

Net impaired loans shows a slight increase over the previous year (+1,3%); in particular, the reduction in impaired past-due exposures of about 20,3 million Euro was fully offset by the growth in other impaired exposures (non-performing and UTP).

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Equity investments

DESCRIPTION	31.12.2025	31.12.2024
Ifis Finance Sp. z o.o.	26.356	26.356
Ifis Rental Services S.r.l.	120.895	120.895
Ifis Npl Investing S.p.A.	432.700	432.700
Cap.Ital.Fin. S.p.A.	42.121	44.983
Banca Credifarma S.p.A.	54.727	54.597
Ifis Finance I.F.N. S.A.	19.975	19.975
Ifis Npl 2021-1 SPV S.r.l.	5	5
illimity Bank S.p.A.	330.514	-
Euclidea SIM S.p.A.	19.905	-
Edulia S.r.l.	1.500	-
Total	**1.048.698**	**699.511**

Equity investments in Group companies come to 1.048,7 million Euro as compared with the 699,5 million Euro of 2024. The change recorded is mainly attributable to the control acquisition transactions carried out by the Bank in the second half of 2025 involving illimity Bank S.p.A. and Euclidea SIM S.p.A. (the latter renamed in January 2026 to Fürstenberg SIM S.p.A.). In particular, the acquisition of illimity Bank S.p.A. was finalised on 4 July 2025, while that of Euclidea SIM S.p.A. was finalised on 26 November 2025.

Intangible assets and property, plant and equipment

Property, plant and equipment come to 197,4 million Euro, as compared with the 163,0 million Euro booked at 31 December 2024, up 21,1%, mainly in view of investments (of which +17,9 million Euro in real estate functional to operations) and improvements in Bank offices.

Intangible fixed assets, essentially made up of software, come to 44,9 million Euro, showing an increase on the 31 December 2024 figure (40,1 million Euro). The trend can be attributed to the investments in software made by the Bank in connection with its continued digitisation and the extraordinary transactions that took place during 2025.

Tax assets and liabilities

These items include current and deferred tax assets and liabilities.

Tax assets total 211,3 million Euro, up 21,6% from 31 December 2024, when they were 173,8 million Euro. The following table shows the breakdown of current tax assets by type.

CURRENT TAX ASSETS (in thousands of Euro)	AMOUNTS		CHANGE	
	2025	2024	ABSOLUTE	%
Credits from DTA conversion	22.006	6.751	15.255	226,0%
Irap (regional tax on productive activities)	6.486	6.423	63	1,0%
Ires (corporate income tax)	-	304	(304)	(100,0)%
Ires claimed for reimbursement	-	7.308	(7.308)	(100,0)%
Ires from tax consolidation	43.325	-	43.325	n.a.
Additional Ires	1.108	-	1.108	n.a.
Other	2.788	705	2.083	295,5%
Total current tax assets	**75.713**	**21.491**	**54.222**	**252,3%**

Current tax assets total 75,7 million Euro, up approximately 54 million Euro compared with 31 December 2024. The change is mainly attributable to IRES credits for advances relating to the 2025 tax period, generated by the

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option for the group taxation regime exercised in the same year by the Bank, as consolidating company, and by the consolidated companies, as well as to the different amount of the residual tax credit deriving from the transformations of DTAs pursuant to Law No. 214/2011 in the two years of reference.

Below are details of deferred tax assets:

DEFERRED TAX ASSETS (in thousands of Euro)	AMOUNTS		CHANGE	
	2025	2024	ABSOLUTE	%
Receivables due from customers (Italian Law No. 214/2011)	58.740	80.963	(22.223)	(27,4)%
Past tax losses that can be carried forward	29.763	30.803	(1.040)	(3,4)%
FVOCI reserve	12.323	10.497	1.826	17,4%
Provisions for risks and charges	20.083	12.538	7.545	60,2%
Goodwill	2.667	5.029	(2.362)	(47,0)%
Aid for economic growth that can be carried forward	9.186	9.186	-	0,0%
Other	2.815	3.267	(452)	(13,8)%
Total deferred tax assets	**135.577**	**152.283**	**(16.706)**	**(11,0)%**

Deferred tax assets amount to 135,6 million Euro compared to 152,3 million Euro at 31 December 2024 and consist mainly of 58,7 million Euro (43,3% of the total) of deferred tax assets recognised against impairment losses on receivables, potentially convertible into tax credits pursuant to Law 214/2011 for 38,9 million Euro (28,7% of the total) in deferred tax assets recognised against tax loss carry-forwards and aid for economic growth (“ACE”) benefits, the recoverability of which was deemed probable, and the remaining 37,9 million Euro (27,9% of the total) related to other DTA other than the above.

With reference to the recoverability of deferred tax assets recognised at 31 December 2025 other than those convertible pursuant to Law 214/2011, on the basis of estimated future taxable income, the relative recovery has been assessed as probable, albeit over a medium-term time horizon. Specifically, the portion attributable to Law 214/2011 would be reversed by 2029 by express legislative provision.

It is recalled that such deferred tax assets, which meet the requirements set forth by the specified Law, can be transformed into tax credits in the event of the recognition of a "statutory loss", a "tax loss" for IRES tax purposes and a "negative net production value" for IRAP tax purposes; their recovery is therefore certain regardless of the capacity to generate future income. The maintenance of convertibility into tax credits is subject to the exercise of the option provided for by D.L. No. 59 of 3 May 2016, converted with amendments by Law No. 119 of 30 June 2016, which the Bank decided to avail itself of in accordance with the envisaged terms and conditions. A significant portion of past tax losses and ACE surpluses would be recovered (greater than 85%) by 2033. The remaining portion refers mainly to financial assets measured at fair value through other comprehensive income (FVOCI) and is therefore related to the performance of the related reserve.

With regard to the recoverability of deferred tax assets recognised at 31 December 2025, refer to “Section 10 - Tax assets and liabilities - Item 100 of Assets and Item 60 of Liabilities” in Part B of the Notes to the Financial Statements.

Tax liabilities total 76,6 million Euro, up 40,4 million Euro on 31 December 2024, when they were 36,2 million Euro.

Current tax liabilities, amounting to 53 million Euro, represent the tax burden for the year of the IRAP component alone, and increased by 43,9 million Euro compared to the December 2024 figure, mainly as a result of the Bank exercising the option to assume the role of consolidator within the group in 2025.

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Deferred tax liabilities are broken down as follows:

DEFERRED TAX LIABILITIES (in thousand Euro)	AMOUNT		CHANGE	
	2025	2024	ABSOLUTE	%
Receivables for interest on arrears	19.617	23.574	(3.957)	(16,8)%
Receivables due from customers	105	1.501	(1.396)	(93,0)%
Financial assets	3.209	1.320	1.889	143,1%
Property, plant and equipment	290	290	-	-
Other	349	375	(26)	(6,9)%
Total deferred tax liabilities	**23.570**	**27.060**	**(3.490)**	**(12,9)%**

Deferred tax liabilities, totalling 23,6 million Euro, are down by 12,9% on the balance of the previous year and largely include 19,6 million Euro in receivables for interest on arrears that will be taxed upon receipt and 3,2 million Euro relative to financial assets measured at fair value through other comprehensive income (FVOCI).

Other assets and liabilities

Other assets, of 402,1 million Euro as compared to a balance of 343,3 million Euro at 31 December 2024, include:

- financial assets held for trading amounting to 7,0 million Euro, referring entirely to derivative transactions substantially hedged by positions recorded under financial liabilities. This item increases by 3,5 million Euro compared to the figure of 3,5 million Euro as at 31 December 2024;
- hedging derivatives in the amount of 23,4 million Euro related to the micro-fair value hedge on interest rate risk related to securities held by the Bank;
- assets held for sale amounting to 8,0 million Euro relating to receivables for which a sale process has been initiated;
- other assets for 363,6 million Euro (332,4 million Euro at 31 December 2024), of which 114,7 million Euro relate to tax credits for superbonuses and other construction tax bonuses with a nominal amount of 126,5 million Euro (down compared with the carrying amount recorded of 163,0 million Euro at 31 December 2024).

Other liabilities come to 317,9 million Euro as compared with 253,6 million Euro at 31 December 2024, and consist of:

- trading derivatives in the amount of 13,8 million Euro (13,8 million Euro at 31 December 2024), of which 8,0 million Euro refer to a transaction related to the securitisation of loans in the Npl Segment;
- hedging derivatives amounting to 17,2 million Euro (14,9 million Euro at the end of 2024), mainly related to the passive component of micro-fair value hedges required to manage the interest rate risk associated with securities held;
- severance pay liability of 4,7 million Euro, down 7,2% from the 2024 figure (5,1 million Euro).
- other liabilities for 282,2 million Euro (219,9 million Euro at 31 December 2024), largely referred to amounts due to customers that have not yet been credited for 67 million Euro, payables to group companies for the tax consolidation for approximately 36,6 million Euro, as well as 17,4 million Euro payable to employees and operating payables for approximately 106 million Euro.

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Funding

FUNDING (in thousands of Euro)	AMOUNTS		CHANGE	
	31.12.2025	31.12.2024	ABSOLUTE	%
a) Payables due to banks	**3.442.350**	**1.327.384**	**2.114.966**	**159,3%**
- Payables due to Central banks	721.515	419.286	302.229	72,1%
of which: MRO	*500.000*	*400.000*	*100.000*	25,0%
of which: Other deposits	*221.515*	*19.286*	*202.229*	n.a.
- Repurchase agreements	2.222.093	630.540	1.591.553	252,4%
- Other payables	498.742	277.558	221.184	79,7%
b) Payables due to customers	**6.911.659**	**8.199.423**	**(1.287.764)**	**(15,7)%**
- Repurchase agreements	251.884	1.045.734	(793.850)	(75,9)%
- Retail	4.381.366	4.789.355	(407.989)	(8,5)%
- Other term deposits	591.661	383.577	208.084	54,2%
- Lease payables	20.106	21.247	(1.141)	(5,4)%
- Other payables	1.666.642	1.959.510	(292.868)	(14,9)%
c) Debt securities issued	**1.909.740**	**1.507.351**	**402.389**	**26,7%**
Total funding	**12.263.749**	**11.034.158**	**1.229.591**	**11,1%**

Total funding amounts to 12,3 billion Euro at 31 December 2025, up 11,1% compared with last year (11,0 billion Euro); 56,4% of the item is represented by payables due to customers, followed by payables due to banks (28,1%), and debt securities issued (15,6%).

Payables due to banks amount to 3,4 billion Euro, up by 2,1 billion Euro compared to the figure as at 31 December 2024, due to the increase of 1,6 billion Euro in repurchase agreements payable to banks, and from central bank financing transactions (MROs): + 100 million Euro, and foreign currency deposits + 202 million Euro).

Payables due to customers at 31 December 2025 total 6,9 billion Euro, down 15,7% compared to 31 December 2024.

Below are details of the Bank's retail funding:

RETAIL FUNDING (in thousands of Euro)	AMOUNTS		CHANGE	
	31.12.2025	31.12.2024	ABSOLUTE	%
Short-term funding (within 18 months)	3.186.397	3.675.748	(489.351)	(13,3)%
of which: Unrestricted	*536.976*	*466.046*	*70.930*	*15,2%*
of which: Like/One	*239.305*	*251.276*	*(11.971)*	*(4,8)%*
of which: restricted	*2.229.473*	*2.598.763*	*(369.290)*	*(14,2)%*
of which: German deposit	*180.643*	*359.663*	*(179.020)*	*(49,8)%*
Medium/long-term funding (beyond 18 months)	1.194.969	1.113.607	81.362	7,3%
Total retail funding	**4.381.366**	**4.789.355**	**(407.989)**	**(8,5)%**

Debt securities issued amount to 1,9 billion Euro as at 31 December 2025 and are composed as follows:

- 0,4 billion Euro for a subordinate loan, essentially in line with 31 December 2024;
- senior bonds issued by Banca Ifis for a total of 1,5 billion Euro. Compared to 31 December 2024, there was a 400 million Euro Senior Preferred bond issue (made in July 2025) intended for institutional investors with a maturity date of November 2029. The transaction is part of the 5 billion Euro EMTN issuance programme.

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Provisions for risks and charges

PROVISIONS FOR RISKS AND CHARGES (in thousands of Euro)	YEAR		CHANGE	
	31.12.2025	31.12.2024	ABSOLUTE	%
Provisions for credit risk related to commitments and financial guarantees granted	5.897	5.102	795	15,6%
Provisions on other commitments and guarantees given	62	337	(275)	(81,6)%
Provisions for pensions	336	218	118	54,1%
Legal and tax disputes	11.233	25.595	(14.362)	(56,1)%
Personnel expenses	40.000	1.788	38.212	n.a.
Other provisions	19.625	15.945	3.680	23,1%
Total provisions for risks and charges	**77.153**	**48.985**	**28.168**	**57,5%**

Below is the breakdown of the provision for risks and charges for 2025 by type of dispute compared with the amounts for the prior year.

Provisions for credit risk related to commitments and financial guarantees granted

At 31 December 2025, this item amounts to 5,9 million Euro, an increase of 15,6% compared with the 5,1 million Euro on 31 December 2024 and reflects the impairment losses on commitments and financial guarantees granted by the Bank in accordance with standard IFRS 9.

Provisions for pensions

The sub-item “Legal and consulting services” comes to 0,3 million Euro at 31 December 2023, up 54,1% on the figure recorded for last year. The provision refers to the post-retirement medical plan in favour of certain employees, introduced in the third quarter of 2023. It is a defined benefit plan that provides healthcare and other benefits to employees, even after retirement.

The Bank is responsible for the costs and risks associated with the provision of such benefits.

With reference to this fund, as a supplementary defined-benefit pension fund, the determination of the actuarial values required by the application of IAS 19 "Employee Benefits" is carried out using the "Project Unit Credit Method". The liability is recognised in the balance sheet net of any plan assets, and actuarial gains and losses calculated in the plan valuation process are recognised in the statement of comprehensive income and, therefore, in equity.

Legal and tax disputes

At 31 December 2025, provisions have been made for 11,2 million Euro for legal and tax disputes. The main components are summarised below:

- 6,1 million Euro related to 10 disputes linked to the Factoring Area (the plaintiffs seek 411 million Euro, concentrated on one position), substantially related to the request for repayment of sums collected and generally included in lawsuits.
- 2,6 million Euro (the plaintiffs seek 4,5 million Euro in damages) for 6 disputes deriving from the business unit acquired from the former Aigis Banca and mainly the Corporate Banking & Lending Area of the Commercial and Corporate Banking Segment.
- 1,2 million Euro (the plaintiffs seek 1,8 million Euro in damages) for 5 disputes concerning the Corporate Banking & Lending Area deriving from the former Interbanca.
- 1,4 million Euro (the plaintiffs seek 1,4 million Euro in damages) for 28 disputes concerning the Leasing Area and tax receivables.

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Personnel expenses

At 31 December 2025, provisions are entered for staff for 40 million Euro (1,8 million Euro at December 2024), relating to the 2025 Solidarity Fund. This fund was established on 29 December 2025, against the agreement reached with the trade unions concerning the voluntary retirement of about 120 employees, also with recourse to the extraordinary benefits of the Solidarity Fund of the credit sector. For further details, refer to 'Part A - Accounting Policies', 'A.1 - General', 'Section 4 - Other Aspects', paragraph 'Significant Transactions During the Year' of these Notes to the Financial Statements.

Other provisions for risks and charges

At 31 December 2025, “Other provisions” are in place for 19,6 million Euro (15,9 million Euro at 31 December 2024), mainly consisting of: 2,3 million Euro for guarantees provided in transactions involving the sale of equity instruments and loans, 3,2 million Euro related to the Supplementary Customer Indemnity associated with the operations of the Leasing Area, 1,0 million Euro related to tax disputes, 1,9 million Euro related to payments under guarantee in connection with non-recourse factoring positions, and 9,4 million Euro related to the purchase of Superbonus tax credits sold by an individually significant counterparty.

Equity

At 31 December 2025, Equity totals 1.622,2 million Euro, i.e. +16,3% from 1.394,4 million Euro at 31 December 2024.

The breakdown of the item and the change compared to the previous year are detailed in the tables below:

EQUITY: BREAKDOWN (in thousands of Euro)	AMOUNTS		CHANGE	
	2025	2024	ABSOLUTE	%
Share capital	61.819	53.811	8.008	14,9%
Share premiums	229.093	85.391	143.702	168,3%
Valuation reserves:	(12.153)	(22.823)	10.670	(46,8)%
- Securities	(12.647)	(23.281)	10.634	(45,7)%
- Defined benefit plans (e.g. severance indemnity)	494	458	36	7,9%
Reserves	1.269.563	1.222.740	46.823	3,8%
Interim dividends	(73.296)	(63.084)	(10.212)	16,2%
Treasury shares	(13.701)	(20.971)	7.270	(34,7)%
Net profit	160.899	139.303	21.596	15,5%
Equity	**1.622.224**	**1.394.367**	**227.857**	**16,3%**

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EQUITY: CHANGES	(in thousands of Euro)
Equity at 31.12.2024	**1.394.367**
Increases:	**357.695**
Profit for the year	160.899
Increasing changes related to the offer on illimity Bank	183.111
Sale/assignment of treasury shares	7.973
Change in valuation reserve:	5.712
- securities	*5.676*
- defined benefit plans (e.g. severance indemnity)	*36*
Decreases:	**129.838**
Dividends distributed:	122.122
- of which dividend balance on 2024 profit	*48.826*
- of which interim dividend on 2025 profit	*73.296*
Stock options	1.080
Reduction of “other reserves” for extraordinary contribution Law No. 199 of 2025	6.574
Other changes	62
Equity at 31.12.2025	**1.622.224**

The main changes in equity are:

- the positive change relative to the result for the year attributable to the Bank of 160,9 million Euro;
- the positive change of 183,1 million Euro related to the extraordinary transaction that led to the acquisition of the illimity Group;
- the negative change of 122,2 million Euro for dividend distribution, of which 48,8 million Euro for dividends on 2024 earnings and 73,3 million Euro for the interim dividend on 2025 earnings;
- the positive change in the valuation reserve on securities for 5,7 million Euro, due to the fair value adjustment of the financial instruments classified as financial assets measured at fair value through other comprehensive income;
- the positive change due to the sale/assignment of treasury shares for approximately 8,0 million Euro;
- the negative change of 1,1 million Euro in the stock options reserve related to the Long Term Incentive (LTI) Plan;
- the decrease of 6,6 million Euro caused by the introduction of the extraordinary contribution L. 199/2025. This contribution corresponds to 27,5% of the extra-profits reserve set up pursuant to Article 1, Paragraph 69 of Law No. 199 of 30 December 2005 for banks and will be paid in the course of 2026 following the relevant resolutions of the Board of Directors. For further details, refer to the specific paragraph "Extraordinary Contribution Law No. 199 of 2025" within "Part A - Accounting Policies", "A.1 - General Part", "Section 4 - Other Aspects" of these Notes to the Financial Statements.

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Own Funds and capital adequacy ratios

OWN FUNDS AND CAPITAL ADEQUACY RATIOS (in thousands of Euro)	AMOUNTS AT	
	31.12.2025	31.12.2024
Common Equity Tier 1 (CET1) capital	1.528.041	1.316.911
Tier 1 capital	1.528.041	1.316.911
Total Own Funds	**1.653.589**	**1.512.420**
Total RWAs	**8.716.372**	**8.279.043**
Common Equity Tier 1 capital - ratio	17,53%	15,91%
Tier 1 capital - ratio	17,53%	15,91%
Total Own Funds - ratio	**18,97%**	**18,27%**

CET1, Tier 1 and Total Capital include the profits accrued by the Bank at 31 December 2025 and are stated net of the related dividend, including the portion distributed on an interim basis in compliance with the provisions of Article 2433, paragraph 4 of the Italian Civil Code.

The equity coefficients include the profits generated by the Bank at 31 December 2025, net of the related dividend, including the portion distributed on an interim basis in compliance with the provisions of Article 2433, paragraph 4 of the Italian Civil Code Own funds, risk weighted assets and capital ratios as at 31 December 2025 were determined on the basis of the harmonised rules for banks and investment firms contained in Directive 2013/36/EU (CRD) and Regulation (EU) No. 575/2013 (CRR), which transpose the standards set by the Basel Committee into the European Union.

On 19 June 2024, Regulation (EU) 1623/2024 (the “CRR3”) dated 31 May 2024 and Directive (EU) 2024/1619/EU (so called CRD IV) dated 31 May 2024 were published in the Official Journal of the European Union, amending Regulation (EU) 575/2013 (CRR) and Directive 2013/36/EU (CRD) respectively. With certain exceptions, the amendments came into force on 1 January 2025.

This regulatory framework is made applicable in Italy by means of Bank of Italy Circular No. 285 published on 17 December 2013 and subsequent updates.

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Reclassified income statements items

Formation of net banking income

Net banking income totals 480,3 million Euro, up 11,9% from 429,3 million Euro at 31 December 2024.

NET BANKING INCOME - reclassified - (in thousands of Euro)	YEAR		CHANGE	
	2025	2024	ABSOLUTE	%
Net interest income	139.251	200.393	(61.142)	(30,5)%
Net commission income	85.227	84.308	919	1,1%
Other components of net banking income	255.811	144.584	111.227	76,9%
Net banking income	**480.289**	**429.285**	**51.004**	**11,9%**

Net interest income totals 139,3 million Euro, down 30,5% from the previous year's figure. In particular, interest income decreases by 100,7 million Euro mainly due to the downward curve of interest rates. At 373,6 million Euro, interest expenses are about 39,6 million Euro lower than in December 2024. This trend can be attributed to the decrease in funding from customers, especially retail (-8,5%) and repurchase agreements (-75,9%), only partially offset by an increase in repurchase agreements with bank counterparties.

Net commission income totals 85,2 million Euro, slightly increasing (+1,1%) from 31 December 2024. In particular:

- commission income, totalling 96,8 million Euro, stable (+0,3%) on 31 December 2024; this trend is mainly driven by the lesser contribution of factoring commissions on the turnover generated by customers, only partly offset by the positive trend of fees for structured finance transactions, leases, as well as from other fees for services;
- commission expense totals 11,6 million Euro, down 4,8% the figure of 2024; the component largely refers to fees paid to banks and financial intermediaries such as management fees, fees paid to third parties for the distribution of leasing products, as well as brokerage operations carried out by approved banks and other credit brokers. The item saw the contraction of German Deposit and retail deposits (i.e. Rendimax) with an impact on the related intermediation component.

The other components of net banking income are 255,8 million Euro at 31 December 2025, up by 111,2 million Euro compared with the end of the previous year. This item breaks down as follows:

- dividends received in the amount of 213,5 million Euro, of which 145,0 million Euro of Euro from Ifis Npl Investing S.p.A. 30.0 30,0 million Euro from Ifis Rental Services S.r.l., 7,5 million Euro from Banca Credifarma S.p.A. (as at 31 December 2024 amounted to 94,5 million Euro, of which 72,0 million Euro related to Ifis Npl Investing S.p.A. and 10,0 million Euro generated by Ifis Rental Services S.r.l.);
- the net positive result from trading activities of approximately 6,0 million Euro, up from the positive result of 1,9 million Euro in 2024, mainly due to the positive changes recorded in the fair value measurement of the derivative component (+3,5 million Euro);
- the positive net result of hedging activities of +2,0 million Euro (-1,1 million Euro in 2024). This item includes the results of micro-fair value hedges on interest rate risk related to securities held by the Bank;
- net gains from the sale or repurchase of financial assets and liabilities in the amount of 14,5 million Euro (in 2024, net gains of 25,2 million Euro were realised), mainly related to securities transactions in the proprietary portfolio;
- 19,9 million Euro for the net positive result of other financial assets and liabilities measured at fair value through profit or loss (down 4,1 million Euro compared with the figure at 31 December 2024, of 24,0 million Euro). The trend is driven by lower capital gains from the sale of equity shares, which in 2024 had been particularly significant and concentrated in a single position.

The net result from financial operations was 455,4 million Euro, up 15,2% from the previous year's result of 395,3 million Euro.

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FORMATION OF NET PROFIT FROM FINANCIAL ACTIVITIES - reclassified - (in thousand Euro)	YEAR		CHANGE	
	2025	2024	ABSOLUTE	%
Net banking income	**480.289**	**429.285**	**51.004**	**11,9%**
Net credit risk losses/reversals	(24.902)	(33.983)	9.081	(26,7)%
Net profit (loss) from financial activities	**455.387**	**395.302**	**60.085**	**15,2%**

Value adjustments for credit risk amount to approximately 24,9 million Euro as at 31 December 2025.

Formation of net profit for the year

FORMATION OF NET PROFIT - reclassified - (in thousands of Euro)	YEAR		CHANGE	
	2025	2024	ABSOLUTE	%
Net profit (loss) from financial activities	**455.387**	**395.302**	**60.085**	**15,2%**
Operating costs	**(219.572)**	**(210.513)**	**(9.059)**	**4,3%**
Charges related to the banking system	(583)	(7.945)	7.362	(92,7)%
Net allocations to provisions for risks and charges	(1.211)	(2.748)	1.537	(55,9)%
Non-recurring expenses and income	(87.125)	(77)	(87.048)	n.a.
Profit (loss) on equity investments	(2.862)	(3.017)	155	(5,1)%
Pre-tax profit (loss) from continuing operations	**144.034**	**171.002**	**(26.968)**	**(15,8)%**
Income taxes for the year relating to current operations	16.865	(31.699)	48.564	(153,2)%
Profit (Loss) for the year	**160.899**	**139.303**	**21.596**	**15,5%**

The reclassified cost/income ratio totals 45,7%, compared to 49,0% at 31 December 2024. Operating costs total 219,6 million Euro, showing an increase of 4,3% on 31 December 2024.

OPERATING COSTS - reclassified - (in thousand Euro)	YEAR		CHANGE	
	2025	2024	ABSOLUTE	%
Administrative expenses:	257.928	244.635	13.293	5,4%
a) personnel expenses	134.754	127.287	7.467	5,9%
b) other administrative expenses	123.174	117.348	5.826	5,0%
Net impairment losses/reversals on property, plant and equipment and intangible assets	25.286	20.492	4.794	23,4%
Other operating income/expenses	(63.642)	(54.614)	(9.028)	16,5%
Operating costs	**219.572**	**210.513**	**9.059**	**4,3%**

Personnel expenses rose by 5,9% to 134,8 million Euro (127,3 million Euro for the period ended 31 December 2024). The trend is mainly attributable to higher variable remuneration. The number of Bank employees at 31 December 2025 is 1.432 as compared with 1.428 resources at 31 December 2024.

Other administrative expenses, of 123,2 million Euro at 31 December 2025, are up by 5,0% on the previous year's balance. The change in this item is due to the contrasting effect in some items, as summarised in the table below:

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OTHER ADMINISTRATIVE EXPENSES - reclassified - (in thousands of Euro)	YEAR		CHANGE	
	2025	2024	ABSOLUTE	%
Expenses for professional services	**31.121**	**41.356**	**(10.235)**	**(24,7)%**
Legal and consulting services	28.004	39.031	(11.027)	(28,3)%
Auditing	688	587	101	17,2%
Outsourced services	2.429	1.738	691	39,8%
Direct and indirect taxes	**15.445**	**14.865**	**580**	**3,9%**
Expenses for purchasing goods and other services	**76.608**	**61.127**	**15.481**	**25,3%**
Software assistance and hire	23.352	20.018	3.334	16,7%
Advertising and inserts	17.634	11.022	6.612	60,0%
Property expenses	9.168	6.964	2.204	31,6%
Business travel and transfers	5.242	5.243	(1)	(0,0)%
Telephone and data transmission expenses	3.417	3.268	149	4,6%
Car fleet management and maintenance	3.254	3.109	145	4,7%
Customer information	3.179	3.460	(281)	(8,1)%
Securitisation costs	1.263	1.117	146	13,1%
Postage and archiving of documents	206	728	(522)	(71,7)%
Other sundry expenses	9.893	6.198	3.695	59,6%
Total other administrative expenses	**123.174**	**117.348**	**5.826**	**5,0%**

“Legal and consulting services" expenses amount to 28,0 million Euro at 31 December 2025 (-28,3% compared to the previous year), mainly referring to judicial collection activities for non-performing loans, and consulting activities related to the implementation of the Bank's strategic projects.

"Direct and indirect taxes" amount to 15,4 million Euro and consist mainly of stamp duty in the amount of 13,2 million Euro (stable with the figure at the end of 2024), the charge of which to customers is included in “Other operating income”.

“Expenses for purchasing goods and other services” amount to 76,6 million Euro, up 25,3% from the 61,1 million Euro at 31 December 2024. The trend is as follows:

- costs for software support and rental, which increase by 16,7% compared to 2024, due almost entirely to increased interventions for the Bank's software;
- expenditure on advertising and advertisements, amounted to 17,6 million Euro as at December 2025, compared to 11,0 million Euro in the previous year in relation to advertising campaigns and sponsorships carried out during the year 2025;
- expenses related to real estate amounting to 9,2 million Euro, increased by approximately 2,2 million Euro compared to the December 2024 figure due to maintenance and surveillance expenses related to real estate and investments made during 2025 on land and buildings for functional use.

Net adjustments/reversals on property, plant and equipment amounting to 12,6 million Euro and those on intangible assets amounting to 12,6 million Euro as at 31 December 2025 increased by 13,8% and 34,7%, respectively, compared to the previous year's figure.

Other net operating income, amounting to 63,6 million Euro at 31 December 2025, records an increase of 9,0 million Euro on the figure for last year (54,6 million Euro). The item refers mainly to revenue from the recovery of expenses charged to third parties. The relevant cost component is included in other administrative expenses, namely under legal expenses and indirect taxes, as well as recoveries of expenses associated with leasing operations.

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Charges related to the banking system amount to 0,6 million Euro, a decrease of about 7,4 million Euro due to the discontinuation of contributions to the banking system guarantee fund in 2024.

Net allocations to provisions for risks and charges at 31 December 2025 amount to 1,2 million Euro, while the balance at 31 December 2024 was 2,7 million Euro. The item was characterised by releases for the positive development of existing disputes for a total of 7,8 million Euro, mostly concentrated on a specific dispute, then more than offset by provisions of 9,0 million Euro, the main ones of which related to the coverage of risks connected to outstanding disputes on tax credits for Superbonus (1,9 million Euro), 1 million Euro relating to a dispute that arose during the year and concerned tax credits, 0,7 million Euro arising from guarantees given on disposal transactions, and 1,7 million Euro relating to PUG.

Non-recurring charges amount to 87,1 million Euro as at 31 December 2025 (0,1 million Euro as at 31 December 2024) and include the costs associated with the extraordinary transactions completed during the second half of 2025 by the Bank. In particular, these charges refer for 40 million Euro to the signing of an agreement with the trade unions concerning a voluntary redundancy plan aimed at accompanying 120 employees to retirement; and for 47,2 million Euro to integration operating costs related to the offer on illimity Bank and the acquisition of Euclidea S.p.A..

Losses on disposal of investments include the effects of the adjustment of the valuation of the subsidiary Cap.Ital.Fin for 2,9 million Euro.

Profit from current operations before tax amount to 144,0 million Euro, down 15,8% year-on-year (171 million Euro as at 31 December 2024).

Income tax for the year as at 31 December 2025 shows an income of 16,9 million Euro (tax rate credit of 11,7%). This result is mainly attributable to the partial taxability of dividends received by the Bank - 95% of which are excluded from taxation for IRES purposes and 50% for IRAP purposes - as well as to the benefit deriving from the 'New Patent Box' facilitation (Art. 6, L.D. 146/2021).

In view of the above, net profit amounted to 160,9 million Euro, an increase of about 21,6 million Euro over the previous year.

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Banca Ifis shares

The share price

The ordinary shares of Banca Ifis S.p.A. are listed on the STAR segment, and the bank is listed on the Ftse Italia Mid Cap index. The following table shows the share prices at the end of the year.

Official share price	31.12.2025	31.12.2024	31.12.2023	31.12.2022	31.12.2021
Share price at year-end	25,38	21,18	15,70	13,31	17,07

Outstanding shares	31.12.2025	31.12.2024	31.12.2023	31.12.2022	31.12.2021
Number of shares outstanding at year end (in thousand of Euro)(1)	61.080	52.572	52.468	52.433	53.472

(1) Outstanding shares are net of treasury shares held in the portfolio.

Payout ratio

For 2025, the Banca Ifis Board of Directors will propose to the Shareholders' Meeting to distribute 0,92 Euro per share by way of period interim dividend. In November 2025, an interim dividend of 1.20 Euro per share had already been distributed for FY 2025. The total 2025 dividend (interim and balance) thus amounts to 2,12 Euro per share.

Payout ratio (in thousands of Euro)	2025	2024	2023	2022	2021
Net profit	160.899	139.303	143.404	79.796	56.468
Dividends (1)	111.489	111.910	110.240	73.418	49.811
Payout ratio (1)	**80,5%**	**80,3%**	**76,9%**	**92,0%**	**88,2%**

(1) The figures for FY 2025 take into account both the 2025 interim dividend distributed on 26 November 2025 (the payment date) and the dividend proposal prepared by the Board of Directors of Banca Ifis.

Shareholders

As at 31 December 2024, the Parent company's share capital amounted to 53.811.095 Euro and was divided into 53.811.095 shares, each worth a nominal amount of 1 Euro.

During 2025, the Board of Directors of Banca Ifis resolved, in execution of the mandate conferred by the Extraordinary Shareholders' Meeting of 17 April 2025, to increase the share capital for cash, in one or more instalments and in divisible form, with the exclusion of option rights pursuant to Article 2441, paragraph 4, first sentence, of the Italian Civil Code, to service the tender offer launched by Banca Ifis on illimity Bank. In particular:

- on 04 July 2025 (when control was acquired of illimity Bank), 7.069.448 Banca Ifis ordinary shares - regular entitlement, coupon 32 - worth a nominal amount of 1,00 Euro each were issued, with an increase in share capital from 53.811.095,00 Euro to 60.880.543,00 Euro divided into 60.880.543 ordinary shares worth a nominal amount of 1,00 Euro each;
- on 21 July 2025, following the reopening of the terms of the offer, 605.983 Banca Ifis ordinary shares - regular entitlement, coupon 32 - worth a nominal amount of 1,00 Euro each were issued, with an increase in share capital from 60.880.543,00 Euro to 61.486.526,00 Euro divided into 61.486.526 ordinary shares worth a nominal amount of 1,00 Euro each;
- on 5 September 2025, following conclusion of the sell-out procedure, 53.929 Banca Ifis ordinary shares - regular entitlement, coupon 32 - worth a nominal amount of 1,00 Euro each were issued, with an increase in share capital from 61.486.526,00 Euro to 61.540.455,00 Euro divided into 61.540.455 ordinary shares worth a nominal amount of 1,00 Euro each;
- on 19 September 2025, following conclusion of the joint procedure, 278.470 Banca Ifis ordinary shares - regular entitlement, coupon 32 - worth a nominal amount of 1,00 Euro each were issued, with an increase

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in share capital from 61.540.455,00 Euro to 61.818.925,00 Euro divided into 61.818.925 ordinary shares worth a nominal amount of 1,00 Euro each.

For more details on these share issues to service the Offer on illimity Bank, refer to the section 'Voluntary Takeover Bid on all shares of illimity Bank' in this Management Report below.

As a result of the above dynamics, the share capital of the Parent company at 31 December 2025 amounts to 61.818.925,00 Euro and is broken down into 61.818.925 shares for a nominal amount of 1 Euro each.

Below are Banca Ifis's shareholders that, either directly or indirectly, own equity instruments with voting rights representing over 3% of Banca Ifis's share capital:

- Ernesto Fürstenberg Fassio (through Fürstenberg Scogliera Holding S.A.): 45,1%;
- market: 49,5%;
- Riccardo Preve: 4,2% (on its own for 0,3% and through Preve Costruzioni S.p.A. for 3,9%).

The remaining 1,2% corresponds to the portion of treasury shares held by Banca Ifis.

Corporate governance rules

Banca Ifis has adopted the Corporate Governance Code for listed companies. The Bank's Board of Directors has established the Control and Risk Committee, the Appointments Committee and the Remuneration Committee. The Board of Directors has also appointed a Supervisory Body with autonomous powers of initiative and control pursuant to Italian Legislative Decree No. 231/2001.

Internal dealing rules

Banca Ifis regulations on internal dealing are aligned with the relevant EU legislation (EU Regulation No. 596/2014, the Market Abuse Regulation) and aims to ensure the utmost transparency in the Bank's disclosures to the market.

- The “Policy on transactions carried out by Relevant Persons and Persons Closely Related to them in shares, debt securities and related financial instruments issued by Banca Ifis S.p.A.” (Internal Dealing Policy) regulates:
- the requirements related to identifying the Relevant Persons and the so-called “closely related people”;
- the management of information relating to transactions exceeding the minimum amount threshold on units, credit securities or related instruments issued by Banca Ifis, carried out, directly or indirectly, by a Relevant Person or by a Closely Related Person and subject to notification obligations;
- the handling of closed periods, i.e. those periods during which the Relevant Persons must refrain from trading in shares or other debt instruments issued by Banca Ifis as well as financial instruments linked to them.

The Relevant Persons are:

- the members of the Board of Directors;
- the members of the Board of Statutory Auditors;
- managers regarded as “key managers”, i.e:
  - Co-General Manager Chief Operating Officer (COO);
  - Co-General Manager Chief Commercial Officer (CCO);
  - Head of the Communication, Marketing, Public Affairs & Sustainability Department;
  - Chief of Staff and Chairman's Communication;
  - Chief Financial Officer (CFO);
  - Manager charged with preparing the company’s financial reports;
  - Chief Financial Officer (CLO);
  - Head of the Npl Department;
  - Head of Internal Audit;
  - Head of Compliance;

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  - Chief Financial Officer (CRO);
  - Head of Anti-Money Laundering;
  - Director Human Resources;
  - General Counsel Manager;
  - Head of Investor Relations & Corporate Development;
  - CEO of Ifis Npl Servicing S.p.A.;
  - General Manager of Ifis Npl Servicing S.p.A.;
  - CEO of Banca Credifarma S.p.A.

- any person holding an interest, calculated pursuant to Article 118 of the Issuers' Regulation, equal to at least 10% of the share capital of Banca Ifis, represented by shares with voting rights as well as another subject who controls the Bank;
- additional persons identified as such, even for limited periods of time, by specific resolution of the Board of Directors of Banca Ifis.

Persons closely related to Relevant Persons are also subject to the Internal Dealing Policy. This document is available on Banca Ifis's website, www.bancaifis.it, in the "Corporate Governance" Section, “Internal Dealing” sub-section.

Rules for the handling of inside information

Internal procedures for handling inside information and the list of individuals who have access to inside information are aligned with the Market Abuse Regulation.

In compliance with Article 115-bis of Italian Legislative Decree No. 58/1998, Banca Ifis has created a list of individuals who, in performing their professional and work duties or in carrying out their activity, have access to inside information (the list of insiders). Banca Ifis constantly updates this list.

- In addition, the Bank has adopted the “Group policy for the handling of inside information” in order to:
- prevent individuals who, based on their duties, have no reason to know such information from accessing it;
- identify the individuals who have access to such information at all times.

This policy also describes the process of handling inside information of third-party issuers, also with reference to the management of passive market surveys.

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Significant events occurred during the year

Banca Ifis transparently and timely discloses information to the market, constantly publishing information on significant events through press releases. Please visit the Media section of the institutional website www.bancaifis.it to view all press releases.

Below is a summary of the most significant events that occurred during the year.

Voluntary Takeover Bid on illimity Bank

In the course of 2025, Banca Ifis carried out an important extraordinary transaction aimed at acquiring the entire share capital of illimity Bank S.p.A., through the launch of a voluntary Takeover and Exchange Offer, announced to the market on 8 January 2025 pursuant to Article 102 of the TUF. More specifically, on 7 January 2025, the Bank's Board of Directors approved the promotion of a voluntary takeover and exchange offer on all shares of illimity Bank. The offer was disclosed to the market on 8 January 2025 by means of a notice circulated pursuant to Article 102, paragraph 1 of Legislative Decree No. 58/98 (the "TUF") and Article 37 of the regulations adopted by Consob Resolution No. 11971/99 (the "Issuers' Regulations"). The offer envisaged the acquisition by Banca Ifis of 100% ownership of the shares of illimity Bank listed on Euronext Milan, Segment Euronext STAR Milan. Specifically, the offer envisaged the payment of a consideration of 3,55 Euro for each share of illimity Bank tendered, based on the official share price of Banca Ifis on 7 January 2025. This consideration originally consisted of:

- 0,1 newly issued shares of Banca Ifis for each share of illimity Bank and
- a cash component originally of 1,414 Euro, thereafter adjusted to 1,506 Euro following the detachment, on 19 May 2025, of the coupon for the balance of the dividend for FY 2024.

On 10 March 2025, the Bank received authorisation for the transaction from the Italian Antitrust Authority (AGCM), without being subject to any conditions, limitations or restrictions. No further antitrust clearance was necessary to complete the offer.

On 14 March 2025, the President of the Council of Ministers forwarded to the Bank the resolution accepting the proposal of the Ministry of Economy and Finance (MEF) not to exercise the special powers under the “Golden Power” regulation in relation to the acquisition by Banca Ifis, through the Offer, of the entire share capital of illimity.

On 28 April 2025, the Bank received approval from the European Central Bank (ECB) for the direct and indirect acquisition of a controlling stake in illimity Bank, in accordance with Articles 19 *et seq.* of Italian Legislative Decree No. 385 of 1 September 1993.

Following the authorisation of the European Central Bank, on 2 May 2025 the Bank also received all the necessary authorisations pertaining to the Bank of Italy and specifically:

- the authorisation of the indirect acquisition of a controlling interest in illimity SGR S.p.A.[105] and the purchase of a qualified shareholding in Hype S.p.A.;
- the authorisation of the acquisition of the stake in illimity for a consideration exceeding 10% of the Banca Ifis Group's equity on a consolidated basis; and
- the ruling to ascertain that the amendments to Banca Ifis's articles of association resulting from the share capital increase to service the offer do not conflict with the sound and prudent management of Banca Ifis.

The Bank of Italy also confirmed the eligibility of the new shares issued as part of the capital increase as Common Equity Tier 1 (CET1).

After obtaining the aforementioned regulatory authorisations, Consob, by resolution No. 23543 of 7 May 2025, approved the offer document pursuant to Article 102, paragraph 4 of the TUF.

[105] *This company was renamed Fürstenberg SGR S.p.A. as of 18 December 2025.*

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On 8 May 2025, the Bank's Board of Directors resolved, in execution of the mandate conferred by the Extraordinary Shareholders' Meeting of 17 April 2025, to increase the share capital for cash, in one or more tranches and in divisible form, with the exclusion of option rights pursuant to Article 2441, paragraph 4, first sentence, of the Italian Civil Code, to service the total voluntary takeover offer promoted by Banca Ifis on all the ordinary shares of illimity pursuant to Articles 102 and 106, paragraph 4, of the TUF.

On 24 June 2025, the Bank announced that it would pay a cash premium of 5%, equal to 0,1775 Euro (the "additional cash consideration"), for each illimity share tendered to the offer if the acceptance threshold were to exceed 90% of illimity's share capital (the "90% threshold").

On 27 June 2025, the acceptance period for the Takeover Bid having ended and the acceptance rate of 84,092% having been reached, in order to reach the threshold of 90% (the relevant threshold for the residual takeover bid procedures and subsequent squeeze out), the Bank reopened the terms pursuant to Article 40-bis, paragraph 1, letter a), of the Issuers' Regulation. As a result, the accession period was reopened for five trading days, namely for the sessions from 7 July to 11 July 2025.

As of 4 July 2025 (payment date), the Bank held 70.694.489 illimity shares. On that date (4 July 2025), the announcement was made of the new composition of the subscribed and paid up share capital resulting from the paid up and divisible share capital increase pursuant to the resolution of 08 May 2025, in partial execution of the mandate conferred on the Board of Directors by the Extraordinary Shareholders' Meeting of 17 April 2025, to service the voluntary takeover bid for all the ordinary shares of illimity Bank, through the issue of a maximum number of 8.406.781 ordinary shares of Banca Ifis, worth a nominal amount of 1,00 Euro each, with regular dividend rights and the same characteristics as the shares in circulation on the issue date, to be released by contribution in kind as to service the offer.

The certificate of capital increase was filed on 4 July 2025 with the Companies' Register of Venice, Rovigo. 7.069.448 Banca Ifis ordinary shares - regular entitlement, coupon 32 - worth a nominal amount of 1,00 Euro each were issued, with an increase in share capital from 53.811.095,00 Euro to 60.880.543,00 Euro divided into 60.880.543 ordinary shares worth a nominal amount of 1,00 Euro each.

On 11 July 2025, the re-opening period for the offer ended. At the end of which, total acceptances of the bid reached 92,488% (taking into account treasury shares). Therefore, taking into account the 70.694.489 illimity shares already tendered at 04 July 2025 the payment date following the re-opening of the terms (18 July 2025) Banca Ifis held 77.752.504 illimity shares, representing 92,488% of its share capital (taking into account treasury shares).

On the basis of the final results achieved, which were confirmed on 16 July 2025, Banca Ifis took steps to give effect to the payment of the 5% cash bonus to each illimity shareholder who tendered their illimity shares to the bid. On the date of payment of the consideration (18 July 2025) in respect of the transfer in favour of Banca Ifis of the right of ownership of the illimity shares tendered during the reopening of the terms, the Bank has provided, in favour of the adherents who tendered their illimity shares to the offer during the reopening of the terms:

- to issue and allot the Banca Ifis shares offered, at a ratio of 0,10 newly issued Banca Ifis shares for every illimity share tendered, and thus for a total of 605.983 new Banca Ifis shares, representing 0,985% of Banca Ifis's share capital following the issue of these new Banca Ifis shares;
- to pay 1,6835 Euro for each illimity share tendered and so for a total of 10.201.728,85 Euro; and
- to pay only the additional cash consideration (0,1775 per illimity share), as a supplementary consideration
- in favour of those subscribers who had already tendered their illimity shares to the offer during the acceptance period (and had therefore already received the consideration on the payment date of 4 July 2025).

On 21 July 2025, Banca Ifis communicated the new composition of the subscribed and paid-up share capital resulting from the paid-in and divisible share capital increase pursuant to the resolution of 8 May 2025, in partial execution of the mandate conferred on the Board of Directors by the Extraordinary Shareholders' Meeting of 17 April 2025, to service the offer.

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The certificate of capital increase was filed on 21 July 2025 with the Companies' Register of Venice, Rovigo. 605.983 Banca Ifis ordinary shares - regular entitlement, coupon 32 - worth a nominal amount of 1,00 Euro each were issued, with an increase in share capital from 60.880.543,00 Euro (as updated by communication given on 4 July 2025) to 61.486.526,00 Euro divided into 61.486.526 ordinary shares worth a nominal amount of 1,00 Euro each.

On the basis of the final results of the reopening of the terms, the legal requirements for the fulfilment of the purchase obligation pursuant to article 108, paragraph 2, of the TUF have been verified, given that Banca Ifis holds a total shareholding of more than 90%, but less than 95%, of the share capital of illimity Bank, calculated by calculating the 76.754.322 shares tendered in acceptance of the offer as well as the 998.182 treasury shares held by illimity Bank, which, for the purposes of calculating the threshold set forth in Article 108, paragraph 2, of the TUF, must be counted in the overall stake held by Banca Ifis (numerator) without being deducted from the share capital of illimity Bank (denominator).

Therefore, Banca Ifis, as stated in the Offer Document, has not expressed its intention to restore a sufficient free float to ensure the regular trading of illimity shares and has undertaken to fulfill the obligation to purchase pursuant to Article 108, paragraph 2, of the TUF in relation to the remaining 7.313.486 illimity shares, representing 8,700% of illimity Bank's share capital (including treasury shares).

As part of the procedure for the fulfilment of the obligation to purchase pursuant to Article 108, paragraph 2 of the TUF, Banca Ifis paid to the shareholders of illimity Bank who requested Banca Ifis to purchase their residual shares pursuant to Article 108, paragraph 2 of the TUF the consideration per residual share, determined in accordance with the provisions of Article 108, paragraphs 3 and 5 of the TUF, namely:

- a consideration identical to the consideration of the bid, i.e. for each illimity share tendered to the offer, 1,6835 Euro, as cash component, and 0,1 newly issued Banca Ifis shares, as share component (the "share consideration" and, together with the cash consideration, the "purchase obligation consideration pursuant to article 108, paragraph 2, of the TUF"); or, alternatively,
- only to shareholders who expressly requested it in the request for sale, a full cash consideration of 4,0767 Euro for each illimity share, calculated pursuant to article 50-ter, paragraph 1, letter a) of the Issuers' Regulation, and, therefore, equal to the sum (x) of the weighted average of the official prices of Banca Ifis shares recorded on Euronext Milan Euronext STAR Milan segment, in the five trading days preceding the payment date as a result of the reopening of the terms (i.e., in the sessions of 11 July, 14 July, 15 July, 16 July and 17 July 2025), which is equal to 23,9317 Euro, multiplied by 0,1 (i.e. the exchange rate) and (y) of the cash consideration (the "alternative cash consideration").

The period agreed with Borsa Italiana during which Banca Ifis complied with the purchase obligation pursuant to Article 108, paragraph 2 of the TUF, and the holders of residual shares could, by submitting a request for sale, request Banca Ifis to purchase such illimity shares, commenced at 08:30 (Italian time) on 28 July 2025 and ended at 17:30 (Italian time) on 29 August 2025 (the "period for submission of requests for sale"). At the time the sell-out started on 28 July 2025, Banca Ifis held 91,3% of the share capital of illimity Bank on the market.

The sell-out procedure was successfully completed on 29 August 2025, as by the close of the application period, requests for sale had been submitted for a total of 2.446.348 residual shares. These residual shares represent 2,910% of the share capital of illimity Bank and 33,447% of the total residual shares subject to the procedure for the fulfilment of the purchase obligation pursuant to Article 108(2) of the TUF (including treasury shares). Therefore, on the basis of these provisional results and taking into account the 2.446.348 residual shares subject to requests for sale, the 76.754.322 shares of illimity Bank already held by Banca Ifis at the closing date and the 998.182 treasury shares held by illimity Bank, Banca Ifis was found to own 80.198.852 shares of illimity Bank, representing 95,398% of illimity Bank's share capital (taking into account treasury shares).

Based on these results, on 5 September 2025 (the date of payment of the purchase obligation consideration) Banca Ifis paid:

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- in favour of the holders of 539.298 residual shares (representing 22,045% of the residual shares for which requests to sell were submitted) who requested to receive the consideration, for each residual share for which a request to sell was submitted:
  - 1,6835 Euro, as cash consideration and thus for a total of 907.908,18 Euro; and
  - 0,1 newly issued Banca Ifis shares, as consideration in shares, according to the ratio of 0,1 Banca Ifis shares for each illimity Bank share requested for sale, and thus for a total of 53.920 new Banca Ifis shares, representing 0,088% of Banca Ifis's share capital following the issuance of such new shares;
- in favour of the holders of 1.907.050 residual shares (representing 77,955% of the residual shares for which requests to sell were submitted) who requested to receive the alternative cash consideration, 4,0767 Euro for each residual share for which a request to sell was submitted, and so for a total of 7.774.470,74.

On 05 September 2025, Banca Ifis communicated the new composition of the subscribed and paid-up share capital resulting from the paid-in and divisible share capital increase pursuant to the resolution of 8 May 2025, in partial execution of the mandate conferred on the Board of Directors by the Extraordinary Shareholders' Meeting of 17 April 2025, to service the offer.

The certificate of capital increase was filed on 05 September 2025 with the Companies' Register of Venice, Rovigo. 53.929 Banca Ifis ordinary shares - regular entitlement, coupon 32 - worth a nominal amount of 1,00 Euro each were issued, with an increase in share capital from 61.486.526,00 Euro (as updated by communication given on 21 July 2025) to 61.540.455,00 Euro divided into 61.540.455 ordinary shares worth a nominal amount of 1,00 Euro each.

The 53.929 newly-issued Banca Ifis shares were assigned as a share component of the consideration to the shareholders of illimity Bank who submitted requests to sell their shares of illimity Bank in the context of the procedure for the fulfilment of the purchase obligation pursuant to Article 108(2) of the TUF by Banca Ifis.

In consideration of the foregoing, the legal prerequisites for the fulfilment of the purchase obligation pursuant to Article 108, paragraph 1, of the TUF and for the exercise of the purchase right pursuant to Article 111 of the TUF in relation to the remaining 3.868.956 shares of illimity Bank, representing 4,602% of the share capital (the so-called "squeeze out"), as Banca Ifis came to hold an overall stake of more than 95% in the share capital of illimity Bank. Therefore, Banca Ifis, as stated in the Offer Document, by exercising its squeeze-out right, has also fulfilled its purchase obligation pursuant to Article 108(1) of the TUF vis-à-vis the shareholders of illimity Bank who so requested, thereby giving effect to the joint procedure.

As part of the joint procedure, Banca Ifis undertook to pay to the shareholders of illimity Bank, for each additional residual share, a consideration determined pursuant to the provisions of Article 108(3) and (5) of the TUF, i.e:

- a consideration identical to the consideration of the offer, i.e. 1,6835 Euro, as consideration in cash, and 0,1 newly issued Banca Ifis shares, as consideration in shares; or, alternatively
- only to illimity Bank shareholders who expressly request it in the request for sale of the additional residual shares (the “request for sale for the joint procedure”), a full cash consideration of 4,0767 Euro for each illimity share, calculated pursuant to article 50-ter, paragraph 1, letter a) of the Issuers’ Regulation, and, therefore, equal to the sum (x) of the weighted average of the official prices of Banca Ifis shares recorded on Euronext Milan Euronext STAR Milan segment, in the five trading days preceding the payment date as a result of the reopening of the terms (i.e., in the sessions of 11 July, 14 July, 15 July, 16 July and 17 July 2025), which is equal to 23,9317 Euro, multiplied by 0,1 (the exchange rate) and (y) of the cash consideration, as alternative cash consideration.

The period of the joint procedure started at 08:30 (Italian time) on 8 September 2025 and ended at 17:30 (Italian time) on 12 September 2025.

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On 12 September 2025, the aforesaid joint procedure was concluded and applications were submitted for the sale of a total of 2.075.029 additional residual shares, representing 2,468% of the share capital of illimity Bank and 53,633% of the total additional residual shares subject to the joint procedure.

Based on these results, Banca Ifis paid on 19 September 2025 (the payment date of the joint procedure):

- in favour of the holders of 990.787 additional residual shares (representing 47,748% of the additional residual shares for which requests for sale were submitted for the joint procedure) who requested to receive the consideration, for each additional residual share for which a request for sale was submitted:
  - 1,6835 Euro as consideration in cash; and
  - 0,1 newly issued Banca Ifis shares, as consideration in shares;
- in favour of the holders of 1.084.242 additional residual shares (representing 52,252% of the additional residual shares for which a request for sale for the joint procedure has been submitted) who requested to receive the alternative cash consideration, 4,0767 for each additional residual share for which a request for sale for the joint procedure has been submitted.

The holders of the remaining 1.793.927 additional shares who did not submit a request for the joint procedure (the "non-requesting shareholders") only received the bid consideration.

Therefore, considering also the non-requesting shareholders, Banca Ifis on 19 September 2025 paid the following in settlement of the squeeze out:

- for the additional requesting shareholders who did not request the alternative cash consideration and for the non-requesting shareholders, Banca Ifis:
  - issued and allotted the consideration in shares, i.e. Banca Ifis shares offered, at a ratio of 0,1 newly issued Banca Ifis shares for each additional share remaining, for a total of 278.470 new Banca Ifis shares, equal to 0,450% of Banca Ifis' share capital following the issuance of these new Banca Ifis shares; Banca Ifis' share capital following this issuance is represented by 61.818.925 ordinary shares;
  - paid the cash consideration (i.e. 1,6835 for each additional remaining share) and so for a total of 4.688.066,02;
- for the additional requesting shareholders who requested the alternative cash consideration, Banca Ifis paid the alternative cash consideration (i.e. 4,0767 Euro for each additional share requested to be sold in the joint procedure) and so for a total of 4.420.129,36 Euro.

Borsa Italiana, pursuant to Article 2.5.1, paragraph 6, of the Stock Exchange Regulations, consequently ordered, by order No. 9059 taken on 2 September 2025, the delisting of the shares of illimity Bank from the listing on Euronext Milan, Euronext STAR Milan segment (so-called "delisting") as of 19 September 2025 (the payment date of the joint procedure), subject to the suspension of trading in the shares of illimity Bank on 17 and 18 September 2025.

On 19 September 2025, Banca Ifis communicated the new composition of the subscribed and paid-up share capital resulting from the paid-in and divisible share capital increase pursuant to the resolution of 8 May 2025, in partial execution of the mandate conferred on the Board of Directors by the Extraordinary Shareholders' Meeting of 17 April 2025, to service the offer.

The certificate of capital increase was filed on 19 September 2025 with the Companies' Register of Venice, Rovigo. 278.470 Banca Ifis ordinary shares - regular entitlement, coupon 32 - worth a nominal amount of 1,00 Euro each were issued, with an increase in share capital from 61.540.455,00 Euro (as updated by communication given on 5 September 2025) to 61.818.925,00 Euro divided into 61.818.925 ordinary shares worth a nominal amount of 1,00 Euro each.

The 278.470 newly issued Banca Ifis shares were allotted as a share component of the consideration to the shareholders of illimity Bank in the context of the joint procedure.

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As a result of the completion of the squeeze-out procedure, on 19 September 2025, Banca Ifis holds 100% of the share capital of illimity Bank. The value of the equity investment held by Banca Ifis in illimity Bank totalled 330,5 million Euro, which represents the cumulative acquisition cost of illimity Bank's shares through the various stages of the aforementioned offer. Specifically, 147,0 million Euro was disbursed through cash consideration while 183,5 million Euro was paid through an offer of Banca Ifis shares.

On 25 September 2025, the Ordinary and Extraordinary Shareholders' Meeting of illimity Bank took place, which was called to resolve, inter alia, on the renewal of the corporate bodies. This meeting appointed a Board of Directors of illimity Bank for the financial years 2025, 2026 and 2027 (expiring with the approval of the Financial Statements for FY 2027), consisting of, among others, Ernesto Fürstenberg Fassio as Chairman, Rosalba Benedetto and Luca Lo Giudice as Vice Chairmen, and Frederik Geertman as CEO.

On 18 December 2025, Banca Ifis announced that it had completed the due diligence activities preparatory to the determination of the badwill (or 'gain on a bargain purchase' under IFRS 3) arising from the acquisition of illimity Bank, as requested by the European Central Bank (ECB) on 29 April. The results are in line with the Banca Ifis Group's estimates and expectations. The analysis, conducted by an independent external company, allows Banca Ifis to confirm the cost and revenue synergies announced on 8 January 2025 and quantifiable in the order of about 75 million Euro per year, before taxes. The outcome of the due diligence revealed the need for adjustments of 75 million Euro (of which 20 million Euro was already included and expensed in the results as at 30 September 2025) on top of the previous impairments of 290 million Euro made by illimity Bank during 2025.

As required by the European Central Bank, the outcome of the due diligence was transmitted to the Bank of Italy after approval by the Board of Directors of Banca Ifis.

Banca Ifis reported the impacts of the due diligence in the Preliminary Updated Results to 31 December 2025, approved by the Board of Directors on 11 February 2026, and in the Consolidated Financial Statements as at 31 December 2025 included in this document.

On 9 February 2026, the Board of Directors of illimity Bank ratified the appointment of Raffaele Zingone (former Co-General Manager and Chief Commercial Officer of Banca Ifis) as the company's new Chief Executive Officer. Zingone, who will continue in his role at Banca Ifis, succeeds Frederik Geertman, who has led illimity Bank since last September.

Banca Ifis will now continue with its planned activities to achieve the full integration of illimity Bank into the banking group by 2026.

The Shareholders' Meeting has approved the 2024 Financial Statements and the distribution of a dividend of 0,92 Euro per share for the year

On 17 April 2025, the Extraordinary and Ordinary Shareholders' Meeting of Banca Ifis, approved the 2024 Financial Statements and the consequent distribution of a dividend balance of 0,92 Euro for each Banca Ifis ordinary share issued and outstanding, already considered as a deduction of Equity at 31 December 2024, with ex-dividend no. 31 date of 19 May 2025, record date of 20 May 2025 and payment date of 21 May 2025. At the same time, the Shareholders' Meeting also approved the renewal of the Board of Directors and expanded from 13 to 14 the number of Directors who will hold office until the date of the Shareholders' Meeting convened to approve the Annual Report for the year ending 31 December 2027. Rosalba Benedetto and Chiara Paolino join the Board of Directors. They will further strengthen the Board's expertise in the areas of brand reputation, sustainability and corporate management.

The Board of Directors of Banca Ifis, which met on the sidelines of the Shareholders' Meeting, renewed Frederik Geertman as CEO and appointed Rosalba Benedetto as Vice Chairman of the Banking Group.

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Completed issue of a 400 million Euro bond maturing in November 2029

On 8 July 2025, Banca Ifis completed the placement of a 400 million Euro senior preferred debenture loan aimed at institutional investors. The transaction is part of the 5 billion Euro EMTN issuance programme.

In detail, the bond issue matures in November 2029 and the reoffer price was set at 99,758 with a coupon payable annually of 3,625%. The offer was subscribed for 1,5 times the amount issued.

The bond issued by Banca Ifis is listed on the Luxembourg Stock Exchange, with a rating of Baa3 by Moody's and BB+ by Fitch.

Acquisition of Euclidea SIM finalised: Banca Ifis enters asset management services

In line with the principles announced at the start of the year by Ernesto Fürstenberg Fassio to develop a distinctive and competitive offering both technologically and in terms of transparency and cost efficiency, Banca Ifis signed an agreement on Monday 28 July 2025 to acquire 100% of the shares of Euclidea SIM S.p.A.[106] and successfully completed the acquisition on 21 November 2025. The closing of the transaction came after the Banca Ifis Group obtained the necessary regulatory approvals from the Bank of Italy and the clearance with respect to Golden Power. The purchase of Euclidea SIM generated an impact on the Banca Ifis Group's CET1 ratio of approximately 20 bps.

Euclidea SIM is an independent securities brokerage firm offering analysis and portfolio management services. Euclidea's experienced market managers base their choices on a proprietary AI- and machine learning-based "fund ranking" algorithm for selecting actively and passively managed funds based on objective parameters (e.g. cost and historical performance). Through the use of its digital platform, the brokerage firm is thus able to offer a portfolio management service with transparent and competitive pricing and very positive historical performance. The company manages a clientèle mainly concentrated in the private segment: at the end of 2024, the company managed around 400 million Euro in assets on behalf of more than 2.000 clients.

The transaction constitutes the first step in a broader project to expand the offering to the sphere of asset management services.

Leveraging its own history and Euclidea SIM's positive track record, Banca Ifis can thus also broaden the areas of dialogue with business customers, already served within the Commercial & Corporate Banking Segment, and take advantage of the synergies between the Bank and Euclidea SIM by flanking the Rendimax deposit account with a customised advanced digital asset management service.

With the acquisition of Euclidea, through the new Fürstenberg brand, the new line of financial services and products in asset management, investment funds and advisory is being prepared. The products and the investment platform will continue to maintain the Euclidea brand, which characterises its quality, innovative footprint, and the market proposition, which is also confirmed by the track record obtained in recent years.

Directors Regazzi and Meruzzi resign from the Banca Ifis board and join the board of illimity Bank

On 25 September 2025, following the successful completion of the offer on illimity Bank on 19 September 2025 and in order to be appointed to the Board of Directors of that company, the independent directors Monica Regazzi and Giovanni Meruzzi resigned from their positions of:

member of the Board of Directors and of the Supervisory Body, as far as Monica Regazzi is concerned;
member of the Board of Directors and Chair of the Remuneration Committee and Supervisory Body, as far as Giovanni Meruzzi is concerned.

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[106] *This company was renamed Fürstenberg SGR S.p.A. as of 26 January 2026.*

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At this stage, the appointment of Monica Regazzi and Giovanni Meruzzi to the Board of Directors of illimity Bank was promoted by Banca Ifis in order to ensure the Parent company's oversight during the company's integration phase, guaranteeing the presence of directors with adequate skills and experience, as well as the independence requirements provided for by current regulations.

At the date of their resignation, Monica Regazzi and Giovanni Meruzzi did not hold shares in Banca Ifis and, in line with the remuneration policy adopted by the Banca Ifis Group, their termination of office does not entail the payment of allowances or other benefits.

Distribution of a 2025 interim dividend of 73,3 million Euro (1,20 Euro per share)

On 10 November 2025, the Board of Directors of Banca Ifis resolved to distribute an interim dividend on 2025 profits for a total amount of euro 73.295.604,00, equal to 1,2 euro per share (gross of withholding taxes), for each of the 61.079.670 Banca Ifis shares issued and outstanding (already net of 739.255 treasury shares). The interim dividend 2025 was paid with ex-dividend date 24 November 2025, record date of 25 November and payment date of 26 November 2025. The report by the Board of Directors and the accounting statement at 30 September 2025 pursuant to Article 2433-bis of the Italian Civil Code, on the basis of which the Board of Directors of Banca Ifis resolved to distribute the interim dividend and included in the Interim Report as at 30 September 2025 - are made available to the public at the Bank's registered office, as well as on the authorised storage mechanism and on the Bank's institutional website, www.bancaifis.it, in the “Investor Relations & Corporate Development" section. Lastly, for the purposes of the distribution of the interim dividend, on 10 November 2025, the independent auditing firm PricewaterhouseCoopers S.p.A. issued the opinion required by Article 2433-bis of the Italian Civil Code, which has been made available to shareholders at the Bank's registered office.

Riccardo Preve and Moroello Diaz della Vittoria Pallavicini co-opted as Members of the Board of Directors of Banca Ifis, replacing the resigning Giovanni Meruzzi and Monica Regazzi

On 11 December 2025, following the positive completion on 3 December of the prior fit and proper assessment by the Bank of Italy, the resolution adopted by the Board of Directors of Banca Ifis on 23 October 2025 became effective. Said resolution provided for the co-optation, pursuant to Article 2386 of the Italian Civil Code and Article 11 of the Articles of Association, and subject to the suspensive condition of a positive outcome of the prior fit and proper assessment by the Bank of Italy, of Mr Riccardo Preve (non-independent director) and Mr Moroello Diaz della Vittoria Pallavicini (independent director), in replacement of the resigning Giovanni Meruzzi and Monica Regazzi. The latter had been appointed in September 2025 to the Board of Directors of illimity Bank in order to ensure oversight by the Parent company Banca Ifis during the integration phase. The co-opted directors will remain in office until the next Shareholders’ Meeting of Banca Ifis, which will be called upon to confirm them for the remainder of the current Board’s term of office. Mr Moroello Diaz della Vittoria Pallavicini was also appointed as a member of the Remuneration Committee, replacing Prof. Giovanni Meruzzi. The Remuneration Committee is therefore composed as follows: Beatrice Colleoni (Chair), Moroello Diaz della Vittoria Pallavicini and Luca Lo Giudice.

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Subsequent events

Banca Ifis issues a ten-year Tier 2 bond for 400 million Euro

On 13 January 2026, Banca Ifis successfully completed the placement of a Tier 2 subordinated bond targeted at institutional investors. The issuance has a ten-year maturity, expiring in April 2036, carries a coupon of 4,546% and is callable after 5 years. The amount issued totals 400 million Euro.

At the end of the placement, the Bank recorded an issue price of 100%, equivalent to a spread of 200 basis points over the reference rate: this represents the lowest spread ever achieved by the Bank for a Tier 2 subordinated issuance. The issuance is intended to replace other subordinated bonds currently outstanding, issued by Banca Ifis and illimity Bank, and will generate significant medium-term savings in terms of funding costs for the Banca Ifis Group.

The bond has been listed on the Luxembourg Stock Exchange and is rated Ba3 by Moody's and BB- by Fitch.

Euclidea SIM changes its name to Fürstenberg SIM and the Fürstenberg ecosystem also welcomes the Corporate & Investment Banking divisions of Banca Ifis and illimity Bank

With effect from 26 January 2026, Euclidea SIM, the investment firm acquired by Banca Ifis in November 2025 and active in portfolio analysis and management services, has changed its name to Fürstenberg SIM and has officially become part of the Fürstenberg ecosystem. Through the product brand Fürstenberg Euclidea, Fürstenberg SIM will offer clients an advanced investment management approach, focusing on simple solutions designed to address the complexity of the financial world.

Furthermore, as of 26 January 2026, the Corporate & Investment Banking (CIB) divisions of Banca Ifis and illimity Bank have also been incorporated under the Fürstenberg brand. These divisions include the operational units of Structured Finance, Equity Investment, M&A Advisory, Equity Capital Markets and Debt Capital Markets.

These are two decisive milestones in the wide-ranging project that is leading Banca Ifis to market itself in the asset management market under the Fürstenberg brand name (see also the section on "Significant events during the year" above).

The objective of this new and multi-faceted division is to support families, entrepreneurs and institutional investors in the growth and enhancement of their wealth.

This target will be pursued through an integrated approach, ranging from wealth management to Investment Banking solutions based on specialised expertise and a deep understanding of the entrepreneurial landscape. This is complemented by access to Private Capital through co-investments in small and medium-sized enterprises and high-potential mid-caps.

The mission of the new entity is also clearly reflected in the payoff chosen to express the vision underpinning the project: "Finance for Future", which confirms the Group's commitment to generating sustainable value over time for all stakeholders.

The Group's services and products are showcased on the new website www.furstenberg.eu, which serves as a dedicated online platform for visibility and promotion.

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Information on major risks and uncertainties and international tensions

This section aims to provide a specific disclosure on the impacts generated by international tensions, especially with reference to the Middle East and the continuing Russia-Ukraine conflict and tensions arising from the implementation of new trade policies by the US administration.

Banca Ifis monitors country risk on conflict-affected countries. This continuous monitoring has revealed a limited number of counterparties present in the areas involved by the current international tensions, to which modest direct credit exposures correspond. Similarly, no particular critical issues have been noted with regard to the trade receivables portfolio.

Furthermore, the Risk Management function, in addition to the risk factors usually considered, continues to deem it reasonable to include the current geopolitical tense situation as an additional risk factor.

With regard to the analyses carried out by the Banca Ifis Group on the impact of the introduction of customs duties by the US administration on European products, refer to what is detailed in the Notes to the Consolidated Financial Statements, within the sub-section "2.3 Methods for measuring expected losses", paragraph "1.1 Credit Risk" of "Section 2 - Risks of the Consolidated Financial Statements" within "Part E - Information on Risks and Related Hedging Policies".

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Business outlook

Refer to the section 'Business Outlook' in the Directors' Report on the Group of the Consolidated Financial Statements.

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Other information

Adoption of Opt-Out Option pursuant to Consob resolution No. 18079 of 20 January 2012

On 21 January 2013, Banca Ifis's Board of Directors resolved, as per Article 3 of Consob Regulation No. 18079 of 20 January 2012, to adopt the opt-out option pursuant to Article 70, paragraph 8 and Article 71, paragraph 1-bis, of Consob Issuers' Regulation, thus exercising the right to depart from the obligations to publish information documents required in connection with significant operations like mergers, spin-offs, capital increases by contribution in kind, acquisitions and sales.

Report on Corporate Governance and Shareholding Structure

With reference to the Report on Corporate Governance and Shareholding Structure, reference is made to the latest version prepared in accordance with the third paragraph of Art. 123-bis of Legislative Decree No. 58 of 24 February 1998 (Consolidated Law on Finance, or "TUF"), i.e. that prepared for FY 2025 in the form of a separate report from the Directors' Report on the Group, approved by the Board of Directors on 12 March 2026 and published together with the Consolidated Financial Statements for the year ended 31 December 2025. This document is also made available in the “About us” section, "Corporate Governance" subsection, paragraph on "Reports and Documents", sub-paragraph "Corporate Governance Organisation and Structures" on the corporate website www.bancaifis.it.

The "Report on Corporate Governance and Shareholding Structure" has been drawn up according to the format provided by Borsa Italiana.

Remuneration policies

The “About us” section, "Corporate governance" subsection, paragraph on "Remuneration" of the corporate website www.bancaifis.it includes the "2025 Report on Remuneration Policy and Remuneration Paid", drafted pursuant to Article 123 ter of the TUF, where the remuneration policy valid for FY 2025 for the Banca Ifis Group is illustrated.

Privacy measures

The Bank has consolidated a project to comply with (EU) Regulation No. 2016/679 in order to incorporate the relevant regulatory provisions into its internal privacy management model, planning a series of both technological and organisational steps that will concern all the Group's companies.

Parent company management and coordination

Pursuant to Articles 2497 to 2497 sexies of the Italian Civil Code, it should be noted that the Parent company Fürstenberg Scogliera Holding S.A. (formerly Scogliera S.A.) does not carry out any management and coordination activities with respect to Banca Ifis, notwithstanding Article 2497 sexies of the Italian Civil Code, since the management and coordination of investee financial companies and banks is expressly excluded from Fürstenberg Scogliera Holding S.A.'s corporate purpose.

Transactions on treasury shares

At 31 December 2024, Banca Ifis held 1.238.886 treasury shares recognised at a market value of 21,0 million Euro and a nominal amount of 1.238.886 Euro.

In 2025, Banca Ifis awarded the Top Management:

- as variable pay, under the scope of the Short-Term Incentive (“STI”) system, 121.031 treasury shares at an average price of 16,53 Euro, for a total of 2,0 million Euro and a nominal amount of 121.031 Euro, making losses of 269 thousand Euro that, in compliance with IAS/IFRS standards, were recognised under the premium reserve;
- as variable long-term remuneration, as part of the exercise by the various beneficiaries of the stock options assigned to them as a result of the "2021-2023 Long-Term Incentive Plan" (the "LTI Plan"), 378.600 treasury shares at an average price of 12,92 Euro (the strike price of the stock options), for an equivalent value of 4,9 million Euro and a nominal amount of 378.600 Euro, realising losses of 108 thousand Euro

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recognised in additional paid-in capital. The related stock option reserve associated with options exercised during 2025 totals 1,1 million Euro.

During 2025, there were no further transactions on treasury shares other than those mentioned above.

Considering the above operations, the stock at 31 December 2025 is 739.255 treasury shares, with an equivalent value of 13,7 million Euro and a nominal amount of 739.255 Euro.

It should be noted that the Bank does not hold, directly or indirectly, any shares in the ultimate Parent company Fürstenberg Scogliera Holding S.A. (formerly La Scogliera S.A.).

Transactions with Group companies and related parties

In compliance with the provisions of Consob Resolution No. 17221 of 12 March 2010, as subsequently amended, as well as the prudential Supervisory provisions for banks in Circular No. 285 of 17 December 2013 of the Bank of Italy, part three, chapter 11 (on "Risk activities and conflicts of interest towards related parties"), any transactions with related parties and relevant parties are carried out pursuant to the procedure approved by the Board of Directors called the "Group Policy covering transactions with related parties, associates and corporate representatives pursuant to Art. 136 of the Consolidated Law on Banking", the latest update of which is available to the public in the "About us" section, "Corporate Governance" subsection, paragraph on "Reports and documents", sub-paragraph "Related parties and other associated subjects" of the corporate website www.bancaifis.it.

During 2025, no significant transactions with related parties were undertaken outside the scope of the Bank.

The disclosure on related party transactions and the description of the most significant transactions concluded with related parties during the financial year, provided for by the Regulation adopted by Consob with resolution No. 17221 of 12 March 2010 and subsequent amendments, are reported in "Part H - Related-party transactions" of these Notes, to which reference should be made.

Atypical or unusual transactions

During 2025, the Bank did not carry out atypical or unusual transactions as defined by Consob Communication No. 6064293 of 28 July 2006.

The Bank's offices

The Bank has its registered office in Venice-Mestre, as well as offices of the Chairmanship in Rome and operational offices in Milan. There are no branch offices.

Human resources

At 31 December 2025, Banca Ifis had 1.432 employees (1.428 at 31 December 2024). Below is a breakdown of the workforce by classification level.

EMPLOYEES BY CLASSIFICATION LEVEL	31.12.2025		31.12.2024		CHANGES	
	Number	%	Number	%	Number	%
Senior managers	87	6,1%	88	6,2%	(1)	(1,1)%
Middle managers	601	42,0%	565	39,6%	36	6,4%
Clerical staff	744	52,0%	775	54,3%	(31)	(4,0)%
Total Banca Ifis employees	**1.432**	**100,0%**	**1.428**	**100,0%**	**4**	**0,3%**

Research and development activities

Due to its business, the Bank did not implement any research and development programmes during the year.

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Reserve from extraordinary tax on 'extra-profits'

it is recalled that Article 26 of Decree Law No. 104 of 10 August 2023 – converted with amendments by Law No. 136 of 9 October 2023 – had introduced into the national tax system, for the year 2023, an extraordinary tax to be paid by banks, commensurate with the increase in the net interest income between 2021 and 2023, with a maximum limit calculated according to the exposure to risk on an individual basis referring to the closing date of FY 2022.

When this decree was converted, paragraph 5-bis was introduced, which allowed banks, as an alternative to paying the tax by 30 June 2024, to allocate, when approving the 2023 financial statements, an amount of not less than two and a half times the tax to a non-distributable reserve identified for this purpose. If the reserve thus constituted had subsequently been used for the distribution of profits, the tax due would have been paid in full, plus interest accrued on the basis of the provisions of the law.

With reference to this, the shareholders' meeting of Banca Ifis on 18 April 2024 – availing itself of the option provided for in paragraph 5-bis above – resolved to allocate a portion of the profit for FY 2023 to the establishment of a specific reserve, called the "Extra-profit reserve", equal to two and a half times the amount of the extraordinary tax and equal to 23.905.112 Euro.

No tax liability was recognised against this reserve, as the Board of Directors of Banca Ifis had resolved not to propose its distribution. The aforementioned reserve was therefore classified as a tax-suspended reserve, by virtue of the tax constraint described above.

Law no. 199 of 30 December 2025 (the "2026 Budget Law") amended the rules governing the aforementioned extraordinary tax, introducing a legal presumption of priority distribution of the reserve in question, in the event of distribution of operating profits and/or reserves as of 1 January 2029.

The same provision also introduced the option to exempt the reserve in question from the payment of the extraordinary tax described above (at a rate of 40%), which can be exercised until 31 December 2028, subject to the payment of an extraordinary contribution equal to 27,5% of the amount of the reserve existing at 31 December 2025, if the option is exercised in 2026, or 33% of the amount of the reserve existing at 31 December 2026 or 31 December 2027, if the option is exercised in 2027 or 2028 respectively.

At its meeting on 11 February 2026, the Board of Directors, having assessed the economic convenience, resolved to exercise the right of exemption by paying the extraordinary contribution of 27,5% of the amount of the reserve existing at 31 December 2025, equal to 6.573.906 Euro. This contribution will be paid by 30 June 2026.

On the basis of the accounting treatment reported in the Explanatory Notes in Part A “Accounting Policies”, the extraordinary contribution in question was recognised in a negative equity reserve called “Extraordinary contribution reserve Law no. 199/2025”.

Following the payment of the extraordinary contribution (June 2026) and the subsequent settlement of the same as part of the tax return for the 2025 tax period, the reserve in question will be free from any tax constraint and, therefore, will become an available reserve.

As a result of the aforementioned release, it is proposed that the Shareholders approve as of now:

- the offsetting of the negative reserve called "Extraordinary contribution reserve Law No. 199/2025" with the "Extra-profit reserve", by reducing the amount of the latter from 23.905.112 Euro to 17.331.206 Euro.

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Annual profit distribution proposal

Dear Shareholders,

The Board of Directors proposes to allocate the profit for the year, amounting to 160.899.228 Euro, as follows:

- to the legal reserve in the amount of 1.601.800 Euro;
- to the reserve of non-distributable profits pursuant to Art. 6 of Legislative Decree no. 38/2005 the amount of 10.673.908 Euro;
- distributing to shareholders a cash dividend (before tax withholdings required by law) of 0,92 Euro per ordinary share in issue with ex-dividend date (coupon No. 33) on 18 May 2026. In November 2025, an interim dividend of 1,20 Euro per share had already been distributed for FY 2025. This dividend includes the portion attributable to the company's treasury shares. As per Article 83-terdecies of Italian Legislative Decree No. 58 of 24 February 1998 (Consolidated Law on Finance, or "TUF"), eligibility for the dividend is determined based on the shareholders of record on the intermediary's books as per Article 83-quater, paragraph 3 of the Consolidated Law on Finance at the end of 19 May 2026 (the record date);
- to other reserves the remainder of the allocation referred to above.

Payment will be made on 20 May 2026 through the authorised intermediaries with which the shares are registered on the Monte Titoli System.

Venice - Mestre, 12 March 2026

For the Board of Directors

The CEO

Frederik Herman Geertman

This report has been translated into the English language solely for the convenience of international readers.

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2025 ANNUAL REPORT

Financial Statements

Banca Ifis

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Statement of Financial Position

	ASSETS (in units of Euro)	31.12.2025	31.12.2024
10.	Cash and cash equivalents	307.869.366	334.189.908
20.	Financial assets measured at fair value through profit or loss	280.386.156	233.919.927
	a) financial assets held for trading	7.021.189	3.488.967
	c) other financial assets mandatorily measured at fair value	273.364.967	230.430.960
30.	Financial assets measured at fair value through other comprehensive income	1.115.131.808	701.824.564
40.	Financial assets measured at amortised cost	10.756.891.634	10.081.194.814
	a) receivables due from banks	715.331.523	760.944.739
	b) receivables due from customers	10.041.560.111	9.320.250.075
50.	Hedging derivatives	23.398.278	7.404.271
70.	Equity investments	1.048.697.979	699.511.343
80.	Property, plant and equipment	197.417.134	163.013.951
90.	Intangible assets	44.888.756	40.099.548
100.	Tax assets:	211.289.770	173.773.896
	a) current	75.712.682	21.491.338
	b) deferred	135.577.088	152.282.558
110.	Non-current assets and disposal groups	8.029.500	-
120.	Other assets	363.618.289	332.417.381
	Total assets	**14.357.618.670**	**12.767.349.603**

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	LIABILITIES AND EQUITY (in units of Euro)	31.12.2025	31.12.2024
10.	Financial liabilities measured at amortised cost	12.263.749.102	11.034.158.033
	a) payables due to banks	3.442.350.125	1.327.383.534
	b) payables due to customers	6.911.658.815	8.199.423.428
	c) debt securities issued	1.909.740.162	1.507.351.071
20.	Financial liabilities held for trading	13.824.386	13.765.045
40.	Hedging derivatives	17.191.949	14.868.050
60.	Tax liabilities:	76.557.757	36.198.492
	a) current	52.987.512	9.137.977
	b) deferred	23.570.245	27.060.515
80.	Other liabilities	282.205.522	219.927.675
90.	Post-employment benefits	4.712.966	5.080.658
100.	Provisions for risks and charges:	77.153.059	48.984.871
	a) commitments and guarantees granted	5.958.651	5.438.975
	b) pensions and similar obligations	336.469	217.506
	c) other provisions for risks and charges	70.857.939	43.328.390
110.	Valuation reserves	(12.152.890)	(22.822.809)
140.	Reserves	1.269.562.389	1.222.739.288
145.	Interim dividends	(73.295.604)	(63.083.736)
150.	Share premiums	229.093.021	85.390.743
160.	Share capital	61.818.925	53.811.095
170.	Treasury shares (-)	(13.701.140)	(20.970.793)
180.	Profit (loss) for the year (+/-)	160.899.228	139.302.991
	Total liabilities and equity	**14.357.618.670**	**12.767.349.603**

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Income Statement

	ITEMS (in units of Euro)	31.12.2025	31.12.2024
10.	Interest receivable and similar income	512.801.140	613.512.957
	of which: interest income calculated using the effective interest method	*504.501.277*	*596.001.233*
20.	**Interest due and similar expenses**	(373.549.899)	(413.119.643)
30.	**Net interest income**	**139.251.242**	**200.393.314**
40.	Commission income	96.783.121	96.447.722
50.	Commission expense	(11.556.113)	(12.140.179)
60.	**Net commission income**	**85.227.007**	**84.307.543**
70.	Dividends and similar income	213.452.460	94.543.393
80.	Net profit (loss) from trading	5.983.420	1.939.050
90.	Net result from hedging	1.989.953	(1.139.886)
100.	Profit (loss) from sale or buyback of:	14.641.182	24.866.619
	a) financial assets measured at amortised cost	13.636.233	16.598.480
	b) financial assets measured at fair value through comprehensive income	1.270.256	8.203.768
	c) financial liabilities	(265.307)	64.371
110.	Net result of other financial assets and liabilities measured at fair value through profit or loss	19.895.219	24.043.775
	b) other financial assets mandatorily measured at fair value	19.895.219	24.043.775
120.	**Net banking income**	**480.440.481**	**428.953.808**
130.	Net credit risk losses/reversals on:	(23.813.139)	(33.393.739)
	a) financial assets measured at amortised cost	(23.491.949)	(33.876.530)
	b) financial assets measured at fair value through other comprehensive income	(321.190)	482.791
150.	**Net profit (loss) from financial activities**	**456.627.343**	**395.560.069**
160.	Administrative expenses:	(345.635.808)	(252.657.090)
	a) personnel expenses	(174.753.591)	(127.287.102)
	b) other administrative expenses	(170.882.217)	(125.369.988)
170.	Net allocations to provisions for risks and charges	(2.450.525)	(3.005.085)
	a) commitments and guarantees granted	(1.239.676)	(256.743)
	b) other net allocations	(1.210.849)	(2.748.342)
180.	Net impairment losses/reversals on property, plant and equipment	(12.645.767)	(11.109.808)
190.	Net impairment losses/reversals on intangible assets	(12.639.909)	(9.382.478)
200.	Other operating income/expenses	63.640.791	54.613.469
210.	**Operating costs**	**(309.731.219)**	**(221.540.992)**
220.	Profit (loss) on equity investments	(2.862.000)	(3.017.000)
260.	**Pre-tax profit (loss) from continuing operations**	**144.034.124**	**171.002.077**
270.	Income taxes for the year relating to current operations	16.865.104	(31.699.086)
280.	**Profit (loss) from continuing operations, net of taxes**	**160.899.228**	**139.302.991**
300.	**Profit (loss) for the year**	**160.899.228**	**139.302.991**

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Statement of Comprehensive Income

	ITEMS (in units of Euro)	31.12.2025	31.12.2024
10.	**Profit (Loss) for the year**	**160.899.228**	**139.302.991**
	Other comprehensive income, net of taxes, not to be reclassified to profit or loss	**563.415**	**(3.756.240)**
20.	Equity securities measured at fair value through other comprehensive income	(2.104.345)	(3.787.154)
30.	Financial liabilities measured at fair value through profit or loss (changes in own credit risk)	-	-
40.	Hedging of equity securities measured at fair value through other comprehensive income	2.632.142	(153.568)
50.	Property, plant and equipment	-	-
60.	Intangible assets	-	-
70.	Defined benefit plans	35.618	184.482
80.	Non-current assets and disposal groups	-	-
90.	Share of valuation reserves of equity accounted investments	-	-
	Other comprehensive income, net of taxes, to be reclassified to profit or loss	**5.148.427**	**2.392.510**
100.	Foreign investment hedges	-	-
110.	Exchange differences	-	-
120.	Cash flow hedges	-	-
130.	Hedging instruments (non-designated items)	-	-
140.	Financial assets (other than equity securities) measured at fair value through other comprehensive income	5.148.427	2.392.510
150.	Non-current assets and disposal groups	-	-
160.	Share of valuation reserves of equity accounted investments	-	-
170.	**Total other comprehensive income, net of taxes**	**5.711.842**	**(1.363.730)**
180.	**Comprehensive income (Item 10 + 170)**	**166.611.070**	**137.939.261**

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Statement of Changes in Equity at 31 December 2025

(in units of Euro)	Balance at 31.12.2024	Change in opening balances	Balance at 01.01.2025	Allocation of profit from previous year		Changes during the year									Equity at 31.12.2025
				Reserves	Dividends and other allocations	Changes in reserves	Equity transactions							Comprehensive income for the year 2024	
							Issue of new shares	Buyback of treasury shares	Interim dividends	Extraordinary distribution of dividends	Changes in equity instruments	Derivatives on treasury shares	Stock options		
Share capital:															
a) ordinary shares	53.811.095		53.811.095	-			8.007.830	-							**61.818.925**
b) other shares	-		-	-			-	-							**-**
Share premiums	85.390.743		85.390.743	-		7.269.653	136.432.625								**229.093.021**
Reserves:															
a) retained earnings	1.218.257.889	-	1.218.257.889	27.393.163		(12.289.224)	(396.632)	-		-					**1.232.965.196**
b) other	4.481.399	-	4.481.399	-		(6.573.906)	39.770.108			-		-	(1.080.408)		**36.597.193**
Valuation reserves:	(22.822.809)	-	(22.822.809)			4.958.077								5.711.842	**(12.152.890)**
Equity instruments	-		-								-				**-**
Interim dividends	(63.083.736)		(63.083.736)		63.083.736				(73.295.604)						**(73.295.604)**
Treasury shares	(20.970.793)		(20.970.793)				7.269.653	-							**(13.701.140)**
Profit (loss) for the year	139.302.991	-	139.302.99	(27.393.163)	(111.909.828)		-							160.899.228	**160.899.228**
Equity	**1.394.366.779**	**-**	**1.394.366.779**	**-**	**(48.826.092)**	**(6.635.400)**	**191.083.584**	**-**	**(73.295.604)**	**-**	**-**	**-**	**(1.080.408)**	**166.611.070**	**1.622.223.929**

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Statement of Changes in Equity at 31 December 2024

(in units of Euro)	Balance at 31.12.2023	Change in opening balances	Balance at 01.01.2024	Allocation of profit from previous year		Changes during the year									Equity at 31.12.2024
							Equity transactions							Comprehensive income for the year 2024	
				Reserves	Dividends and other allocations	Changes in reserves	Issue of new shares	Buyback of treasury shares	Interim dividends	Extraordinary distribution of dividends	Changes in equity instruments	Derivatives on treasury shares	Stock options		
Share capital:															
a) ordinary shares	53.811.095	-	53.811.095	-	-	-	-	-	-	-	-	-	-	-	**53.811.095**
b) other shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Share premiums	84.107.651	-	84.107.651	-	-	846.541	436.551	-	-	-	-	-	-	-	**85.390.743**
Reserves:															
a) retained earnings	1.196.851.787	-	1.196.851.787	33.221.037	-	(11.814.935)	-	-	-	-	-	-	-	-	**1.218.257.889**
b) other	4.326.206	-	4.326.206	-	-	-	-	-	-	-	-	-	155.193	-	**4.481.399**
Valuation reserves:	(33.085.299)	-	(33.085.299)	-	-	11.626.220	-	-	-	-	-	-	-	(1.363.730)	**(22.822.809)**
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Interim dividends	(62.961.692)	-	(62.961.692)	-	62.961.692	-	-	-	(63.083.736)	-	-	-	-	-	**(63.083.736)**
Treasury shares	(21.817.335)	-	(21.817.335)	-	-	-	846.542	-	-	-	-	-	-	-	**(20.970.793)**
Profit (loss) for the year	143.403.999	-	143.403.999	(33.221.037)	(110.182.962)	-	-	-	-	-	-	-	-	139.302.991	**139.302.991**
Equity	**1.364.636.412**	**-**	**1.364.636.412**	**-**	**(47.221.270)**	**657.826**	**1.283.093**	**-**	**(63.083.736)**	**-**	**-**	**-**	**155.193**	**137.939.261**	**1.394.366.779**

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Cash Flow Statement

CASH FLOW STATEMENT Indirect method (in units of Euro)	Amount	
	31.12.2025	31.12.2024
A. OPERATING ACTIVITIES		
1. Operations	**(18.921.972)**	**120.147.964**
- profit (loss) for the year (+/-)	160.899.228	139.302.991
- profit/loss on financial assets held for trading and on other financial assets/liabilities measured at fair value through profit or loss (-/+)	(25.878.639)	(25.982.825)
- gains/losses on hedging (-/+)	(1.989.953)	1.139.886
- net credit risk losses/reversals (+/-)	23.813.139	33.393.739
- net impairment losses/reversals on property, plant and equipment and intangible assets (+/-)	25.285.677	20.492.286
- net allocations to provisions for risks and charges and other expenses/income (+/-)	8.544.229	8.583.280
- unpaid taxes, duties and tax credits (+/-)	(16.865.104)	31.699.086
- other adjustments (+/-)	(192.730.550)	(88.480.479)
2. Cash flows generated/absorbed by financial assets	**(1.194.730.151)**	**(141.775.126)**
- financial assets held for trading	2.451.198	(966.712)
- other assets mandatorily measured at fair value	(23.038.788)	9.078.715
- financial assets measured at fair value through other comprehensive income	(413.408.276)	55.704.143
- financial assets measured at amortised cost	(705.583.541)	(278.292.778)
- other assets	(55.150.743)	72.701.506
3. Cash flows generated/absorbed by financial liabilities	**1.358.208.389**	**(137.797.846)**
- financial liabilities measured at amortised cost	1.227.792.226	(86.097.095)
- financial liabilities held for trading	59.341	(240.295)
- other liabilities	130.356.822	(51.460.456)
Net cash flows generated/absorbed by operating activities A (+/-)	**144.556.266**	**(159.425.008)**
B. INVESTING ACTIVITIES		
1. Cash flows generated by	**182.482.477**	**82.000.000**
- dividends collected on equity investments	182.482.477	82.000.000
2. Cash flows absorbed by	**(231.220.630)**	**(77.063.916)**
- purchases of equity investments	(168.541.405)	(30.000.000)
- purchases of property, plant and equipment	(45.250.107)	(30.574.933)
- purchases of intangible assets	(17.429.118)	(16.488.983)
- purchases of business units	-	-
Net cash flows generated/absorbed by investing activities B (+/-)	**(48.738.154)**	**4.936.084**
C. FINANCING ACTIVITIES		
- distribution of dividends and other (*)	(122.138.655)	(110.337.635)
Net cash flows generated/absorbed by financing activities C (+/-)	**(122.138.655)**	**(110.337.635)**
NET CASH GENERATED/USED DURING THE YEAR D=A+/-B+/-C	**(26.320.542)**	**(264.826.559)**
RECONCILIATION		
OPENING CASH AND CASH EQUIVALENTS E	**334.189.908**	**599.016.467**
TOTAL NET CASH GENERATED/USED DURING THE YEAR D	**(26.320.542)**	**(264.826.559)**
CASH AND CASH EQUIVALENTS: EFFECT OF CHANGES IN EXCHANGE RATES F		
CLOSING CASH AND CASH EQUIVALENTS G=E+/-D+/-F	**307.869.366**	**334.189.908**

KEY:

(+) generated (-) used

(*) The balances in this item represent the cash outflow for dividend payments in the respective years. Specifically, the balance relating to FY 2025 includes both the distribution of the balance of the dividend on 2024 earnings (i.e. the amount in excess of what has already been distributed as an interim dividend during 2024) and the distribution of the interim dividend on 2025 earnings. The balance for FY 2024 instead includes both the distribution of the balance on the dividend on 2023 profit and the distribution of the interim dividend on 2024 profit.

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The information required by IAS 7 paragraph 44 A and B is set out below.

DISCLOSURE IAS 7 paragraph 44 A and B (in units of Euro)	31.12.2024	Cash flows	Non-monetary changes		31.12.2025
			Change in fair value	Other	
Liabilities from financing activities (liability items 10 - 20 - 30)	11.047.923.077	1.227.851.567	59.341	1.739.502	12.277.573.488

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2025 ANNUAL REPORT

Notes to the Financial Statements

Banca Ifis

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Part A - Accounting policies

A.1 - General part

Section 1 – Statement of compliance with international accounting standards

The Annual Financial Statements at 31 December 2025 have been drawn up in accordance with the IAS/IFRS standards in force at said date issued by the International Accounting Standards Board (IASB), together with the relevant interpretations (IFRICs and SICs). These standards were adopted by the European Commission in accordance with the provisions in Article 6 of European Union Regulation No. 1606/2002. This regulation was implemented in Italy with Italian Legislative Decree No. 38 of 28 February 2005.

For the interpretation and application of the international accounting standards, reference was made to the following documents, although not endorsed by the European Union:

- Systematic Framework for the Preparation and Presentation of Financial Statements ("Conceptual Framework");
- Implementation Guidance, Basis for Conclusions and any other documents prepared by the IASB or IFRIC to complement the issued accounting standards.

The accounting standards adopted in preparing these Financial Statements are those in force at 31 December 2025 (including SIC and IFRIC interpretations).

For an overview of the accounting standards and related interpretations endorsed by the European Commission, which are expected to be applied in FY 2025 or in future financial years, refer to the following.

Insofar as applicable, the Bank also considered the communications from Supervisory Authorities (Bank of Italy, ECB, EBA, Consob, and ESMA), which provide recommendations on the disclosure to report concerning the most material aspects in terms of accounting or the accounting treatment of specific transactions.

These Annual Financial Statements are subject to certification by the delegated corporate bodies and the Manager charged with preparing the company's financial reports, as per Article 154 bis paragraph 5 of Italian Legislative Decree No. 58 of 24 February 1998.

European Commission Regulation 815/2019 (the European Single Electronic Format – ESEF - Regulation)

European Commission Regulation 815/2019 (the "European Single Electronic Format" or "ESEF" Regulation), issued in order to implement Directive 2004/109/EC (the "Transparency Directive"), introduced the obligation to prepare the annual financial reports of issuers whose securities are listed on regulated markets in the European Union in a single electronic reporting format.

The task of developing regulatory technical standards to specify this format was given to the European Securities and Markets Authority (ESMA), which published the European Single Electronic Format (ESEF). This format represents a combination of XHTML (for the presentation of financial reports in a human readable format) and XBRL (eXtensible Business Reporting Language) "machine readable" markup, with the aim of facilitating the accessibility, analysis and comparability of consolidated financial statements prepared in accordance with the IFRS.

For 2025, it is expected that only the Consolidated Financial Statements and the Notes to the Consolidated Financial Statements must be "branded" to the ESEF taxonomy, according to the "Inline XBRL" specifications of the basic taxonomy issued by the ESMA. Since the document "2025 Financial Statements" also includes the separate financial statements of the Parent company, the entire document is in XHTML format.

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Section 2 – Basis of preparation

The Annual Financial Statements consist of:

- the Annual Financial Statements (statement of financial position, income statement, statement of comprehensive income, statement of changes in equity, and statement of cash flows);
- the Notes to the Financial Statements;

In addition, it also comprises the Directors' Report.

The Annual Financial Statements have been drawn up according to the general principles of IAS 1, referring also to IASB's "Framework for the preparation and presentation of financial statements", with particular attention to the fundamental principles of substance over legal form, the concepts of relevance and materiality of information, and the accruals and going concern accounting concepts.

For the preparation of these Annual Financial Statements, reference was made to the format set out by Bank of Italy's Circular No. 262 of 22 December 2005, 8th update of 17 November 2022.

In line with the aforementioned Circular, items that do not show any amounts for the reference year and previous year are not shown in the tables.

In addition to the accounting data as at 31 December 2025, the financial statements provide comparative information for the last approved financial statements as at 31 December 2024.

The currency of account is the Euro and, if not indicated otherwise, amounts are expressed in thousands of Euro. The tables in the Notes may include rounded amounts; any inconsistencies and/or discrepancies in the data presented in the different tables are due to these rounding differences.

Assets and liabilities, as well as costs and revenues, have been offset only if required or permitted by an accounting standard or the relevant interpretation.

The recognition, measurement and derecognition criteria for assets and liabilities, and the procedures for recognising revenues and costs, adopted in the Financial Statements at 31 December 2025 have remained substantially unchanged from those adopted for the preparation of Banca Ifis 2024 Financial Statements.

The Financial Statements are prepared in accordance with the following general principles:

- going concern: the Financial Statements are prepared on a going concern basis, having regard to the Bank's business, as detailed below;
- recognition on an accrual basis;
- consistency of presentation: the presentation and classification of items in the financial statements is kept constant from one year to the next unless a standard or interpretation requires a change in presentation or another presentation or classification is no longer appropriate. In the latter case, the Notes to the Financial Statements provide information on the changes made compared to the previous year;
- materiality and aggregation: the balance sheet and income statement consist of items (denoted by Arabic numerals), sub-items (denoted by letters) and additional disclosure details (the "of which" of items and sub-items). The items, sub-items and related information details constitute the financial statements accounts. New items may be added to the previously described financial statements if their content is not traceable to any of the items already included in the schedules. The subheadings provided for in the schedules may be grouped together when one of the two following conditions is met:
  - the amount of the subheadings is not significant;
  - grouping improves the clarity of the financial statements; in this case, the Notes to the financial statements contain the grouped sub-items separately.
- substance over form: transactions and other events are recognised and represented in accordance with their substance and economic reality and not merely according to their legal form;

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- offsetting: assets and liabilities, income and expenses are not offset unless permitted or required by an international accounting standard or interpretation thereof or by the provisions of the aforementioned Circular No. 262;
- comparative information: for each balance sheet and income statement, comparative information for the previous year is provided, unless an accounting standard or interpretation permits or provides otherwise. Figures for the previous year may be adjusted where necessary to ensure comparability of information for the reference year. Any non-comparability, adjustment or impossibility of the latter are reported and commented on in the Notes to the Financial Statements.

The Notes to the Financial Statements are divided into parts:

- A - Accounting policies;
- B - Information on the Statement of Financial Position;
- C - Information on the Income Statement;
- D - Comprehensive Income;
- E - Information on Risks and Risk Management Policies;
- F - Information on equity;
- G - Business Combinations;
- H - Related-party transactions;
- I - Share-based payments;
- L - Segment reporting;
- M - Leasing disclosure.

Each part of the Notes is divided into sections, each of which illustrates a single aspect of management.

Information on the business as a going concern

The Bank of Italy, Consob and Isvap, with document No. 2 issued on 6 February 2009 ("Disclosure in financial reports on the going concern assumption, financial risks, asset impairment tests and uncertainties in the use of estimates"), together with the subsequent document No. 4 of 4 March 2010, require directors to assess with particular accuracy the existence of the company as a going concern, as per IAS 1.

The uncertainties of the current economic environment, including those related to geopolitical tensions, and the related potential repercussions on financial markets and the real economy, require particularly accurate assessments to be made as to whether the going concern assumption is met, as the Bank's history of profitability and easy access to financial resources may no longer be sufficient in the current context.

In this regard, in light of the Bank’s statement of financial position, having examined the risks arising from the current macroeconomic environment, including in light of the current situation, geopolitical tensions and related possible macroeconomic implications including those arising from international tensions related to the Middle East, the directors believe that the Bank has a reasonable expectation of continuing to operate in the foreseeable future. Indeed, the directors do not believe that any risks or uncertainties have arisen that would cast doubt on the company's ability to continue as a going concern, and therefore the Financial Statements as at 31 December 2025 have been prepared on a going concern basis.

For more details on the analyses conducted with reference to international tensions, refer to the specific section of the Banca Ifis's Interim Directors' Report entitled “Information on international tensions”.

Significant restrictions

There were no significant restrictions as per paragraph 13 of IFRS 12, i.e. statutory, contractual and regulatory restrictions on its ability to access or use the assets and settle the liabilities of the Bank, nor protective rights of non-controlling interests that can significantly restrict the Bank's ability to access or use the assets and settle the liabilities of the Bank.

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Section 3 - Subsequent events

No significant events occurred in the period between the reporting date (31 December 2025) and the date of approval of the draft Financial Statements by the Board of Directors (12 March 2026), which could be classified as "adjusting events" within the meaning of IAS 10, i.e. events that lead to an adjustment of balance sheet and income statement information at the reporting date.

For other subsequent events of a 'non-adjusting' nature, refer to the section 'Subsequent Events' in the Directors' Report.

Section 4 – Other aspects

Significant operations of the year

Business combinations carried out during the year

During 2025 Banca Ifis implemented the following business combinations:

- the acquisition of control of illimity Bank S.p.A. through the launch of a voluntary Takeover and Exchange Offer, announced to the market on 8 January 2025 and finalised on 4 July 2025;
- the acquisition of control of Euclidea SIM S.p.A. materialised on 21 November 2025.

For more information on the stages of the acquisition transactions, refer to the relevant paragraphs in the Directors' Report as well as to the information contained in 'Part G - Business Combination Transactions involving Companies or Business Units' of this document.

Agreement signed on a voluntary exit plan for employees, including through recourse to the Solidarity Fund

On 29 December 2025, the Bank signed an agreement with the trade unions concerning a voluntary redundancy plan aimed at accompanying 120 employees to retirement, also through recourse to the extraordinary benefits of the Solidarity Fund of the credit sector. In more detail, the aforementioned agreements created an implicit obligation for the Bank to implement the plan, having defined its details, in terms of the number of persons potentially adhering to it, the terms and conditions of access, and creating in the employees and the Solidarity Fund of the credit sector the valid expectation that the restructuring will be realised in the terms announced. Therefore, the prerequisites required by IAS 37 for the recognition of restructuring charges have been met; the best estimate of the charge to be incurred, based on the information available at the balance sheet date, is 40 million Euro, entirely referring to the Bank. This charge is shown in the income statement under item "160. Personnel expenses, 1) Employees, item (i) Other employee benefits', as an offset to liability item '100. c) Other provisions for risks and charges'.

Extraordinary contribution Law No. 199 of 2025

Law No. 199 of 30 December 2025 ('2026 Budget Law') amended paragraph 68 of Art. 1, Article 26 of Decree-Law no. 104 of 10 August 2023, converted, with amendments, by Law No. 136 of 9 October 2023. The new regime introduced provides that, starting from the financial year beginning after 1 January 2028, in the event of the distribution of profits, including interim dividends, or reserves, regardless of the shareholders' resolution, the reserve is presumed to be distributed referred to in paragraph 5-bis, i.e. the reserve set up at the time of approval of the Financial Statements for FY 2023 using the option provided for by the provision as a means of satisfying the obligation provided for as an alternative to the payment of the extraordinary tax then introduced for banks (the '2023 Reserve'). Paragraph 69 of Article 1 of the 2026 Budget Law, on the other hand, introduced the provision whereby, until the financial year in progress on 31 December 2028, the '2023 Reserve' may be subject to an extraordinary contribution to be applied to the aforementioned reserve regardless of 'the nature of the items that contributed to its formation and the manner in which they were established'. Paragraph 70 provides that the extraordinary contribution shall be determined at the rate of 27,5 percent of the reserve existing at the end of the financial year current on 31 December 2025 or 33 percent of the reserve existing at the end of the following financial year; Paragraph 72 also provides, in the event of payment of the contribution, the disapplication of the provisions of Article 26, Paragraph 5-bis, last sentence, of Decree-Law no. 104 of 10 August 2023, on the indistributability of the reserve.

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For the Bank, the amount of this contribution is 6.573.906 Euro (determined as 27,5% of 23.905.112 Euro of extra-profits reserve already accounted for in equity). From a strictly accounting point of view, following the in-depth studies and analyses carried out at the level of the banking system considering the specificities of the regulations in question, it was deemed that the counterpart of the liability relating to the extraordinary contribution should be identified in an equity item and that the liability relating to the extraordinary contribution should be recognised in the Financial Statements closed as at 31 December 2025. As a result, the liability arising from the extraordinary contribution was considered to already exist in 2025 and, consequently, recognised in the Financial Statements as at 31 December 2025 in light of the decision taken by the Board of Directors to pay the contribution in 2026 to the extent of 27,5% of the 2023 Reserve.

The amount in question was recognised under Other Liabilities as a balancing entry under Other Reserves, leaving it to the shareholders' resolution approving the 2025 financial statements to identify the equity reserve to be used to pay the extraordinary contribution.

National consolidated tax regime

Termination of national tax consolidation with La Scogliera and exercise of the option for the new national tax consolidation with Banca Ifis for the three-year period 2025-2027

On 4 July 2025, as an indirect consequence of the exchange of Banca Ifis shares for illimity Bank shares following the offer for the latter, the control requirement pursuant to art. 120 of the TUIR, required for the continuation of the national tax consolidation and in force between La Scogliera S.A. (Italian branch), Banca Ifis S.p.A. and some of its subsidiaries (Cap.Ital.Fin. S.p.A., Ifis Npl Investing S.p.A., Ifis Npl Servicing S.p.A. and Ifis Rental Services S.r.l.).

The discontinuation of the tax consolidation will take effect from the entire 2025 tax year.

It is also specified that, following this termination of the tax consolidation scheme, on 24 December 2025 the ultimate Parent company La Scogliera S.A. changed its name to Fürstenberg Scogliera Holding S.A.

As a result of the option exercised in the tax return, the new national tax consolidation scheme with Banca Ifis S.p.A. as consolidating company and the Group companies resident in Italy as consolidated companies became effective as of 2025: Cap.Ital.Fin. S.p.A., Ifis Npl Investing S.p.A., Ifis Npl Servicing S.p.A., Banca Credifarma S.p.A. and Ifis Rental Services S.r.l..

Transactions between these companies were regulated by means of a private written agreement between the parties. This agreement will renew tacitly.

Adhesion to the tax consolidation allows the taxable income of the participating companies to be offset against each other (using the losses realised during the adhesion period).

As envisaged by applicable regulations, adhering entities have an address for the service of notices of documents and proceedings relating to the tax periods for which this option is exercised at the HQ of Banca Ifis.

By virtue of the application of this institution, the payments on account, losses and tax profits of each company realised in 2025 are transferred to the new tax consolidating company Banca Ifis and have been included within the items 'Other Assets' and 'Other Liabilities' in the Bank's balance sheet.

Highlights for 2025 financial statement assessments

On 14 October 2025, ESMA published an information notice ('European common enforcement priorities for 2025 annual financial reports') containing certain topics and recommendations with specific reference to:

- the preparation of financial reporting for FY 2025, in respect of:
  - geopolitical risks and uncertainties
  - segment reporting;
- the preparation of sustainability reporting for FY 2025, in relation to:
  - sector reporting considerations (so-called materiality segments in reporting according to ESRS;

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- scope and structure of sustainability statement;

- ESEF (European Single Electronic Format) reporting on common errors found in the Statement of Cash Flows;
- some general considerations, among which of particular importance is the connectivity between financial and sustainability reporting.

The following section provides an illustration of the aspects considered as priorities for the assessments conducted for the preparation of the financial information contained in the 2025 Annual Report and for the related disclosure, in line with the recommendations provided by ESMA, most recently in its communication of 14 October 2025 entitled "European common enforcement priorities for 2025 corporate reporting".

Considerations on geopolitical risks and uncertainties

Banca Ifis monitors country risk on conflict-affected countries. This continuous monitoring has revealed a limited number of counterparties present in the areas involved by the current international tensions, to which modest direct credit exposures correspond. Similarly, no particular critical issues have been noted with regard to the trade receivables portfolio.

Furthermore, the Risk Management function, in addition to the risk factors usually considered, continues to deem it reasonable to include the current geopolitical tense situation as an additional risk factor.

With regard to the analyses carried out by the Banca Ifis Group on the impact of the introduction of customs duties by the US administration on European products, refer to what is detailed in the Notes to the Consolidated Financial Statements, within the sub-section "2.3 Methods for measuring expected losses", paragraph "1.1 Credit Risk" of "Section 2 - Risks of the Consolidated Financial Statements" within "Part E - Information on Risks and Related Hedging Policies".

Significant accounting policies, valuations and estimates

With regard to the Bank's accounting policies in force at the date of this document, refer to the information reported later in paragraph 'A.2 - Main Financial Statement Items' of this Part A of the Notes to these Financial Statements.

Instead, with regard to significant judgements and estimates that are adopted for the purpose of preparing the Annual Financial Statements as at 31 December 2025, see what is reported in the immediately following sub-section entitled "Risks and uncertainties related to the use of estimates".

Risks and uncertainties related to the use of estimates

Using accounting standards often requires management to make estimates and assumptions that affect the carrying amounts of assets and liabilities and disclosure of contingent assets and liabilities. In making the assumptions underlying the estimates, management considers all available information at the reporting date of these Annual Financial Statements, as well as hypotheses and any other factor deemed reasonable in light of past experience and foreseeable future evolutions.

By their very nature, it is therefore not possible to rule out the possibility that the assumptions made, however reasonable, may not be confirmed in the future scenarios in which the Bank will find itself operating. Future results may therefore differ from the estimates made, and adjustments to the carrying amount of assets and liabilities recognised in the financial statements, which cannot be foreseen or estimated at the date of this document, may be necessary. In this regard, it should be noted that adjustments in financial statement estimates may become necessary as a result of changes in the circumstances on which they were based, new information or increased experience.

The accounting policies considered most critical to the true and fair representation of the Bank's financial position, results of operations and cash flows are illustrated below, both for the materiality of the amounts to be recognised in the financial statements impacted by these policies, and for the high degree of judgement required in the valuations, which implies the use of estimates and assumptions by management, with reference to the specific

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sections of the Notes to the financial statements for detailed information on the valuation processes conducted at 31 December 2025. In particular, the aspects that required the use of complex estimates with significant assumptions are:

- determination of the fair value of receivables and financial instruments not quoted in active markets;
- measurement of the expected credit loss (ECL) for debt securities and receivables measured at amortised cost;
- estimate of provisions for risks and charges;
- assessment in respect of the potential recovery of deferred tax assets (DTAs).

For the items listed above, the principal issues regarding risks and uncertainties associated with estimates are discussed in the following paragraphs.

Determination of the fair value of receivables and financial instruments not quoted in active markets

In the presence of receivables and financial instruments not quoted in active markets or illiquid and complex instruments, it is necessary to activate adequate valuation processes characterised with certain judgement on the choice of valuation models and related input parameters, which may sometimes not be observable in the market. There is a degree of subjectivity involved in assessing whether certain inputs are observable and categorising them within the fair value hierarchy accordingly. For qualitative and quantitative information on the method to determine the fair value of instruments measured at fair value, reference should be made to section "A.2 - Main items of the financial statements" of these Notes.

Measurement of the expected credit loss (ECL) for debt securities and receivables measured at amortised cost

The determination of the ECL for financial assets measured at amortised cost is a complex process that requires the use of significant assumptions and estimates.

For financial assets for which no objective evidence of loss has been individually identified, i.e. for unimpaired ("performing") exposures, the impairment model involves the need to identify whether or not there has been a significant deterioration since the date of initial recognition of the exposure and the allocation to the three stages of credit risk under IFRS 9 of loans and debt securities classified as Financial assets at amortised cost and as Financial assets at fair value through other comprehensive income.

The IFRS 9 impairment model requires, in fact, that losses be determined with reference to the time horizon of one year for financial assets that have not undergone a significant deterioration in credit risk since initial recognition (Stage 1) rather than by reference to the entire life of the instrument if a significant deterioration or indicator of impairment has been established (Stage 2 and Stage 3).

It therefore follows that the calculation of the relevant expected losses requires an articulated estimation process that mainly concerns:

- the determination of PD and LGD risk parameters including forward-looking information;
- the assessment of the presence of a significant increase in credit risk (SICR), based on criteria that consider qualitative and quantitative information;
- the measurement of certain elements necessary for the determination of estimated future cash flows arising from non-performing loans: the expected debt collection times, the presumed realisable value of any guarantees, the costs that it is deemed will be incurred to recover the credit exposure and lastly the likelihood of sale for positions for which there is a disposal plan.

Within the range of possible approaches to estimation models permitted by the relevant international accounting standards, the use of specific methodologies or the selection of certain estimation parameters may significantly influence the measurement of such assets. These methodologies and parameters are necessarily subject to a continuous updating process, also in light of the historical evidence available, with the aim of refining the estimates to better represent the estimated realisable value of the credit exposure.

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With specific reference to climatic and environmental risk factors, the materiality analysis conducted led to their quantification as non-material.

For more information on the methods and models used to determine the ECL, refer to the explanations given in paragraph “2.3 Measurement of expected credit losses” contained in the "Credit risk" section of "Part E - Information on risks and related hedging policies - Section 2. Prudential consolidation risks” of the Notes to the Consolidated Financial Statements within this document.

Estimate of provisions for risks and charges

The Bank is a party to certain types of litigation and is also exposed to numerous contingent liabilities. The complexities of the specific situations underlying the pending litigations, together with possible interpretation issues, require in certain circumstances significant judgement in estimating the liabilities that may arise upon settlement of the pending litigations. The difficulties of assessment affect both the *an* and the *quantum*, as well as the timing of the eventual manifestation of the liability, and are particularly evident when the proceedings initiated are at an early stage. These circumstances make the valuation of contingent liabilities difficult. As a result, the classification of contingent liabilities and the consequent valuation of the necessary provisions are sometimes based on non-objective elements of judgement and require the use of even complex estimation procedures.

Specifically, the Bank recognises a liability when:

- a legal or constructive obligation exists as a result of a past event;
- it is likely that it will be necessary to spend resources which could generate economic benefits to settle the obligation;
- the amount of the obligation can be reliably estimated.

Should all these conditions not be met, no liability is recognised.

The amount recognised as a provision represents the best estimate of the expense required to meet the obligation and reflects the risks and uncertainties regarding the facts and circumstances in question.

Where the cost deferral is significant, the amount of the provision is determined as the present value of the best estimate of the cost to settle the obligation. In this case a discount rate is used that reflects current market assessments.

The provisions made are periodically reviewed and, if necessary, adjusted to reflect the best current estimate. When the review finds that the cost is unlikely to be incurred, the provision is reversed.

The provisions for risks and charges on commitments and guarantees granted include the provisions for credit risk set aside for loan commitments and the other guarantees granted that fall within the scope of the impairment rules in IFRS 9. As a general rule, in this case the Bank adopts the same methods for allocating items to three credit risk Stages and calculating expected credit losses as the ones described for financial assets measured at amortised cost or at fair value through other comprehensive income.

Assessment in respect of the potential recovery of Deferred Tax Assets (DTAs)

Assets recognised in the Financial Statements include Deferred Tax Assets (DTAs) mainly generated by temporary differences between the date certain business costs are recognised in the income statement and the date on which the same costs may be deducted, rather than arising from tax loss carry-forwards.

In accordance with accounting standard IAS 12, referred to in the "Group Impairment Policy", a tax asset can only be recognised to the extent that it is probable that future taxable income will be available to allow for its recoverability.

Recognition of these assets and their subsequent maintenance therefore presupposes an assessment of the likelihood of their recovery. This assessment is not carried out for deferred tax assets pursuant to Law No. 214 of 22 December 2011, which can be transformed into tax credits in the event of the recognition of a "statutory loss", a "tax loss" for IRES tax purposes and a "negative net production value" for IRAP tax purposes, and for which the relative recovery is therefore certain regardless of the ability to generate future income.

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For the remaining tax assets that cannot be transformed into tax credits, the judgement of their likelihood is supported by a valuation exercise of recoverability (referred to as the “probability test”). Based on the provisions of IAS 12 and the considerations made by ESMA in its paper of 15 July 2019, the aforementioned assessment of recoverability requires a careful reconnaissance of all evidence supporting the likelihood of having sufficient taxable income in the future, also taking into account the circumstances that generated the tax losses, which should be traced back to clearly identified causes that are deemed to be non-repeatable in the future on a recurring basis.

Total DTAs at 31 December 2025 is 135,6 million Euro at 31 December 2024 and consist mainly of 58,7 million Euro (43,3% of the total) of deferred tax assets recognised against impairment losses on receivables, potentially convertible into tax credits pursuant to Law 214/2011 for 38,9 million Euro (28,7% of the total) in deferred tax assets recognised against tax loss carry-forwards and aid for economic growth (“ACE”) benefits, the recoverability of which was deemed probable, and the remaining 37,9 million Euro (27,9% of the total) related to other DTA other than the above.

With reference to the recoverability of deferred tax assets recognised at 31 December 2025 other than those convertible pursuant to Law 214/2011, on the basis of estimated future taxable income, the relative recovery has been assessed as probable, albeit over a medium-term time horizon. Specifically, the portion attributable to Law 214/2011 would be reversed by 2029 by express legislative provision.

It is recalled that such deferred tax assets, which meet the requirements set forth by the specified Law, can be transformed into tax credits in the event of the recognition of a "statutory loss", a "tax loss" for IRES tax purposes and a "negative net production value" for IRAP tax purposes; their recovery is therefore certain regardless of the capacity to generate future income. The maintenance of convertibility into tax credits is subject to the exercise of the option provided for by D.L. No. 59 of 3 May 2016, converted with amendments by Law No. 119 of 30 June 2016, which the Bank decided to avail itself of in accordance with the envisaged terms and conditions.

A significant portion of past tax losses and ACE surpluses would be recovered (greater than 85%) by 2033. The remaining portion refers mainly to financial assets measured at fair value through other comprehensive income (FVOCI) and is therefore related to the performance of the related reserve.

For further details on the valuations made in the preparation of the Financial Statements as at 31 December 2025, refer to "Section 10 - Tax Assets and Tax Liabilities - Item 100 of Assets and Item 60 of Liabilities" in Part B of these Notes.

Coming into effect of new accounting standards

The Financial Statements for the year ended 31 December 2025 have been prepared in accordance with the recognition and measurement criteria of the IFRS accounting standards issued by the International Accounting Standards Board and adopted by the European Union and in force at the reporting date. For further details, refer to the above.

New IAS/IFRS accounting standards or amendments to existing accounting standards issued by the IASB, as well as new interpretations or amendments to existing ones, published by the IFRIC, with separate disclosure, whose mandatory application commences after the reporting date of these Financial Statements.

New documents issued by the IASB and endorsed by the EU applicable at the reporting date

“Lack of Exchangeability - Amendments to IAS 21 Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates (issued on August 2023)

In August 2023, the IASB published amendments to IAS 21 to introduce additional criteria to support entities in assessing the convertibility of one currency into another and in determining the exchange rate to be applied when such convertibility is absent. Prior to the IASB's intervention, IAS 21 governed the accounting treatment in cases of temporary non-convertibility, but did not provide specific guidance for situations where this condition was not temporary. The new provisions fill this gap by introducing a more comprehensive guide. These changes will apply as from 1 January 2025.

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As a result of the analysis performed, the Bank has assessed that the amendments to IAS 21 did not have a material impact, nor are they expected to have a material impact in the future.

New IFRS accounting standards or amendments to IFRS accounting standards applicable to financial statements for financial years beginning after 1 January 2025

A - EU-approved documents

"Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7"

In May 2024, the IASB published amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures', with the aim of clarifying some issues that have arisen in application practice. Below are the main changes introduced by the amendment:

- clarified the date of recognition and derecognition of financial assets and liabilities, and provided a new exception for financial liabilities settled through electronic payment systems;
- introduction of guidance on how to evaluate the contractual flows of instruments with ESG indicators to determine whether or not they meet the SPPI (Solely Payments of Principal and Interest) criterion;
- further guidelines on the evaluation of contingent features (e.g. clauses modifying flows according to ESG targets);
- new disclosure requirements for financial instruments with contractual terms that provide for the possibility of changing financial flows, including instruments linked to the achievement of environmental, social or governance (ESG) objectives;
- update of disclosures on investments in capital instruments measured at fair value through comprehensive income (FVOCI).

The expected impacts for the Bank are mainly of an organisational nature (e.g. policy definition, product mapping, procedural implementations for required disclosures), while no significant impacts on the Bank's balance sheet, financial and economic situation are expected.

"Contracts Referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7"

On 18 December 2024, the IASB published amendments aimed at better representing the effects of nature-dependent power supply contracts, which are often structured as power purchase agreements. The amount of electricity generated under these contracts may vary depending on factors that cannot be controlled, such as weather conditions. Current accounting requirements may not adequately capture the ways in which these contracts affect a company's performance. The changes include:

- clarification of the application of the requirements for "own use";
- the possibility of using hedge accounting if these contracts are used as hedging instruments;
- the addition of new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

For the above-mentioned changes, no profile of attention from an accounting point of view has emerged at present, as such operations do not exist within the Bank.

"Annual Improvements to IFRS Accounting Standards – Volume 11"

On 18 July 2024, the IASB issued the customary "Annual Improvements to IFRS Accounting Standards - Volume 11". The document contains clarifications, simplifications, corrections and amendments to improve the effectiveness of the existing principles. Specifically, these refinements concern IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7.

The changes will be effective for budgets from 1 January 2026, with the possibility of early application. These changes are not expected to have any significant impact on the Bank's balance sheet, financial position and results of operations.

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IFRS 18 "Presentation and Disclosure in Financial Statements"

On 9 April 2024, the IASB published the new accounting standard IFRS 18 "Presentation and Disclosure in Financial Statements", which replaces IAS 1 "Presentation of Financial Statements". The new standard is expected to be applied for the first time on 1 January 2027, with comparative information for the previous year required. Early application is possible provided that notice is given.

The new standard aims to improve the comparability, transparency and understandability of financial statement disclosures by introducing new requirements for the presentation of the income statement and strengthening the rules for aggregating and disaggregating financial statement disclosures.

In particular, IFRS 18:

- introduces new compulsory categories for the classification of income and expenses (operating, investment and financing), with new compulsory subtotals, including the operating result;
- requires greater transparency regarding the use of Management Performance Measures (MPM), through reconciliation with IFRS subtotals and an explanation of the underlying rationale;
- strengthens the criteria for aggregating and disaggregating information in primary prospectuses and notes, in order to ensure a clearer and more consistent presentation.

IFRS 18, like IAS 1, does not introduce mandatory financial statement formats, nor does it provide for a predefined structure for the Notes to the Financial Statements, but defines a minimum set of information to be presented, leaving the preparer of the financial statements with an adequate margin of discretion to ensure the best representation of the entity's financial position, results of operations and cash flows.

The changes introduced will mainly concern the presentation of the profit and loss account and the structure of disclosures, therefore, it will be necessary to ensure coordination with Bank of Italy Circular No. 262, the updates to which will be published in 2026 in order to adapt the financial statement formats to the new requirements of the new standard. Considering that the new standard will mainly affect the presentation methods and not the measurement criteria, no impact on the Bank's balance sheet, financial position and results of operations is expected.

B - Standards and documents issued but not yet approved

The following are the new international accounting standards or amendments to them, not yet endorsed by the European Commission, which are mandatory from a date that falls after the reference date of these Annual Financial Statements. The Bank does not expect any significant impact deriving from the adoption of the following interpretations and amendments of existing international accounting standards to be material.

IFRS 19 "Subsidiaries without Public Accountability: Disclosures"

On 9 May 2024, the IASB published the new accounting standard IFRS 19 "Subsidiaries without Public Accountability: Disclosures" which will be applicable for reporting periods beginning on 1 January 2027, with the faculty for early adoption.

IFRS 19 allows entities that meet certain requirements to opt for a reduced set of disclosures, while continuing to apply the full recognition, measurement and presentation criteria of other international accounting standards.

In order to apply IFRS 19, at the end of the reporting period an entity must:

- be a subsidiary as defined in IFRS 10;
- have no public accountability;
- have a (ultimate or intermediate) Parent company that prepares consolidated financial statements, available for public use, prepared in accordance with the IFRS Accounting Standards.

The new standard will be applicable:

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- for subsidiaries that use IFRS for SMEs or national accounting standards for their own financial statements, and that are often required to have a dual track for their own financial statements due to the different provisions contained in these standards compared to those in IFRS;
- for subsidiaries that use IFRS accounting standards for their financial statements and are required to provide disclosures that may be disproportionate to the information needs of their users.

This relief is only applicable to subsidiaries that do not have "public liability".

A subsidiary has public liability if:

- its debt or equity instruments are traded on a public market or is in the process of issuing such instruments for trading on a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets), or
- one of its main activities is holding assets in a fiduciary capacity for a large group of persons (e.g. banks, credit unions, insurance companies, securities brokers, mutual funds and investment banks).

Entities with the above characteristics may, but are not obliged to, apply IFRS 19 in their consolidated, separate or individual financial statements taking into account the necessary coordination with the Bank of Italy's instructions for the preparation of financial statements.

Given the nature of its structure, Banca Ifis does not meet the subjective requirements of IFRS 19 to be able to apply the reduced disclosure regime.

Amendments to IFRS 19 "Subsidiaries without Public Accountability: Disclosures"

The amendments to IFRS 19, published by the IASB on 21 August 2025, introduce the possibility for eligible subsidiaries not to disclose certain disclosures related to standards issued between February 2021 and May 2024.

Since the subjective requirements of IFRS 19 are not met, no impacts related to the introduction of these changes are expected.

Deadlines for the approval and publication of the Financial Statements

Pursuant to Article 154-ter of Italian Legislative Decree No. 59/98 (Consolidated Law on Finance), the Bank's Financial Statements must be approved and the Annual Financial Report published, including the draft Annual Financial Statements, the Directors' Report, and the declaration as per Article 154-bis, paragraph 5, within one hundred and twenty days of year end. The Board of Directors approved the Bank's Draft Financial Statements on 12 March 2026; the Annual Financial Statements will be submitted to the Shareholders' Meeting to be held on 16 April 2026 on first call for approval.

Independent auditors' fees

The Financial Statements as at 31 December 2025 are audited by the auditing firm PricewaterhouseCoopers S.p.A., in accordance with the assignment given to that firm. The audit report is made available in its entirety to the public together with the annual financial report, pursuant to Article 154-ter of Legislative Decree No. 58/98.

A.2 - Main items of the financial statements

1 - Financial assets measured at fair value through profit or loss ("FVTPL")

Classification criteria

This category comprises financial assets other than Financial assets measured at fair value through other comprehensive income and Financial assets measured at amortised cost. Specifically, this line item includes:

- financial assets held for trading, essentially consisting of debt and equity securities as well as the positive amount of derivative contracts held for trading;
- financial assets designated at fair value, i.e. non-derivative financial assets designated as such on initial recognition if the relevant conditions are met. At initial recognition, an entity may irrevocably designate a

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financial asset as measured at fair value through profit or loss if, and only if, doing so would eliminate or significantly reduce a measurement or recognition inconsistency.

- financial assets mandatorily measured at fair value, consisting of financial assets that are not eligible for the measurement at amortised cost or fair value through other comprehensive income based on the relevant business model or cash flow characteristics. Specifically, this category includes:
  - debt instruments, securities and loans without cash flows that are solely payments of principal and interest consistent with a "basic lending arrangement" (so-called "SPPI test" failed);
  - debt instruments, securities and loans held within a business model that is neither “Held to collect” (whose objective is to hold the asset to collect contractual cash flows) nor “Held to collect and sell” (whose objective is achieved by both collecting contractual cash flows and selling financial assets);
  - UCITS units;
  - equity instruments for which the Bank elects not to use the option under the standard to measure them at fair value through other comprehensive income (so-called “OCI Option”).

Derivative contracts include those embedded in complex financial instruments if the host contract is not a financial asset falling within the scope of IFRS 9, which are recognised separately if:

- the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract;
- a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative;
- the hybrid instrument they are part of is not measured at fair value with the relevant changes recognised in profit or loss.

Reclassifications to other categories of financial assets are allowed only if the entity changes its business model to manage the financial assets. In these cases, financial assets may be reclassified from the category measured at fair value through profit or loss to one of the other two categories under IFRS 9 (Financial assets measured at amortised cost or Financial assets measured at fair value through other comprehensive income). The transfer value corresponds to the fair value at the time of the reclassification, which is applied prospectively from the reclassification date. In this case, the effective interest rate of the reclassified financial asset is calculated based on its fair value at the reclassification date, which is considered to be the date of initial recognition for the stage allocation for impairment purposes.

Recognition criteria

Financial assets are initially recognised at the date of settlement in the case of debt and equity securities, at the date of disbursement for loans and at inception in the case of derivative contracts. At initial recognition, financial assets are measured at fair value, which is normally equal to the price paid excluding the expenses and income directly attributable to the instrument, which are recognised in profit or loss.

Measurement criteria

Even after initial recognition, financial assets are measured at fair value, and the impact of the application of this method is recognised through profit or loss.

The fair value of the financial instruments included in this portfolio is calculated based on quoted prices in active markets, prices provided by market participants, or internal valuation models generally used for pricing financial instruments that take into account all relevant risk factors and are based on observable market data.

In the case of financial assets not quoted in an active market, the cost method is used as an approximation of fair value exclusively on a residual basis and in limited circumstances, that is if all the other previously mentioned measurement methods are not applicable.

Interest is shown under item "10. Interest receivable and similar income”.

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Gains and losses from trading and valuation gains and losses from the trading portfolio, including derivatives associated with financial assets/liabilities designated at fair value, are recognised in the income statement under item “80. Net profit (loss) from trading”. The same economic effects relating to financial assets designated at fair value and those mandatorily measured at fair value are recorded under item "110. Net result of other financial assets and liabilities measured at fair value through profit or loss", under "a) financial assets and liabilities measured at fair value” and “b) other financial assets mandatorily measured at fair value”.

Derecognition criteria

Financial assets are derecognized only when the contractual rights to the cash flows expire or when the assets are disposed of if the disposal resulted in the substantial transfer of all risks and rewards associated with the assets. Should the company retain part of the relevant risks and rewards, the financial assets will continue to be recognised, even though legal ownership has been actually transferred to a third party.

Where it is not possible to ascertain the substantial transfer of the risks and rewards, financial assets are derecognised if the company no longer has control over them. Otherwise, the financial assets are recognised proportionally to the entity’s continuing involvement in the asset, measured according to the exposure to changes in the transferred assets’ value and cash flows.

Lastly, as for the transfer of collection rights, transferred financial assets are derecognised even if contractual rights to receive cash flows are maintained but an obligation to pay such flows to one or more entities is taken on.

2 - Financial assets measured at fair value through other comprehensive income ("FVOCI")

Classification criteria

This category comprises financial assets that meet both the following conditions:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets (“HTC&S - Held to Collect and Sell” Business Model), and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest consistent with a “basic lending arrangement”, in which consideration for the time value of money and credit risk are typically the most significant elements of interest (so-called “SPPI test” passed).

In addition, this line item includes equity instruments not held for trading for which at initial recognition the entity used the option to measure them at fair value through other comprehensive income not to be reclassified to profit or loss (so-called "OCI Option").

Reclassifications to other categories of financial assets are allowed only if the entity changes its business model to manage the financial assets. In these cases, financial assets may be reclassified from the category measured at fair value through other comprehensive income to one of the other two categories under IFRS 9 (Financial assets measured at amortised cost or Financial assets measured at fair value through profit or loss). The transfer value corresponds to the fair value at the time of the reclassification, which is applied prospectively from the reclassification date. If the asset is reclassified from the category concerned to amortised cost, the fair value of the financial asset at the reclassification date is adjusted by the accumulated gain (loss) presented in the valuation reserve. If the asset is reclassified to fair value through profit or loss, the accumulated gain (loss) previously recognised within the valuation reserve is reclassified from equity to profit or loss.

Recognition criteria

Financial assets are initially recognised at the date of settlement in the case of debt and equity securities, whereas loans are recognised at the date they were granted. These assets are initially recognised at fair value, including transaction costs directly attributable to the instruments, if any.

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Measurement criteria

After initial recognition, the assets measured at fair value through other comprehensive income that are not equity securities are measured at fair value, recognising the impact of the application of amortised cost, impairment, and any exchange rate changes through profit or loss. Gains and losses resulting from changes in fair value are recognised under a dedicated equity reserve until the financial asset is transferred: then, accrued profits and losses are reclassified to profit or loss.

The equity instruments the Group elected to classify within this category are measured at fair value, and the amounts recognised through equity (Statement of comprehensive income) are not to be subsequently reclassified to profit or loss - including in the event of their disposal. The relevant dividends represent the only component of the equity securities concerned that is recognised through profit or loss.

The fair value is calculated on the basis already described for Financial assets measured at fair value through profit or loss.

In the case of Financial assets measured at fair value through other comprehensive income that are either debt securities or receivables, at each reporting date, including interim reporting dates, the Bank assesses whether a significant increase in credit risk (impairment) has occurred pursuant to IFRS 9, recognising an impairment loss to cover the expected credit losses through profit or loss.

Conversely, equity securities are not tested for impairment.

Derecognition criteria

Derecognition of financial assets measured at fair value through comprehensive income occurs when contractual rights to cash flows expire or if the assets are sold but only if the sale has resulted in the substantial transfer of all risks and rewards associated with the assets. Should the company retain part of the relevant risks and rewards, the financial assets will continue to be recognised, even though legal ownership has been actually transferred to a third party.

Where it is not possible to ascertain the substantial transfer of the risks and rewards, financial assets are derecognised if the company no longer has control over them. Otherwise, the financial assets are recognised proportionally to the entity's continuing involvement in the asset, measured according to the exposure to changes in the transferred assets' value and cash flows.

Lastly, as for the transfer of collection rights, transferred financial assets are derecognised even if contractual rights to receive cash flows are maintained but an obligation to pay such flows to one or more entities is taken on.

3 - Financial assets measured at amortised cost

Classification criteria

This category includes financial assets (specifically loans and debt securities) that meet both the following conditions:

- the financial asset is held within a business model whose objective is achieved by collecting contractual cash flows ("HTC - Held to Collect" Business Model), and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest consistent with a "basic lending arrangement", in which consideration for the time value of money and credit risk are typically the most significant elements of interest (so-called "SPPI test" passed).

Specifically, if the above technical requirements are met, this line item includes:

- loans and advances to banks, with the exception of loans and advances on demand (which are classified under "Cash and cash equivalents");
- receivables due from customers, largely consisting of:

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- demand advances to customers as part of factoring operations vis-à-vis a receivables portfolio factored with recourse and still recognised in the seller's statement of financial position, or vis-à-vis receivables factored without recourse, providing no contractual clauses that eliminate the conditions for their recognition exist;
- loans to customers deriving from mortgages or loans extended as part of corporate banking operations;
- repurchase and reverse repurchase agreements;
- receivables arising from finance leases;
- a portfolio of impaired loans acquired from third-party operators (referred to as "POCI");

- debt securities acquired through subscription or private placement, with fixed or determinable payments, not quoted in active markets.

Reclassifications to other categories of financial assets are allowed only if the entity changes its business model to manage the financial assets. In these cases, which are expected to be very infrequent, the financial assets may be reclassified from the category measured at amortised cost to one of the other two categories under IFRS 9 (Financial assets measured at fair value through other comprehensive income or Financial assets measured at fair value through profit or loss). The transfer value corresponds to the fair value at the time of the reclassification, which is applied prospectively from the reclassification date. Gains or losses arising from the difference between the amortised cost of the financial asset and the relevant fair value are measured through profit or loss if the asset is reclassified to Financial assets measured at fair value through profit or loss or, if it is reclassified to Financial assets measured at fair value through other comprehensive income, through equity, within the specific valuation reserve.

Recognition criteria

These financial assets are initially recognised at the date of settlement in the case of debt and equity securities, whereas loans are recognised at the date they were granted. At initial recognition, the assets are measured at fair value, including transaction income or costs directly attributable to the asset. Costs meeting these characteristics, but to be reimbursed by the debtor or falling under normal internal administrative costs, are excluded.

Repurchase agreements or reverse repurchase agreements are recognised as funding or lending transactions. Specifically, repurchase agreements are recognised as payables for the amount received, while reverse repurchase agreements are recognised as receivables for the amount paid.

Measurement criteria

After initial recognition, receivables are measured at amortised cost, which is equal to the initial amount minus/plus principal repayments, impairment losses/reversals of impairment losses, and amortisation calculated using the effective interest method. The effective interest rate is calculated as the rate at which the present value of expected cash flows for the principal and interest is equal to the amount of the loan granted, including any costs/revenues directly attributable to the financial asset. This finance-based accounting method allows to spread the economic effect of costs/revenues over the expected residual life of the receivable.

In addition, the Bank estimates the cash flows from receivables due from Italy's National Health Service (NHS) using a proprietary model, calculating the interest on arrears considered recoverable based on historical evidence and differentiating according to the type of collection actions taken (settlement or judicial action).

The amortised cost method usually does not apply to short-term loans, as the effect would be immaterial. These are measured instead at their acquisition cost. A similar criterion applies to loans without a definite payment date or revocable loans.

At each reporting date, including interim reporting dates, the Group estimates the impairment of these assets in accordance with the impairment rules of IFRS 9.

The aforementioned assets are in fact examined with the aim of estimating the expected losses in value related to credit risk ("ECL" - "Expected Credit Losses"). These losses are recognised in the income statement under item

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"130. Net credit risk losses/reversals". If it is found that there is no reasonable expectation of recovery, the gross exposure is written off: in such a case, the gross exposure is reduced by the amount considered unrecoverable, offset by the reversal of the provision to cover expected losses and impairment losses in the income statement, for the portion not covered by the provision.

In more detail, the impairment model, as described in detail under "Other Information" in this Section A.2, provides for the classification of assets into three distinct "Stages" (Stage 1, Stage 2, Stage 3), depending on the evolution of the debtor's creditworthiness, to which correspond different criteria for measuring expected losses:

- Stage 1: unimpaired (performing) financial assets for which no significant deterioration in credit risk has been observed since initial recognition or for which the credit risk is considered low. Impairment is based on an estimate of expected loss with a time horizon of one year;
- Stage 2: unimpaired (performing) financial assets that have experienced a significant deterioration in credit risk since initial recognition (SICR - "Significant Increase in Credit Risk"). Impairment is based on an estimate of the expected loss over the entire remaining life of the financial asset;
- Stage 3: impaired financial assets for which there is objective evidence of impairment and which are assessed on the basis of an estimate of the expected loss over the life of the instrument.

For performing assets, expected losses are determined according to a collective process based on certain risk parameters represented by the probability of default (PD), the loss given default (LGD) and the exposure value (EAD).

For impaired assets, impairment losses are quantified on the basis of an analytical valuation process according to homogeneous risk categories - aimed at determining the present value of expected future recoverable cash flows, discounted on the basis of the original effective interest rate.

Impaired assets include exposures that have been attributed the status of non-performing, unlikely to pay or past-due/overdrawn for more than ninety days according to the definitions established by current supervisory regulations (Bank of Italy Circular No. 272 "Accounts Matrix") and recalled by Bank of Italy Circular No. 262, as they are considered consistent with the accounting rules set forth by IFRS 9 in terms of objective evidence of impairment.

The projected cash flows also take into account expected recovery times and the presumed net realisable value of any guarantees.

The original value of the financial assets is reinstated in subsequent years if the credit quality of the exposure improves compared to that which led to the previous write-down. The write-back is recorded in the income statement under the same heading ("130. Net credit risk losses/reversals") and, in any event, may not exceed the amortised cost that the asset would have had in the absence of previous adjustments.

Purchased or Originated Credit Impaired (POCI)

"Purchased or Originated Credit Impaired (POCI) Financial Assets" means the exposures that were impaired at the date they were acquired or originated.

POCI financial assets include also the exposures acquired as part of sales (of either individual assets or portfolios) and business combinations.

As previously mentioned, interest is accounted for by applying a credit-adjusted effective interest rate, i.e. the rate that, upon initial recognition, discounts all the asset's estimated future cash receipts at amortised cost considering also lifetime expected credit losses.

The Bank regularly reviews said expected credit losses, recognising impairment losses or gains through profit or loss. Favourable changes in lifetime ECLs are recognised as an impairment gain, even if said lifetime ECLs are lower than those incorporated into cash flow estimates at initial recognition.

"Purchased or Originated Credit Impaired Financial Assets" are usually allocated to Stage 3 at initial recognition.

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A subsequent improvement in the counterparty's creditworthiness, which may be reflected in the present value of cash flows, shall cause the exposure to be classified within Stage 2.

These assets shall never be allocated to Stage 1, as the expected credit loss must always be calculated over a time horizon equal to their remaining useful life, whereas IFRS 9 requires an ECL estimated over a 12-month horizon for Stage 1 assets.

Derecognition criteria

Financial assets measured at amortised cost are derecognised when all contractual rights over the cash flows have expired or if they are assigned but only when all relevant risks and rewards have been substantially transferred. Should the company retain part of the relevant risks and rewards, the financial assets will continue to be recognised, even though legal ownership has been actually transferred to a third party.

Where it is not possible to ascertain the substantial transfer of the risks and rewards, financial assets are derecognised if the company no longer has control over them. Otherwise, the financial assets are recognised proportionally to the entity’s continuing involvement in the asset, measured according to the exposure to changes in the transferred assets’ value and cash flows.

Finally, as for the transfer of collection rights, transferred financial assets are derecognised even if contractual rights to receive cash flows are maintained but an obligation to pay such flows to one or more entities is taken on.

Specifically in respect of non-performing exposures, they shall be derecognised when considered unrecoverable and the Bank forfeits the legal right to collect. For instance, this occurs when insolvency proceedings are settled, the borrower dies without heirs, a court issues a final ruling that the debt does not exist, etc.

As for total or partial derecognitions without a forfeiture of the right to collect the receivable (write-off), to avoid continuing to recognise receivables that, even though they are still managed by debt collection structures, are highly unlikely to be recovered, the Bank identifies the exposures to be derecognised that have all of the following characteristics:

- the receivable has been written off;
- the receivable has been classified as a bad loan for more than 5 years;
- the counterparty has filed for bankruptcy, been put into administrative liquidation (LCA), or is subject to any insolvency proceedings.

Derecognitions are directly recorded under "Net credit risk losses/reversals" to the extent of the unadjusted remaining portion, and are recognised as a reduction of the principal. Partial or complete reversals of previous impairment losses are recognised as a reduction of “Net credit risk losses/reversals”.

In some cases, throughout the life of the financial assets concerned, and specifically of receivables, the parties to the agreement subsequently agree to modify the original contractual terms. When, during the life of an instrument, the contractual terms are modified, the Group shall assess whether the original asset must continue to be recognised or, conversely, the original instrument must be derecognised and a new financial instrument recognised in its place.

Generally, modifications of a financial asset result in its derecognition and the recognition of a new asset when they are "substantial". The "substantiality" of the modification shall be assessed considering both qualitative and quantitative factors. In some cases, it will become apparent, without conducting complex analyses, that the changes introduced substantially modify the characteristics and/or contractual cash flows of a specific asset, whereas in other cases, additional analyses (including quantitative analyses) will be required to appreciate their impact and assess whether to derecognise the asset and recognise a new financial instrument.

The (quali-quantitative) analyses aimed at defining the "substantiality" of the contractual modifications made to a financial asset shall therefore consider:

- the purposes for which the modifications were made: for instance, renegotiations for business reasons or forbearance measures due to the counterparty's financial difficulties:

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- the existence of specific objective factors affecting the substantial modifications of the characteristics and/or contractual cash flows of the financial instrument (including, but not limited to, the modification of the type of counterparty risk the entity is exposed to) that are believed to require derecognising the asset because of their impact (estimated to be significant) on the original contractual cash flows.

4 - Hedge accounting

Classification criteria

With reference to hedging, the Bank has chosen to adopt the provisions of IFRS 9 for first-time application and not to avail itself of the option, provided by the same standard, to apply the hedge accounting rules dictated by IAS 39, in the version endorsed by the European Commission (the “carved out” version), with the exception of the specific cases provided for in IFRS 9 (par. 6.1.3) and not governed by the same standard.

Risk hedging transactions are intended to neutralise, from an accounting point of view, potential recognisable losses on a particular financial instrument or group of financial instruments, attributable to a particular risk, by means of recognisable gains on a different financial instrument or group of financial instruments should that particular risk actually arise.

Only instruments involving a counterparty outside the Bank can be designated as hedging instruments.

The only type of hedge used by the Bank at 31 December 2025 is the fair value hedge (fair value hedge), which is intended to hedge the exposure to changes in the fair value of a balance sheet asset or liability attributable to a particular risk. At the reporting date, the Bank only adopts specific hedges (micro-fair value hedges) and not general hedges (macro-fair value hedges).

A derivative instrument may be considered to be a hedging instrument if there is formalised documentation of the unique relationship to the hedged item and if it is effective at the time the hedge commences and, prospectively, over the life of the hedge.

At the start of the hedging relationship there must be a formal designation and documentation of the hedging relationship, the company's risk management objectives, and the hedging strategy. This documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how to assess the effectiveness of the hedging instrument in offsetting the exposure to changes in the fair value of the hedged item.

Recognition criteria

Derivative hedging instruments are recognised at fair value, on the date the relevant contracts are entered into, and are classified as assets under item "50. Hedging derivatives" or on the liabilities side of the balance sheet under item "40. Hedging derivatives” depending on whether the value is positive or negative.

Measurement criteria

After initial recognition, hedging derivatives continue to be measured at fair value. Specifically, in the case of fair value hedges, the change in the fair value of the hedged item is offset by the change in the fair value of the hedging instrument. This offsetting is recognised through the recognition in the income statement (or in the equity valuation reserve in the case of fair value hedges on equity securities measured at fair value through other comprehensive income) of changes in value, referring both to the hedged item (as regards changes produced by the underlying risk factor) and to the hedging instrument. Any difference, representing the partial ineffectiveness of the hedge, consequently constitutes the net effect on profitability.

The effectiveness of the hedge depends on the extent to which changes in the fair value of the hedged instrument are offset by those of the hedging instrument. Therefore, effectiveness is appreciated by comparing the above-mentioned variations, taking into account the intent pursued at the time the hedge was implemented. Effectiveness occurs when changes in the fair value of the hedging financial instrument almost entirely neutralise changes in the hedged instrument for the hedged risk element.

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Effectiveness is assessed at each balance sheet or interim reporting date using prospective tests, which justify the application of hedge accounting by demonstrating the expected effectiveness based on limits defined internally by the Bank.

If the tests do not confirm the effectiveness of the hedge, hedge accounting is discontinued, the hedging derivative contract is reclassified as a trading instrument and the hedged financial instrument regains the valuation criterion corresponding to its balance sheet classification. If the hedged asset or liability is measured at amortised cost, the higher or lower value resulting from the measurement of the hedged asset or liability at fair value due to the hedge becoming ineffective is recognised in the income statement using the effective interest rate method.

In addition, the accounting for outstanding fair value hedges ceases prospectively in the following cases:

- the hedging instrument matures, is terminated or exercised;
- the hedged item is sold, expires or is refunded;
- the decision is made to revoke the designation.

5 - Equity investments

Classification criteria

This item includes interests held in direct subsidiaries and associates.

A 'subsidiary' is defined as the company over which control is exercised. This condition arises when one has the power to determine, directly or indirectly, the administrative and management choices of the enterprise so as to obtain the relevant benefits. This is the case when more than half of the voting rights are held, directly and/or indirectly, or in the presence of other conditions of *de facto* control, such as the appointment of a majority of directors.

Associated companies are considered to be non-controlled companies in which significant influence is exercised. Significant influence is presumed to be exercised in all cases where the company holds 20% or more of the voting rights (including “potential” voting rights) and, irrespective of the share held, where there is the power to participate in the management and financial decisions of the investee companies by virtue of particular legal ties, such as shareholders' agreements, the purpose of which is for the participants in the agreement to ensure representativeness in the management bodies and to safeguard the unity of management direction, without however having control.

Recognition criteria

The initial recognition of financial assets classified in this category takes place on the settlement date at cost, including any goodwill paid at the time of acquisition, which is therefore not subject to separate, independent recognition.

Measurement criteria

The initial carrying amount (purchase cost plus transaction costs) is not subject to subsequent measurement, except for the need to record impairment losses under IAS 36.

If there is objective evidence that the value of an investment may have been impaired, the recoverable amount of the investment is estimated, which is the higher of fair value less costs to sell and value in use. An impairment loss is recognised in the income statement (under the heading “Profit (loss) on equity investments” if the recovery amount is lower than the carrying amount. If the reasons for the impairment no longer exist as a result of an event that occurred after the recognition of the impairment loss, this is reversed through profit or loss up to the amount of impairment recorded previously, in the same item.

Dividends are recognised as income when the right to receive them arises, i.e. when their distribution is approved, regardless of whether they are generated before or after the acquisition date. The risk that the recognition of the dividend in the income statement may result in an overvaluation of the investment, if it relates to profits formed prior to the acquisition, is overcome by conducting an impairment test on the investment.

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In the event of a loss of control, connection or joint control, as a result of a partial disposal of the investment, the residual interest held is recognised in the balance sheet at fair value and gains and losses with respect to the previous carrying amount are recognised in the income statement.

Derecognition criteria

Equity investments are derecognised when there is a sale that transfers substantially all the risks and rewards associated with them.

In the presence of a situation that results in the loss of significant influence or joint control, any remaining equity investment is reclassified to the financial asset portfolios required by IFRS 9.

6 - Property, plant and equipment

Classification criteria

The item includes property, plant and equipment held for investment purpose in accordance with IAS 40 as well as those for functional use in accordance with IAS 16.

All property (either fully owned or leased) held by the company for the purposes of obtaining rent and/or a capital gain fall under investment property.

More specifically, property, plant and equipment for functional use include:

- land;
- buildings;
- furniture and accessories;
- electronic office machines;
- various machines and equipment;
- vehicles;
- leasehold improvements on third-party property.

Those are physical assets held for use in production, in providing goods and services or for administrative purposes, and that are expected to be used for more than one fiscal year.

This item also includes the rights of use acquired through leases and relating to the use of property, plant and equipment.

Under IFRS 16, a lease is a contract, or part of a contract, that, in exchange for a fee, transfers the right to use an asset (the underlying asset) for a period of time.

Finally, the item includes leasehold improvements on third-party property and expenses relating to identifiable and separable asset. Normally, this kind of investment is sustained in order to make a property rented from third parties suitable for use.

Recognition criteria

Property, plant and equipment are initially recognised at cost, including all directly attributable costs connected to the acquisition or to bring the asset into use.

Subsequently incurred expenses are added to the carrying amount of the asset, or recognised as separate assets, if they are likely to yield future economic benefits exceeding those initially estimated and if the cost can be measured reliably; otherwise, they are recognised in profit or loss.

For tangible assets represented by rights of use in accordance with IFRS 16, the initial recognition value corresponds to the sum of the lease liability (present value of future lease payments to be paid over the lease term), lease payments made prior to or on the effective date of the lease, initial direct costs, and any costs for dismantling or restoring the asset underlying the lease.

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Measurement criteria

Property, plant and equipment and investment property are measured at cost, net of any depreciation or impairment losses.

Property, plant and equipment with a finite useful life are systematically depreciated on a straight-line basis over their useful life, with the exception of that described below.

Property, plant and equipment with an indefinite useful life, whose residual value is equal to or higher than their carrying amount, are not depreciated.

For accounting purposes, land and buildings are treated separately, even when acquired together. Land is not depreciated, as it has an indefinite useful life. Where the value of land is included in the value of a building, the former is considered separately by applying the component approach. The separate values of the land and the building are calculated by independent experts in this field and only for entirely owned properties.

The useful life, residual amounts and depreciation methods of property, plant and equipment are reviewed at the closure of each financial year and, if expectations are not in line with previous estimates, the depreciation rate for the current year and subsequent ones is adjusted.

If there is objective evidence that an individual asset may be impaired, the asset's carrying amount is compared to its recoverable amount, which is the higher of an asset's fair value less costs to sell and its value in use, intended as the present value of future cash flows expected to arise from this asset. Any impairment loss is recognised in profit or loss.

When an impairment loss is reversed, the new carrying amount cannot exceed the net carrying amount that would have been measured if no impairment loss had been recognised on the asset in previous years.

The usually estimated useful lives are the following:

- buildings: not exceeding 34 years;
- furniture: not exceeding 7 years;
- electronic systems: not exceeding 5 years;
- other: not exceeding 5 years;
- improvements on third party property/leasehold improvements: not exceeding 5 years.

With reference to the asset consisting of the right of use, recorded pursuant to IFRS 16, it is measured using the cost model in accordance with IAS 16 Property, plant and equipment; in this case, the asset is subsequently depreciated on a straight-line basis over the term of the lease contract and subject to an impairment test if impairment indicators emerge.

Derecognition criteria

Property, plant and equipment are derecognised from the statement of financial position on disposal or when they are withdrawn from use and no future economic benefits are expected from their disposal. Any profit/loss that arises at the time the asset is derecognised (calculated as the difference between the net carrying amount of the asset and the amount received) is recognised in the Income Statement when the item is derecognised.

The right of use deriving from lease contracts is derecognised from the statement of financial position at the end of the lease.

7 - Intangible assets

Classification criteria

Intangible assets are non-monetary assets, identifiable even though they lack physical substance, that meet the requirements of identifiability, control over a resource and existence of future economic benefits. Intangible assets mainly include software.

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Recognition criteria

Intangible assets initially are recognised in the statement of financial position at cost, i.e. the purchase price and any direct cost incurred in preparing the asset for use.

In particular, costs incurred internally for the development of software projects constitute intangible assets and are only capitalised if all of the following conditions are met:

- the cost attributable to the development activity can be reliably determined;
- there is the intention, the availability of financial resources and the technical capacity to make the asset ready for use or sale;
- it can be demonstrated that the asset is able to produce future economic benefits. Capitalised software development costs include only those expenses incurred that can be directly attributed to the development process.

Measurement criteria

Subsequent to initial recognition, intangible assets with a finite useful life are recognised at cost less amortisation determined on the basis of their estimated useful life.

If there is objective evidence that a single asset may be impaired, the asset’s carrying amount is compared to its recoverable amount, which is the higher of an asset's fair value less costs to sell and its value in use, intended as the present value of future cash flows expected to arise from this asset. Any impairment loss is recognised in profit or loss.

Intangible assets with an indefinite useful life, including goodwill, are recorded at cost less any impairment losses incurred. These assets are not depreciated, but only periodically checked for impairment with respect to the carrying amount.

At each year-end or interim reporting date, if there is evidence of impairment, an estimate of the asset's recoverable amount is made. The amount of the loss, recognised in the income statement, is equal to the difference between the asset's carrying amount and its recoverable amount.

The amount of the impairment, if any, is determined on the basis of the difference between the carrying amount of goodwill and its recovery value, if lower. This recoverable amount is equal to the higher of the fair value of the cash-generating unit, net of any costs to sell, and its value in use. Value in use is the present value of the future cash flows expected from the generating units to which goodwill has been allocated. The resulting value adjustments are recorded in the income statement under item "240. Value adjustments of goodwill”. No subsequent write-back is permitted.

Derecognition criteria

An intangible asset is derecognised from the statement of financial position on disposal or when it is withdrawn from use and no future economic benefits are expected from its disposal. Any gain or loss arising from the derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss.

8 - Non-current assets and disposal groups

Non-current assets or groups of assets/liabilities for which a process of disposal has begun and their sale is considered highly probable are classified under the item of the assets “Non-current assets and disposal groups” and the item of the liabilities “Liabilities associated with assets held for sale”. With the exception of certain types of assets (e.g. financial assets coming under the scope of application of IFRS 9), for which IFRS 5 specifically establishes that the measurement criteria of the relevant accounting standard must be applied, these assets/liabilities are otherwise measured at the lower of carrying amount and their fair value net of selling costs.

Valuation reserves relating to non-current assets held for sale, recorded as a balancing entry to the changes in value relevant for this purpose, are shown separately in the Statement of Comprehensive Income.

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The positive or negative balance of income (dividends, interest, etc.) and expenses (interest expense, etc.) related to discontinued operations, net of the related current and deferred taxation, is recognised in the 'profit (loss) from discontinued operations net of tax' caption of the income statement. Gains and losses attributable to individual assets or groups of assets and liabilities held for sale, which do not constitute discontinued operations, are recognised in the most appropriate item of the income statement, such as 'gains (losses) on disposal of investments'.

9 - Current and deferred taxes

Classification criteria

The items include current and deferred tax assets and current and deferred tax liabilities related to income taxes, respectively.

Current and deferred taxes, calculated in compliance with national tax laws, are recognised in profit or loss with the exception of items directly credited or debited to equity.

Current tax liabilities are shown in the statement of financial position gross of the relevant tax advances paid.

Deferred tax assets and liabilities are recognised in the statement of financial position at pre-closing balances and without set-offs, and are included in the items “Tax assets” and “Tax liabilities”, respectively, except when there is a legally enforceable right to set off current tax assets against current tax liabilities, and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which deferred tax liabilities or assets are expected to be settled or recovered.

It is also specified that on 4 July 2025, as an indirect consequence of the offer on the illimity Group, the control requirement pursuant to Article 120 of the TUIR (Consolidated Law on Income Tax), required for the continuation of the existing national tax consolidation arrangement between Fürstenberg Scogliera Holding S.A., formerly La Scogliera S.A. (secondary Italian branch), Banca Ifis S.p.A., and its subsidiaries, ceased to apply.

In order to preserve the institute’s tax benefits, a new option for the National Tax Consolidation was exercised for the three-year period 2025-2027, with the Bank as Consolidator and the other group companies resident in Italy (with the exception of the newly acquired illimity Group) as consolidating party, meeting the requirements of the TUIR. Adhesion to the Tax Consolidation allows the taxable income of the participating companies to be offset against each other (using the losses and the ACE accrued during the adhesion period).

Under the existing tax consolidation arrangements, the current corporate income tax (IRES) expense for the year is included in either Other assets or Other liabilities as receivables due from/payables due to the consolidating company, in accordance with tax legislation.

Recognition and measurement criteria

Deferred tax assets and liabilities are calculated based on temporary differences—without time limits—between the value attributed to the asset or liability according to statutory criteria and the corresponding tax base, applying the tax rates expected to be applicable for the year in which the tax asset will be realised, or the tax liability will be settled, according to theoretical tax laws in force at the realisation date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liabilities arise from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- when the timing of the reversal of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that they can be recovered, based on the ability of the Bank, as a result of the "tax consolidation" option, to continue to generate taxable profit, except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

10 - Provisions for risks and charges

Classification criteria

Provisions for risks and charges in respect of commitments and guarantees granted

The sub-item of provisions for risks and charges under review includes the provisions for credit risk set aside for loan commitments and the other guarantees granted that fall within the scope of the impairment rules in IFRS 9. As a general rule, in this case the Bank adopts the same methods for allocating items to three credit risk stages and calculating expected credit losses as the ones described for financial assets measured at amortised cost or at fair value through other comprehensive income.

The aggregate item therefore also includes the provisions for risks and charges set aside for other types of commitments and guarantees granted that, because of their specific characteristics, they do not fall within the scope of the impairment rules in IFRS 9.

Provisions for pensions and similar obligations

Pension funds are established in implementation of company agreements and qualify as defined benefit plans under IAS 19. The liability relating to these plans and the related current service cost are determined on the basis of actuarial assumptions by applying the “Projected Unit Credit Method”, which involves projecting future outflows on the basis of historical statistical analyses and the demographic curve, and discounting these flows on the basis of a market interest rate. The contributions paid in each reporting period are treated as separate units, which are recognised and valued individually for the purpose of determining the final obligation. The rate used for discounting is determined on the basis of the market yields recorded on the valuation dates of bonds of leading companies, taking into account the average residual life of the liability. The present value of the obligation at the balance sheet date is also adjusted for the fair value of any plan assets.

Actuarial gains and losses, arising from changes in actuarial assumptions or experience-based adjustments, which affect the present value of the obligation, are recognised in the statement of comprehensive income.

Other provisions

Other reserves for risks and charges include provisions for legal or employment-related obligations or disputes, including tax disputes, arising from a past event for which it is probable that economic resources will be disbursed to fulfil the obligations, provided a reliable estimate of the amount can be made.

Criteria for measurement and recognition of income components

Provisions for risks and charges consist of liabilities of uncertain amount or maturity and are recognised in the balance sheet if:

- a legal or constructive obligation exists as a result of a past event;

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- it is likely that it will be necessary to use resources which could generate economic benefits to settle the obligation;
- the amount of the likely future outlay can be reliably estimated.

The amount recognised as a provision represents the best estimate of the financial outlay required to settle the obligation at the reporting date and reflects the risks and uncertainties inherent in the facts and circumstances examined. Where the time element is significant, provisions are discounted using current market rates. The provision and the effect of discounting are recognised in the income statement under item "170. Net allocations to provisions for risks and charges", as well as the increase in the provision due to the passage of time.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. When the use of resources, capable of producing economic benefits to meet the obligation, becomes improbable, the provision is reversed.

In addition, each fund is only used to meet those outgoings for which it was originally established.

If it is not considered probable that financial resources will be required to be disbursed to fulfil the obligation, no provision need be recognised in the financial statements; in such a case, adequate disclosure of the possible risk of loss is required in the Notes to the financial statements, unless the likelihood of using resources is considered remote or the phenomenon is not material.

11 - Financial liabilities measured at amortised cost

Classification criteria

The item includes payables due to banks and customers and debt securities issued and is made up of the various forms of interbank funding, as well as funding from customers and through outstanding bonds, net of any buybacks.

Also included are debts entered into by the lessee under finance leases, as well as repurchase and reverse repurchase agreements for deposits and securities lent with receipt of cash collateral at the lender's full disposal. Finally, operating debts related to the provision of financial services as defined in the Consolidated Banking Act and the Consolidated Finance Act are included.

Recognition criteria

The initial recognition of these liabilities occurs upon receipt of the amounts collected or settlement of the debt securities issued and is made on the basis of the relative fair value, which is normally equal to the amount collected or the issue price, increased by any additional costs/income directly attributable to the individual funding or issuance transaction and not reimbursed by the creditor counterparty.

Repurchase agreements with a repurchase obligation are recorded in the balance sheet as funding transactions for the amount collected in the spot market.

Lease payables are recognised on the basis of the present value of future instalments still to be paid over the contractual term discounted at the interest rate implicit in the transaction or, if not determinable, the marginal financing rate.

Measurement criteria

After initial recognition at fair value, these instruments are later measured at amortised cost, using the effective interest method.

The amortised cost method does not apply to short-term liabilities, as the effect of discounting would be not significant.

Lease payables are revalued when there is a lease modification (a change in the perimeter of the contract), which is not accounted for/considered as a separate contract.

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Derecognition criteria

Financial liabilities are derecognised when they are annulled, expired, extinguished or settled. The difference between the carrying amount and the acquisition cost is recognised in profit or loss.

Liabilities are derecognised also when previously issued securities are bought back, even if such instruments will be sold again in the future. Gains and losses from such derecognition are recognised in profit or loss when the buyback price is higher or lower than the carrying amount.

Subsequent sales of the company's own bonds on the market are considered as an issuance of new debt.

12 - Financial liabilities held for trading

Classification criteria

This item includes:

- financial liabilities issued with the intention of repurchasing them in the short term;
- liabilities that are part of a portfolio of financial instruments that are jointly managed and for which there is a proven strategy to achieve profits in the short term;
- derivative contracts with a negative fair value and not designated as hedging instruments, including those linked to assets/liabilities designated at fair value through profit or loss.

Recognition criteria

Financial liabilities held for trading are initially recognised at the date of settlement in the case of liabilities for cash, and at inception in the case of derivative contracts.

Initial recognition is made on the basis of the fair value of the liability, normally equal to the amount collected, without considering transaction costs or income directly attributable to the instrument itself, which are charged directly to the income statement.

Measurement criteria

Even after initial recognition, financial liabilities held for trading are measured at fair value at the period closure, and the impact of the application of this method is measured through profit or loss. The fair value is calculated based on the same criteria as those used for financial assets held for trading.

Derecognition criteria

Financial liabilities held for trading are derecognised when the contractual rights to the related cash flows expire or when the financial liabilities are transferred with the transfer of substantially all risks and rewards of ownership.

13 - Financial liabilities designated at fair value

It should be noted that the Bank does not engage in such operations.

14 - Foreign currency transactions

Initial recognition

At initial recognition, foreign currency transactions are recognised in the money of account, applying the exchange rate at the date of the transaction.

Subsequent recognitions

At each reporting date, foreign currency monetary assets and liabilities are translated using the closing exchange rate.

Non-monetary assets and liabilities recognised at historical cost are translated at the historical exchange rate, while those measured at fair value are translated using the period-end rate. Any exchange differences arising from the settlement of monetary elements or their translation at exchange rates different from those used at initial recognition or in previous financial statements are recognised in profit or loss in the period in which they arise,

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excluding those relating to financial assets measured at fair value through other comprehensive income, as they are recognised in equity.

15 - Insurance assets and liabilities

It should be noted that the Bank does not engage in such operations.

16 - Other information

Cash and cash equivalents

This item comprises legal tender, including foreign banknotes and divisional currencies, current accounts and "sight" deposits with central banks, with the exception of compulsory reserves, as well as "sight" claims on banks. The latter definition includes availability that can be withdrawn at any time without notice or with 24 hours or one working day's notice.

The item is recorded at face value. For foreign currencies, the face value is converted into Euro at the closing exchange rate at the end of the financial year.

Other assets

This item includes assets that cannot be allocated to other balance sheet asset items. The item may include but is not limited to:

- gold, silver and precious metals;
- accrued income other than that to be capitalised on the relevant financial assets, including that arising from contracts with customers in accordance with IFRS 15;
- receivables related to the provision of non-financial goods or services;
- tax credits related to the "Cura Italia" and "Relaunch" Decree-Laws;
- tax debit items other than those recorded under item "100. Tax assets".

Any remaining balances (of "debit balance") of travelling and suspended items not allocated to the relevant accounts may also be included, provided they are of an not significant amount overall.

Other liabilities

This item includes liabilities that cannot be allocated to the other liability items in the balance sheet.

This item includes but is not limited to:

- payment agreements that IFRS 2 requires to be classified as payables;
- debts connected with the payment of non-financial goods and services;
- accrued expenses other than those to be capitalised on the relevant financial liabilities, including those arising from contracts with customers in accordance with IFRS 15;
- miscellaneous tax credit items other than those recorded under item "60. Tax liabilities" related, for example, to the activity of a tax substitute.

Post-employment benefits and other employee benefits

According to IAS 19, employee benefits include all types of remuneration provided in exchange for the work performed by employees or by virtue of the termination of the employment relationship, which can be broken down into:

- short-term benefits (other than termination benefits) that are expected to be settled within 12 months after the end of the financial year in which the employees were employed;
- post-employment benefits such as the severance indemnity;
- termination benefits due to employees following the company's decision to terminate employment before the retirement date;
- long-term benefits (other than termination benefits) that are expected to be settled over a period of more than 12 months after the end of the financial year in which the employees were employed.

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Pursuant to IAS 19 “Employee benefits” and up to 31 December 2006, the so-called “TFR” (severance indemnity), post-employment benefit for employees of the Bank, was classified as a “defined benefit plan”. It therefore had to recognise this benefit by discounting it using the projected unit credit method.

Following the coming into force of the 2007 Budget Law, which brought the reform regarding supplementary pension plans - as per Italian Legislative Decree No. 252 of 5 December 2005 - forward to 1 January 2007, the employee was given a choice as to whether to allocate the post-employment benefits earned as from 1 January 2007 to supplementary pension funds or to maintain them in the company, which would then transfer it to a dedicated fund managed by INPS (the Italian National Social Security Institute).

This reform has led to changes in the accounting of post-employment benefits (severance indemnity) as for both the benefits earned up to 31 December 2006 and those earned from 1 January 2007.

In particular:

- post-employment benefits earned as from 1 January 2007 constitute a “defined-contribution plan”, regardless of whether the employee has chosen to allocate them to a supplementary pension fund or to INPS's Treasury Fund. Those benefits shall be calculated according to contributions due without applying actuarial methods;
- post-employment benefits earned up to 31 December 2006 continue to be considered as a “defined-benefit plan”, and as such are calculated on an actuarial basis which, however, unlike the calculation method applied until 31 December 2006, no longer requires that the benefits be proportionally attributed to the period of service rendered. This is because the employee’s service is considered entirely accrued due to the change in the accounting nature of benefits earned as from 1 January 2007.

Actuarial gains/losses shall be included immediately in the calculation of the net obligations to employees through equity, to be reported in other comprehensive income.

Share-based payments

They are payments granted to employees or similar parties as remuneration for the services received that are settled in equity instruments.

The relevant international accounting standard is IFRS 2 – Share-based payments; specifically, since the Bank is to settle the obligation for the service received in equity instruments (shares “to the value of”, i.e. a given amount is converted into a variable number of shares based on the fair value at grant date), those payments fall under “equity-settled share-based payments”. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised in employee benefits expense together with a corresponding increase in equity over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The cost or revenue in the income statement represents the movement in cumulative expense recognised at the beginning and end of that year.

Treasury shares

Pursuant to regulations in force in Italy, buying back treasury shares requires a specific resolution of the shareholders' meeting and the recognition of a specific reserve in equity. Treasury shares in the portfolio are deducted from equity and measured at cost, calculated using the “Fifo” method. Differences between the purchase price and the selling price deriving from trading in these shares during the reference year are recognised under equity reserves.

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Recognition of income and costs

Revenues

Revenues are gross streams of economic benefits flowing to the entity as consideration for the obligation to transfer to the customer a wide range of goods and services in the ordinary course of business.

Under IFRS 15, an entity must recognise revenue based on the consideration expected to be received for goods and services provided in the ordinary course of business. In detail, the recognition of revenue must take place on the basis of the following five steps:

- identification of a contract, defined as an agreement of commercial substance between two or more parties capable of generating rights and obligations;
- identification of the individual obligations ("performance obligations") contained in the contract;
- determination of the transaction price, i.e. the expected consideration for the transfer of goods or services to the customer;
- allocation of the transaction price to each performance obligation, based on the stand-alone selling price of the individual obligation;
- recognition of the revenue allocated to the individual obligation when it is settled, i.e. when the customer obtains control of the goods and services. This recognition takes into account the fact that certain services may be rendered at a specific time or over a period of time.

Revenue arising from contractual obligations with customers is recognised in profit or loss when it is probable that the entity will receive the consideration to which it is entitled in exchange for the goods or services transferred to the customer. This consideration must be allocated to the individual obligations under the contract and must be recognised as income in the income statement according to the timing of performance of the obligation. In detail, revenues may be recognised in the income statement:

- at a point in time, when the entity performs the obligation to do by transferring the promised good or service to the customer, or
- over time, as the entity performs the obligation to do by transferring the promised good or service to the customer.

The obligation to perform is considered to have been performed when the customer acquires control of the transferred good or service.

The consideration promised in the contract with the customer may include fixed amounts, variable amounts, or both. In detail, the contract price may vary as a result of reductions, discounts, rebates, incentives, performance bonuses or other similar elements. The variability of the consideration may also depend on the occurrence or non-occurrence of a future event. In the case of variable consideration, revenue is recognised in the income statement if it can be reliably estimated and only if it is highly probable that all or a significant portion of the consideration will not subsequently be reversed from the income statement.

When an entity receives consideration from a customer that it expects to refund to the customer, in whole or in part, against the revenue recognised in the income statement, it is necessary to recognise a liability, to be estimated based on expected future refunds (termed a “refund liability”). The estimate of this liability is updated at each balance sheet or interim reporting date and is based on the portion of the consideration that the entity expects not to be entitled to.

Costs

Costs related to obtaining and fulfilling contracts with customers are recognised in the income statement in the periods in which the corresponding revenues are recognised; costs that do not have a direct association with revenues are immediately recognised in the income statement.

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Dividends

Dividends are recognised through profit or loss in the year in which the resolution concerning their distribution is passed.

Offsetting of financial instruments

Pursuant to IAS 32, paragraph 42, financial assets and financial liabilities are netted and shown for the net balance if the entity:

- has a legal right to effect such set-off, which is currently exercisable in all circumstances, whether in the ordinary course of business or in default, insolvency or bankruptcy of the parties;
- intends to settle transactions on a net settlement basis or on a gross settlement basis whose substantive effects are equivalent to a net settlement.

A.3 - Disclosure of transfers of financial assets between portfolios

No financial assets were transferred between portfolios during 2025.

A.4 - Fair value disclosure

Qualitative disclosure

Fair value is the price that would be received to sell an asset or the price paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date, under current market conditions (i.e. the exit price), regardless of the fact that said price is directly observable or that another measurement approach is used.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

IFRS 13 establishes a fair value hierarchy based on the extent to which inputs to valuation techniques used to measure the underlying assets/liabilities are observable. Specifically, the hierarchy consists of three levels.

- Level 1: the instrument's fair value is measured based on (unadjusted) quoted prices in active markets.
- Level 2: the instrument's fair value is measured based on valuation models using inputs observable in active markets, such as:
  - quoted prices for similar assets or liabilities;
  - quoted prices for identical or similar assets or liabilities in non-active markets;
  - observable inputs such as interest rates or yield curves, implied volatility, default rates and illiquidity factors;
  - inputs that are not observable but supported and confirmed by market data.
- Level 3: the instrument's fair value is measured based on valuation models using mainly inputs that are unobservable in active markets.

Each financial asset or liability of the Bank is categorised in one of the above levels, and the relevant measurements may be recurring or non-recurring (see IFRS 13, paragraph 93, letter a).

In the event that different inputs are used to measure the fair value of an asset or liability, classification in the hierarchy is determined according to the lowest-level input used for the valuation.

The choice among the valuation techniques is not optional, since these shall be applied in a hierarchical order: indeed, the fair value hierarchy gives the highest priority to (unadjusted) quoted prices available in active markets for identical assets or liabilities (Level 1 data) and the lowest priority to unobservable inputs (Level 3 data).

Valuation techniques used to measure fair value are applied consistently on an on-going basis.

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A.4.1 Fair value Levels 2 and 3: valuation techniques and inputs used

In the absence of quoted prices in an active market, the fair value measurement of a financial instrument is performed using valuation techniques maximising the use of inputs observable on the market.

The use of a valuation technique is intended to estimate the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, under current market conditions. In this case, the fair value measurement may be categorised in Level 2 or Level 3, according to what extent inputs to the pricing model are observable.

In the absence of observable prices in an active market for the financial asset or liability to be measured, the fair value of the financial instruments is measured using the so-called comparable approach (Level 2), requiring valuation models based on market inputs.

In this case, the valuation is not based on the quoted prices of the financial instrument being measured (identical asset), but on prices, credit spreads or other factors derived from the official quoted prices of instruments that are substantially similar in terms of risk factors and duration/return, using a given calculation method (pricing model).

In the absence of quoted prices in an active market for a similar instrument, or should the characteristics of the instrument to be measured not allow to apply models using inputs observable in active markets, it is necessary to use valuation models assuming the use of inputs that are not directly observable in the market and, therefore, requiring to make estimates and assumptions (non observable input - Level 3). In such cases, the financial instrument is measured using a given calculation method that is based on specific assumptions regarding:

- the trend in future cash flows, possibly contingent on future events whose probability of occurring can be derived from historical experience or based on behavioural assumptions;
- the level of specific inputs not quoted on active markets: for the purposes of estimating them, information acquired from prices and spreads observed on the market shall have a higher priority. If these are not available, entities shall use historical data about the specific underlying risk factor or specialist research on the matter (e.g. reports by ratings agencies or primary market players).

In the cases described above, consideration is always given to the value of potentially making valuation adjustments taking into account the risk premiums that operators typically consider in pricing instruments. If not explicitly considered in the valuation model, valuation adjustments may include:

- model adjustment: adjustments that take into account any deficiencies in the valuation models highlighted during calibration;
- liquidity adjustment: adjustments that take into account the bid-ask spread if the model calculates a mid-price;
- credit risk adjustment: adjustments related to the counterparty or own credit risk;
- other risk adjustment: adjustments related to a risk premium "priced" in the market (e.g. relating to the complexity of valuation of an instrument).

With regard to fair value measurement, the Bank adopts various methodologies, depending on the specific characteristics of the products being valued.

To measure receivables that must be measured at fair value, the method used is mainly the Discounted Cash Flow (DCF) Model to receivables mandatorily measured at fair value, discounting the expected cash flows from each loan at a market rate determined by taking into account the risk free rate (r_f) for similar maturities, the Cost of Funding (COF), the counterparty's credit risk, and the capital absorption cost.

For the measurement of unlisted equities, mainly income and financial models are used, in particular the method defined as "Market Multiples of Comparable Companies" to which a control method such as the "Discounted Cash Flow Model" or the "Comparable Transactions Method" is compared. The latter method is applied to transactions that have similar economic and asset characteristics to the one being valued and adjusted for the economic and asset magnitudes of the asset being valued.

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With specific reference to the valuation of UCITS units, the approach used takes Net Asset Value (NAV) as the starting point for determining fair value. Thereafter, it must be verified whether, in determining the NAV, the fund's assets have been measured at fair value in accordance with the applicable international standards. A discount is applied to the NAV determined in this way using a structured rate as described below:

- liquidity adjustment: the liquidity discount must take into account the inability to mobilise the economic commitment in the short term. This discount, which refers to a time horizon expressing the average duration of the investments in the fund, is applied to the NAV defined above inversely proportional to changes in the NAV itself. Once the investment phase is over, the discount applied will decrease proportionally from year to year until it settles at the base discount applied for the first year;
- credit risk adjustment: the credit risk discount must take into account the probability of default of the underlying asset in which the fund invests;
- other risk adjustment: this category includes the discount of any other significant element known to the manager of the instrument at the time of measurement.

As for over-the-counter (OTC) derivatives not quoted in active markets, their fair value is calculated based on measurement techniques that take into account all risk factors that could affect the value of the financial instrument concerned, using observable market inputs (interest rates, exchange rates, share indexes, etc.) adjusted as appropriate to account for the creditworthiness of the specific counterparty, including the counterparty's credit risk (CVA, Credit Value Adjustment) and/or the Group's own credit risk (DVA, Debt Value Adjustment).

The change in interest rates, which occurred during the year, had an impact on the fair value of derivatives. However, with reference to the measurement of counterparty risk (Credit Valuation Adjustment and Debit Valuation Adjustment), as of 31 December 2025, the impact on the carrying amounts of derivatives with mark-to-market, both positive and negative, is substantially nil as almost all derivative financial instruments are securitised through Credit Support Agreements (CSA). The balance at 31 December 2025 of derivatives, for which there is no counterparty risk mitigation (CSA) element, should not be considered significant and amounts to 52 thousand Euro.

With regard to the valuation of financial assets and liabilities measured at fair value on a non-recurring basis, and in particular for the loan portfolio, the fair value is conventionally assumed to be equal to the carrying amount for all exposures classified as impaired and exposures with a residual maturity of less than one year, as it is considered that the fair value can be assimilated to the carrying amount.

For non-performing loans (bad loans, unlikely to pay, past due), the fair value is conventionally assumed to be equal to the net carrying amount and is shown in Level 3. In this regard, it should be noted that, in the recent past, significant transactions of assignments of non-performing loans have been observed on the Italian market, with prices that have discounted the specific characteristics of the portfolios sold and the different yields demanded by the buyers. The fair value determined on the basis of the aforementioned transactions would therefore be characterised by a high dispersion of values, such that the identification of a reference value would not be objective.

For the purposes of measuring performing loans at fair value, given the absence of prices directly observable on active and liquid markets, entities shall use valuation techniques based on a theoretical model meeting the requirements of IAS/IFRS standards (Level 3). The approach used to determine the fair value of performing loans is the aforementioned DCF Model applied to loans with a residual maturity of more than one year, while the nominal amount is considered for other loans with short or no maturity. Future cash flows consist of the sum of principal and interest and are discounted using a rate formed by the credit spread (coverage curve) and the 3-month Euribor rate.

For financial liabilities at amortised cost, the fair value calculated for disclosure purposes is determined by applying the following methodologies:

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- for medium- and long-term liabilities, the measurement is performed by discounting future cash flows using an interest rate that incorporates its own credit risk component;
- for on-demand liabilities with short-term or indefinite maturity, the carrying amount is a good approximation of fair value.

A.4.2 Measurement processes and sensitivity

In compliance with IFRS 13, save for what is specified below, for financial assets and liabilities measured at fair value categorised within Level 3, the Bank tests their sensitivity to changes in one or more unobservable inputs used in the fair value measurements like, by way of example and in no means exhaustive, discount rates applied to cash flows or expected cash flows themselves.

With regard to debt security exposures measured at Level 3 fair value, amounting to 57,4 million Euro at 31 December 2025, the effects of potential changes in the parameters used are deemed not significant.

For equity securities (equal to 153,2 million Euro) and units of UCITSs (equal to 126,2 million Euro), measured at fair value Level 3, it is generally not possible to perform any quantitative sensitivity analysis of fair value to changes in unobservable inputs, as either the fair value is derived from third-party sources, or it is the result of a model whose inputs are specific to the entity being valued (e.g. company assets) and for which the information necessary for a sensitivity analysis is not available.

A.4.3 Fair value hierarchy

Concerning recurring fair value measurements of financial assets and liabilities, Banca Ifis transfers them between Levels of the hierarchy based on the following guidelines:

- for debt securities and financing:
  - the transfer from Level 3 to Level 2 takes place when the inputs to the valuation technique used are observable at the measurement date;
  - the transfer from Level 3 to Level 1 is allowed when it is confirmed that there is an active market for the instrument at the measurement date;
  - finally, they are transferred from Level 2 to Level 3 when some inputs relevant in measuring fair value are not directly observable at the measurement date.
  - for equity instruments, the Level transfer takes place when:
  - observable inputs became available during the period (e.g. prices for identical assets and liabilities defined in comparable transactions between independent and knowledgeable parties). In this case, they are reclassified from Level 3 to Level 2;
  - inputs directly or indirectly observable used in measuring them are no longer available or current (e.g. no recent comparable transactions or no longer applicable multiples). In this case, the entity shall use valuation techniques incorporating unobservable inputs.

A.4.4 Other information

There is no further information to report than that presented in the preceding paragraphs. Specifically, at the reporting date there was no information to be reported pursuant to IFRS 13, paragraphs 51, 93(i), 96 because:

- there are no assets measured at fair value on a 'highest and best use' basis;
- no use was made of the possibility of measuring fair value at the level of the overall portfolio exposure, in order to take into account the offsetting of credit risk and market risk of a given group of financial assets or liabilities (exception under IFRS 13, par. 48).

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Quantitative information

A.4.5 Fair value hierarchy

A.4.5.1 Assets and liabilities measured at fair value on a recurring basis: breakdown by fair value Level

Financial assets/liabilities measured at fair value (in thousands of Euro)	31.12.2025			31.12.2024		
	L1	L2	L3	L1	L2	L3
1. Financial assets measured at fair value through profit or loss	8.885	6.974	264.527	5.785	3.489	224.646
a) financial assets held for trading	47	6.974	-	-	3.489	-
b) financial assets designated at fair value	-	-	-	-	-	-
c) other financial assets mandatorily measured at fair value	8.838	-	264.527	5.785	-	224.646
2. Financial assets measured at fair value through other comprehensive income	1.036.426	5.548	73.158	623.521	5.574	72.730
3. Hedging derivatives	-	23.398	-	-	7.404	-
4. Property, plant and equipment	-	-	-	-	-	-
5. Intangible assets	-	-	-	-	-	-
Total	**1.045.311**	**35.920**	**337.685**	**629.306**	**16.467**	**297.376**
1. Financial liabilities held for trading	-	13.824	-	-	13.765	-
2. Financial liabilities designated at fair value	-	-	-	-	-	-
3. Hedging derivatives	-	17.192	-	-	14.868	-
Total	**-**	**31.016**	**-**	**-**	**28.633**	**-**

Key:
L1 = Level 1: fair value of a financial instrument quoted in an active market;
L2 = Level 2 fair value measured using valuation techniques based on observable market inputs other than the financial instrument's price;
L3 = Level 3 fair value calculated using valuation techniques based on inputs not observable in the market.

At 31 December 2025, the impact of applying the Credit Valuation Adjustment to the carrying amounts of the derivatives with a positive mark-to-market amounts to 0,2 million Euro (related to derivatives held for trading); as for the instruments with a negative mark-to-market, there was no impact resulting from the application of the Debit Valuation Adjustment to the equity amounts of the derivatives.

With regard to financial assets measured at fair value with an impact on comprehensive income, these consist mainly of listed securities (Level 1), of which approximately 825,8 million Euro in government bonds. With regard to securities in Level 3, the amount includes shares in the Bank of Italy with a carrying amount of 50,0 million Euro.

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A.4.5.2 Annual changes in assets measured at fair value on a recurring basis (level 3)

	Financial assets measured at fair value through profit or loss				Financial assets measured at fair value through other compre-hensive income	Hedging derivatives	Property, plant and equipment	Intangible assets
	Total	*of which: a) financial assets held for trading*	*of which: b) financial assets designated at fair value*	*of which: c) other financial assets mandato-rily measured at fair value*				
1. Opening balance	**224.646**	**-**	**-**	***224.646***	**72.730**	**-**	**-**	**-**
2. Increases	**120.157**	**-**	**-**	***120.157***	**2.711**	**-**	**-**	**-**
2.1. Purchases	84.070	-	-	*84.070*	1.682	-	-	-
2.2. Profit taken to:	34.393	-	-	*34.393*	1.029	-	-	-
2.2.1. Income Statement	34.393	-	-	*34.393*	-	-	-	-
- of which capital gains	*31.547*	-	-	*31.547*	-	-	-	-
2.2.2. Equity	-	-	-	-	1.029	-	-	-
2.3. Transferred from other Levels	-	-	-	-	-	-	-	-
2.4. Other increases	1.694	-	-	*1.694*	-	-	-	-
3. Decreases	**80.276**	**-**	**-**	***80.276***	**2.283**	**-**	**-**	**-**
3.1. Sales	31.705	-	-	*31.705*	1.215	-	-	-
3.2. Reimbursements	33.491	-	-	*33.491*	-	-	-	-
3.3. Losses taken to:	14.619	-	-	*14.619*	1.068	-	-	-
3.3.1. Income Statement	14.619	-	-	*14.619*	63	-	-	-
- of which capital losses	*12.608*	-	-	*12.608*	-	-	-	-
3.3.2. Equity	-	-	-	-	1.005	-	-	-
3.4. Transferred to other Levels	-	-	-	-	-	-	-	-
3.5. Other decreases	461	-	-	*461*	-	-	-	-
4. Closing balance	**264.527**	**-**	**-**	***264.527***	**73.158**	**-**	**-**	**-**

A.4.5.3 Annual changes in liabilities measured at fair value on a recurring basis (Level 3)

Banca Ifis does not hold liabilities measured at fair value on a recurring basis at Level 3.

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

Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis (in thousands of Euro)	31.12.2025				31.12.2024			
	CA	L1	L2	L3	CA	L1	L2	L3
1. Financial assets measured at amortised cost	10.756.893	2.241.427	-	8.477.975	10.081.195	2.240.199	2.082	7.854.103
2. Property, plant and equipment held for investment purpose	210	-	-	210	210	-	-	210
3. Non-current assets and disposal groups	8.030	-	-	8.030	-	-	-	-
Total	**10.765.133**	**2.241.427**	**-**	**8.486.215**	**10.081.405**	**2.240.199**	**2.082**	**7.854.313**
1. Financial liabilities measured at amortised cost	12.263.749	1.961.409	-	10.239.933	11.034.158	1.455.245	112.439	9.355.969
2. Liabilities associated with assets held for sale	-	-	-	-	-	-	-	-
Total	**12.263.749**	**1.961.409**	**-**	**10.239.933**	**11.034.158**	**1.455.245**	**112.439**	**9.355.969**

Key
CA = Carrying amount
L1 = Level 1
L2 = Level 2
L3 = Level 3

Among financial assets measured at amortised cost, the amount reported under Level 1 refers to government securities for 1.744,6 million Euro and other listed debt securities, while the balance reported under Level 3 consists mainly of credit exposures.

Level 1 amortised cost financial liabilities relate to bond issues issued by the Bank.

A.5 - Disclosure on day one profit/loss

With reference to the provisions of IFRS 7 par. 28, a financial instrument must initially be recognised at a value equal to its fair value which, unless there is evidence to the contrary, is equal to the price paid/collected in trading. The above standard governs such cases by establishing that an entity may recognise a financial instrument at a fair value other than the consideration given or received only if the fair value is evidenced:

- by comparison with other observable current market transactions in the same instrument;
- through valuation techniques using exclusively, as variables, data from observable markets.

In other words, the assumption under IFRS 9, whereby fair value is equal to the consideration given or received, may be overcome only if there is objective evidence that the consideration given or received is not representative of the actual market value of the financial instrument being traded.

Such evidence must be derived only from objective and non-refutable parameters, thus eliminating any hypothesis of discretion on the part of the evaluator.

The difference between the fair value and the negotiated price, only when the above conditions are met, is representative of the day one profit and is immediately recognised in the income statement.

No such transactions were carried out as part of the Bank's operations during 2025.

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Part B - Information on the Statement of Financial Position

ASSETS

Section 1 - Cash and cash equivalents - Item 10

1.1 Cash and cash equivalents: breakdown

Items/Amounts	31.12.2025	31.12.2024
a) Cash	4	14
b) Current accounts and on demand deposits at Central banks	150.000	220.000
c) Current accounts and on demand deposits at banks	157.865	114.176
Total	**307.869**	**334.190**

The item as at 31 December 2025 amounts to 308 million Euro and included sight receivables from banks. The reduction of 26,3 million Euro recorded by the item is attributable to a negative change recorded in overnight deposits with the Bank of Italy, partially offset by an increase in liquidity towards banks in relation to the performance of the underlying loans.

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

2.1 Financial assets held for trading: breakdown by type

Items/Amounts	31.12.2025			31.12.2024		
	L1	L2	L3	L1	L2	L3
A. Cash assets						
1. Debt securities	-	-	-	-	-	-
1.1 Structured	-	-	-	-	-	-
1.2 Other debt securities	-	-	-	-	-	-
2. Equity securities	47	-	-	-	-	-
3. UCITS units	-	-	-	-	-	-
4. Loans	-	-	-	-	-	-
4.1 Reverse repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	-	-	-	-
Total (A)	**47**	**-**	**-**	**-**	**-**	**-**
B. Derivatives						
1. Financial derivatives	-	6.974	-	-	3.489	-
1.1 for trading	-	6.974	-	-	3.489	-
1.2 connected to the fair value option	-	-	-	-	-	-
1.3 other	-	-	-	-	-	-
2. Credit derivatives	-	-	-	-	-	-
2.1 for trading	-	-	-	-	-	-
2.2 connected to the fair value option	-	-	-	-	-	-
2.3 other	-	-	-	-	-	-
Total (B)	**-**	**6.974**	**-**	**-**	**3.489**	**-**
Total (A+B)	**47**	**6.974**	**-**	**-**	**3.489**	**-**

Key:
L1 = Level 1
L2 = Level 2
L3 = Level 3

Financial assets held for trading consist almost entirely of derivative transactions. This item amounts to 7,0 million Euro as at 31 December 2025, an increase of 3,5 million Euro compared to the previous year's figure, growth mostly concentrated in derivatives with a banking counterparty.

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2.2 Financial assets held for trading: breakdown by debtor/issuer/counterparty

Items/Amounts	31.12.2025	31.12.2024
A. Cash assets		
1. Debt securities	**-**	**-**
a) Central Banks	-	-
b) Public Administrations	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non-financial companies	-	-
2. Equity securities	**47**	**-**
a) Banks	-	-
b) Other financial companies	-	-
of which: insurance companies	-	-
c) Non-financial companies	47	-
d) Other issuers	-	-
3. UCITS units	-	-
4. Loans	-	-
a) Central Banks	-	-
b) Public Administrations	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non-financial companies	-	-
f) Households	-	-
Total (A)	**47**	**-**
B. Derivatives	**-**	**-**
a) Central Counterparties	-	-
b) Other	6.974	3.489
Total (B)	**6.974**	**3.489**
Total (A+B)	**7.021**	**3.489**

2.3 Financial assets designated at fair value: breakdown by type

At the reporting date, the Bank did not hold any assets falling under this heading.

2.4 Financial assets designated at fair value: breakdown by debtor/issuer

At the reporting date, the Bank did not hold any assets falling under this heading.

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2.5 Financial assets mandatorily measured at fair value: breakdown by type

Items/Amounts	31.12.2025			31.12.2024		
	L1	L2	L3	L1	L2	L3
1. Debt securities	**-**	**-**	**57.414**	**-**	**-**	**68.082**
1.1 Structured	-	-	-	-	-	-
1.2 Other debt securities	-	-	57.414	-	-	68.082
2. Equity securities	**-**	**-**	**80.007**	**-**	**-**	**68.725**
3. UCITS units	**8.838**	**-**	**126.195**	**5.785**	**-**	**86.632**
4. Loans	**-**	**-**	**911**	**-**	**-**	**1.207**
4.1 Reverse repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	911	-	-	1.207
Total	**8.838**	**-**	**264.527**	**5.785**	**-**	**224.646**

Key
L1 = Level 1
L2 = Level 2
L3 = Level 3

Financial assets mandatorily measured at fair value through profit or loss come to 273,4 million Euro. This item consists of loans and debt securities that did not pass the SPPI test, equity securities from minority shares and UCITS units.

Debt securities classified as Level 3 are instead represented by junior, mezzanine, senior and single-tranche securities related to securitisation transactions totalling 57,4 million Euro at 31 December 2025 (68,1 million Euro at the end of 2024).

Equity securities represent minority interests in companies in connection with transactions conducted by the Equity Investment segment.

The item 'UCITS units', totalling 135 million Euro as at 31 December 2025, increases by about 42,6 million Euro. The UCITS units with level 3 fair value refer for 117,2 million Euro to units of equity, bond and multi-fund funds, and for 9,0 million Euro to units of real estate funds. The values classified at Level 1 relate to two investments in a listed equity fund and a listed bond fund.

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2.6 Financial assets mandatorily measured at fair value: breakdown by debtor/issuer

Items/Amounts	31.12.2025	31.12.2024
1. Equity securities	**80.007**	**68.725**
of which: banks	-	-
of which: other financial companies	5.662	1.166
of which: non-financial companies	74.344	67.559
2. Debt securities	**57.414**	**68.082**
a) Central Banks	-	-
b) Public Administrations	-	-
c) Banks	-	-
d) Other financial companies	57.414	68.082
of which: insurance companies	-	-
e) Non-financial companies	-	-
3. UCITS units	**135.033**	**92.417**
4. Loans	**911**	**1.207**
a) Central Banks	-	-
b) Public Administrations	-	-
c) Banks	-	-
d) Other financial companies	-	13
of which: insurance companies	-	-
e) Non-financial companies	911	1.194
f) Households	-	-
Total	**273.365**	**230.431**

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

3.1 Financial assets measured at fair value through other comprehensive income: breakdown by type

Items/Amounts	31.12.2025			31.12.2024		
	L1	L2	L3	L1	L2	L3
1. Debt securities	**880.281**	**5.548**	**-**	**539.362**	**5.574**	**-**
1.1 Structured	-	-	-	4.462	-	-
1.2 Other debt securities	880.281	5.548	-	534.900	5.574	-
2. Equity securities	**156.145**	**-**	**73.158**	**84.159**	**-**	**72.730**
3. Loans	**-**	**-**	**-**	**-**	**-**	**-**
Total	**1.036.426**	**5.548**	**73.158**	**623.521**	**5.574**	**72.730**

Key
L1 = Level 1
L2 = Level 2
L3 = Level 3

Financial assets measured at fair value through other comprehensive income total 1,115,1 million Euro at 31 December 2025, up 413,3 million Euro from December 2024, and include the debt securities that passed the SPPI test as well as equity securities for which the Bank elected the so-called OCI option pursuant to IFRS 9.

Level 1 “other debt securities” refer for 825,8 million Euro to Italian and foreign Government bonds (455,3 million Euro in 2024).

Equity securities measured at fair value through other comprehensive income amount to 229,3 million Euro at 31 December 2025, up 46,2% from 31 December 2024. This item mainly includes minority interests in leading companies in the banking and insurance, energy and telecommunications sectors, both Italian (151 million Euro)

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and foreign (78,3 million Euro), as part of the overall dividend optimisation implemented by the Bank's proprietary portfolio.

It should also be noted that financial assets measured at fair value through Level 3 comprehensive income include shares in the capital of the Bank of Italy in the amount of 50 million Euro. In this regard, it should be noted that these units derive from the capital increase transaction carried out by the Bank of Italy in 2013 as a result of Decree-Law No. 133 of 30 November 2013, converted by Law No. 5 of 29 January 2014, which resulted in the issuance of new quotas, for a value of 25.000 Euro per unit.

3.2 Financial assets measured at fair value through other comprehensive income: breakdown by debtor/issuer

Items/Amounts	31.12.2025	31.12.2024
1. Debt securities	**885.829**	**544.936**
a) Central Banks	-	-
b) Public Administrations	825.798	455.312
c) Banks	28.521	34.310
d) Other financial companies	11.242	20.103
of which: insurance companies	-	-
e) Non-financial companies	20.268	35.211
2. Equity securities	**229.303**	**156.889**
a) Banks	115.528	61.954
b) Other issuers:	113.775	94.935
- other financial companies	1.254	5.712
of which: insurance companies	-	1.750
- non-financial companies	112.521	89.223
- other	-	-
3. Loans	**-**	**-**
a) Central Banks	-	-
b) Public Administrations	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non-financial companies	-	-
f) Households	-	-
Total	**1.115.132**	**701.825**

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3.3 Financial assets measured at fair value through other comprehensive income: gross amount and overall impairment losses/reversals

	Gross amount					Overall impairment losses/reversals				Overall partial write-offs(1)
	Stage 1	*of which: Low credit risk instruments*	Stage 2	Stage 3	Purchased or originated impaired	Stage 1	Stage 2	Stage 3	Purcha-sed or originated impaired	
Debt securities	884.545	*884.545*	2.286	-	-	(467)	(535)	-	-	-
Loans	-	-	-	-	-	-	-	-	-	-
Total 31.12.2025	**884.545**	***884.545***	**2.286**	**-**	**-**	**(467)**	**(535)**	**-**	**-**	**-**
Total 31.12.2024	**542.021**	***541.731***	**3.596**	**-**	**-**	**(363)**	**(318)**	**-**	**-**	**-**

(1) Value to be disclosed for information purposes.

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Section 4 - Financial assets measured at amortised cost - Item 40

4.1 Financial assets measured at amortised cost: breakdown of receivables due from banks by type

Type of transaction/Amounts	31.12.2025						31.12.2024					
	Carrying amount			Fair value			Carrying amount			Fair value		
	Stages 1 and 2	Stage 3	Purchased or originated impaired	L1	L2	L3	Stages 1 and 2	Stage 3	Purchased or originated impaired	L1	L2	L3
A. Receivables due from Central	**50.804**	**-**	**-**	**-**	**-**	**50.804**	**73.189**	**-**	**-**	**-**	**-**	**73.189**
1. Term deposits	-	-	-	X	X	X	-	-	-	X	X	X
2. Compulsory reserve	50.742	-	-	X	X	X	73.189	-	-	X	X	X
3. Reverse repurchase agreements	-	-	-	X	X	X	-	-	-	X	X	X
4. Others	62	-	-	X	X	X	-	-	-	X	X	X
B. Receivables due from banks	**664.530**	**-**	**-**	**356.764**	**-**	**310.530**	**687.756**	**-**	**-**	**545.975**	**2.082**	**151.817**
1. Loans	282.183	-	-	-	-	282.182	131.696	-	-	-	-	131.695
1.1. Current accounts	-	-	-	X	X	X	-	-	-	X	X	X
1.2 Term deposits	182.396	-	-	X	X	X	470	-	-	X	X	X
1.3 Other loans:	99.787	-	-	X	X	X	131.226	-	-	X	X	X
- Reverse repurchase agreements	-	-	-	X	X	X	25.181	-	-	X	X	X
- Financing for leasing	240	-	-	X	X	X	278	-	-	X	X	X
- Other	99.547	-	-	X	X	X	105.767	-	-	X	X	X
2. Debt securities	382.347	-	-	356.764	-	28.348	556.060	-	-	545.975	2.082	20.122
2.1 Structured	-	-	-	-	-	-	2.045	-	-	-	2.082	-
2.2 Other debt securities	382.347	-	-	356.764	-	28.348	554.015	-	-	545.975	-	20.122
Total	**715.334**	**-**	**-**	**356.764**	**-**	**361.334**	**760.945**	**-**	**-**	**545.975**	**2.082**	**225.006**

Key:
L1 = Level 1
L2 = Level 2

Amounts due from banks measured at amortised cost amount to 715,3 million Euro as at 31 December 2025, down 45,6 million Euro from the balance as at 31 December 2024. Exposures to central banks decrease by about 22,4 million Euro to 50,8 million Euro (73,2 million Euro in 2024). Maturity deposits increase by about 182 million Euro

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(of which 71 million Euro with illimity Bank as counterparty). Debt securities under this item amount to approximately 382,3 million Euro and decrease by 31,3% compared to 556,1 million Euro in 2024, mainly as a result of the lower volume of net investments made during 2025.

4.2 Financial assets measured at amortised cost: breakdown of receivables due from customers by type

Type of transaction/Amounts	31.12.2025						31.12.2024					
	Carrying amount			Fair value			Carrying amount			Fair value		
	Stages 1 and 2	Stage 3	Purcha-sed or originated impaired	L1	L2	L3	Stages 1 and 2	Stage 3	Purchased or originated impaired	L1	L2	L3
1. Loans	**6.990.574**	**186.498**	**22.047**	**-**	**-**	**7.203.998**	**6.799.228**	**197.612**	**22.862**	**-**	**-**	**7.068.671**
1.1. Current accounts	89.957	8.041	163	X	X	X	154.843	7.884	146	X	X	X
1.2. Reverse repurchase agreements	-	-	-	X	X	X	153.628	-	-	X	X	X
1.3. Loans/ mortgages	2.842.758	79.801	21.017	X	X	X	2.366.098	76.484	20.425	X	X	X
1.4. Credit cards, personal loans and salary-backed loans	-	4	26	X	X	X	2	5	136	X	X	X
1.5. Financing for leasing	1.420.813	14.954	-	X	X	X	1.384.065	12.832	-	X	X	X
1.6. Factoring	2.122.995	50.256	57	X	X	X	2.245.270	64.119	57	X	X	X
1.7. Other loans	514.051	33.442	784	X	X	X	495.322	36.288	2.098	X	X	X
2. Debt securities	**2.827.135**	**15.305**	**-**	**1.884.663**	**-**	**912.643**	**2.298.342**	**2.206**	**-**	**1.694.224**	**-**	**560.426**
2.1. Structured	14.063	-	-	8.642	-	5.637	13.246	-	-	8.857	-	4.491
2.2. Other debt securities	2.813.072	15.305	-	1.876.021	-	907.006	2.285.096	2.206	-	1.685.367	-	555.935
Total	**9.817.709**	**201.803**	**22.047**	**1.884.663**	**-**	**8.116.641**	**9.097.570**	**199.818**	**22.862**	**1.694.224**	**-**	**7.629.097**

Total receivables due from customers measured at amortised cost amount to 10,0 billion Euro, +7,7% on 31 December 2024 (9,3 billion Euro). The item sees financing grow by 2,6% compared to 2024, thanks to the growth in mortgages (+480,6 million Euro) and leasing financing (+38,9 million Euro), only partially offset by the decrease in factoring (-136,1 million Euro). Debt securities amount to 2,8 billion Euro at the end of 2025 (+23,6% year-on-year). Government bonds purchased with a view to maximising the liquidity target amount to 1.770,6 million Euro as at 31 December 2025 (+12,1% compared to 2024; 1.579,0 million Euro). Level 3 securities mainly include investments in securitisations.

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4.3 Financial assets measured at amortised cost: breakdown of receivables due from customers by debtor/issuer

Type of transaction/Amounts	31.12.2025			31.12.2024		
	Stages 1 and 2	Stage 3	Purchased or originated impaired	Stages 1 and 2	Stage 3	Purchased or originated impaired
1. Debt securities:	**2.827.135**	**15.305**	**-**	**2.298.342**	**2.206**	**-**
a) Public Administrations	1.788.197	-	-	1.603.377	-	-
b) Other financial companies	973.040	15.305	-	617.841	2.206	-
of which: insurance companies	10.598	-	-	-	-	-
c) Non-financial companies	65.898	-	-	77.124	-	-
2. Loans to:	**6.990.574**	**186.498**	**22.047**	**6.799.228**	**197.612**	**22.862**
a) Public Administrations	258.316	21.738	57	250.240	30.944	57
b) Other financial companies	1.448.719	616	-	1.348.820	426	1.162
of which: insurance companies	233	-	-	1.854	-	-
c) Non-financial companies	4.829.654	146.528	14.947	4.776.088	143.123	13.619
d) Households	453.885	17.616	7.043	424.080	23.119	8.024
Total	**9.817.709**	**201.803**	**22.047**	**9.097.570**	**199.818**	**22.862**

4.4 Financial assets measured at amortised cost: gross amount and overall impairment losses/reversals

	Gross amount					Overall impairment losses/reversals				Overall partial write-offs(1)
	Stage 1	*of which: Low credit risk instruments*	Stage 2	Stage 3	Purchased or originated impaired	Stage 1	Stage 2	Stage 3	Purchased or originated impaired	
Debt securities	3.210.891	*3.210.892*	-	17.149	-	(1.409)	-	(1.844)	-	-
Loans	6.885.710	-	471.860	400.369	22.047	(25.969)	(8.040)	(213.871)	-	(2.270)
Total 31.12.2025	**10.096.601**	***3.210.892***	**471.860**	**417.518**	**22.047**	**(27.378)**	**(8.040)**	**(215.715)**	**-**	**(2.270)**
Total 31.12.2024	**9.410.396**	***2.855.355***	**512.325**	**397.365**	**22.862**	**(40.613)**	**(23.593)**	**(197.547)**	**-**	**(2.401)**

(1) Amount to be reported for disclosure purposes

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Section 5 - Hedging derivatives - Item 50

5.1 Hedging derivatives: breakdown by hedge type and Levels

	Fair Value 31.12.2025			Notional amount	Fair Value 31.12.2024			Notional amount
	L1	L2	L3	31.12.2025	L1	L2	L3	31.12.2024
A. Financial derivatives								
1) Fair value	-	23.398	-	672.739	-	7.404	-	188.163
2) Cash flows	-	-	-	-	-	-	-	-
3) Foreign investments	-	-	-	-	-	-	-	-
B. Credit derivatives								
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-		-	-	-	
Total	**-**	**23.398**	**-**	**672.739**	**-**	**7.404**	**-**	**188.163**

The evolution of the fair values of outstanding derivatives is influenced not only by volumes, but also by the dynamics of interest rates. Fair value measurements are classified on the basis of a hierarchy of levels that reflects the observability of the inputs used in the measurements. For further information, refer to section 'A.4 - Fair Value Disclosures' in 'Part A - Accounting Policies' of these Notes to the Financial Statements.

5.2 Hedging derivatives: breakdown by hedged portfolio and type of hedge

Transactions/Hedge type	Fair Value							Cash flows		Foreign investments
	Specific						Generic	Specific	Generic	
	debt securities and interest rates	equity securities and share indexes	currencies and gold	credit	commodities	other				
1. Financial assets measured at fair value through other comprehensive income	12.526	9.728	-	-	X	X	X	-	X	X
2. Financial assets measured at amortised cost	1.144	X	-	-	X	X	X	-	X	X
3. Portfolio	X	X	X	X	X	X	-	X	-	X
4. Other transactions	-	-	-	-	-	-	X	-	X	-
Total assets	**13.670**	**9.728**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Financial liabilities	-	X	-	-	-	-	X	-	X	X
2. Portfolio	X	X	X	X	X	X	-	X	-	X
Total liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
1. Expected transactions	X	X	X	X	X	X	X	-	X	X
2. Portfolio of financial assets and liabilities	X	X	X	X	X	X	-	X	-	-

Section 6 - Value adjustment of financial assets generically hedged - Item 60

Item 60 is not entered at the reporting date.

6.1 Value adjustment of hedged assets: breakdown by hedged portfolio

The case does not exist.

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Section 7 - Equity investments - Item 70

7.1 Equity investments: information on investments

Company Name	Registered office	Head Office	Equity %	Voting rights %
A. Subsidiaries				
1. Ifis Finance Sp. z o.o.	Warsaw	Warsaw	100,00%	100,00%
2. Ifis Rental Services S.r.l.	Milan	Milan	100,00%	100,00%
3. Ifis Npl Investing S.p.A.	Mestre	Florence, Milan and Mestre	100,00%	100,00%
4. Cap.Ital.Fin. S.p.A.	Naples	Naples	100,00%	100,00%
5. Banca Credifarma S.p.A.	Bologna	Bologna	87,962%	87,962%
6. Ifis Finance I.F.N. S.A.	Bucharest	Bucharest	99,99%	99,99%
7. Ifis Npl 2021-1 SPV S.r.l.	Conegliano (Province of Treviso)	Conegliano (Province of Treviso)	51,00%	51,00%
8. illimity Bank S.p.A.	Milan	Milan	100,00%	100,00%
9. Euclidea SIM S.p.A.	Milan	Milan	100,00%	100,00%
B. Joint ventures	-	-	-	-
C. Companies under significant influence	-	-	-	-
1. Edulia S.r.l.	Rome	Rome	20%	20%

7.2 Significant shareholdings: carrying amount, fair value and dividends received

The disclosures in this table should not be provided in these financial statements as Banca Ifis prepares as a Group the relevant consolidated financial statements pursuant to Circular 262.

7.3 Significant shareholdings: accounting information

The disclosures in this table should not be provided in these financial statements as Banca Ifis prepares as a Group the relevant consolidated financial statements pursuant to Circular 262.

7.4 Non-significant shareholdings: accounting information

The case does not exist.

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7.5 Equity investments: annual changes

	31.12.2025	31.12.2024
A. Opening balance	**699.511**	**672.528**
B. Increases	**352.049**	**30.000**
B.1 Purchases	352.049	30.000
B.2 Reversals of impairment losses	-	-
B.3 Revaluations	-	-
B.4 Other changes	-	-
C. Decreases	**2.862**	**3.017**
C.1 Sales	-	-
C.2 Impairment losses/reversals	2.862	3.017
C.3 Devaluations	-	-
C.4 Other changes	-	-
D. Closing balance	**1.048.698**	**699.511**
E. Total revaluations	**-**	**-**
F. Total adjustments	**2.862**	**3.017**

The purchases refer to: the extraordinary transaction that led to a 100% stake in illimity Bank S.p.A., (+330,5 million Euro), the purchase of 100% of the shares in Euclidea SIM S.p.A. (+19,8 million Euro), and the purchase of a shareholding with significant influence in Edulia S.r.l. (20% owned). The write-backs recorded refer entirely to the investment in Cap.Ital.Fin. S.p.A. and reflect the impairment carried out on the relevant equity investment.

7.6 Commitments in respect of interests in companies held jointly

The case does not exist.

7.7 Commitments in respect of interests in companies subject to significant influence

The case does not exist.

7.8 Significant restrictions

The case does not exist.

7.9 Other information

There is no further information to report than that presented in the preceding paragraphs.

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Section 8 - Property, plant and equipment - Item 80

8.1 Property, plant and equipment for functional use: breakdown of assets measured at cost

Assets/amounts	31.12.2025	31.12.2024
1. Owned	**177.154**	**141.566**
a) Land	27.591	20.297
b) Buildings	89.836	74.189
c) Furniture	3.741	3.445
d) Electronic equipment	4.047	4.280
e) Other	51.939	39.355
2. Rights of use acquired through leases	**20.053**	**21.238**
a) Land	-	-
b) Buildings	16.993	17.637
c) Furniture	-	-
d) Electronic equipment	-	-
e) Other	3.060	3.601
Total	**197.207**	**162.804**
of which: obtained by enforcing collateral	**-**	**-**

Property, plant and equipment amount to 197,2 million Euro, showing an increase of approximately 34,4 million Euro compared to the balance of 162,8 million Euro in 2024. The change is mainly driven by the Bank's investments in 2025, including purchases of land and office buildings in Milan and Rome.

At 31 December 2025, the properties recognised under property, plant and equipment include the important historical building "Villa Fürstenberg" ("Villa Marocco"), located in Mestre – Venice and housing Banca Ifis's registered office.

8.2 Property, plant and equipment held for investment purpose: breakdown of assets measured at cost

Assets/Amounts	31.12.2025				31.12.2024			
	Carrying amount	Fair value			Carrying amount	Fair value		
		L1	L2	L3		L1	L2	L3
1. Owned	**210**	**-**	**-**	**210**	**210**	**-**	**-**	**210**
a) Land	-	-	-	-	-	-	-	-
b) Buildings	210	-	-	210	210	-	-	210
2. Rights of use acquired through leases	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
a) Land	-	-	-	-	-	-	-	-
b) Buildings	-	-	-	-	-	-	-	-
Total	**210**	**-**	**-**	**210**	**210**	**-**	**-**	**210**
of which: obtained by enforcing collateral	-	-	-	-	-	-	-	-

Key
CA = Carrying amount
L1 = Level 1
L2 = Level 2
L3 = Level 3

8.3 Property, plant and equipment for functional use: breakdown of assets written back

There is no data to report.

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

There is no data to report.

8.5 Inventories of tangible assets covered by IAS 2: composition

The Bank held no inventories of tangible assets governed by IAS 2 at the reporting date.

8.6 Property, plant and equipment for functional use: annual changes

	Land	Buildings	Furni-shings	Electronic equip-ment	Other	Total 31.12.2025
A. Gross opening balance	**20.297**	**118.810**	**12.795**	**24.998**	**55.989**	**232.889**
A.1 Total net amortisation and impairment losses	-	26.984	9.350	20.718	13.032	70.084
A.2 Net opening balance	**20.297**	**91.826**	**3.445**	**4.280**	**42.957**	**162.805**
B. Increases	**7.294**	**23.020**	1.051	1.581	**18.372**	**51.318**
B.1 Purchases	**7.294**	**22.886**	1.051	1.581	13.717	46.529
B.2 Capitalised improvement expenses	-	-	-	-	1.675	1.675
B.3 Reversals of impairment losses	-	-	-	-	-	-
B.4 Fair value gains taken to:	-	-	-	-	-	-
a) equity	-	-	-	-	-	-
b) profit or loss	-	-	-	-	-	-
B.5 Exchange gains	-	-	-	-	-	-
B.6 Transfers from investment property	-	-	X	X	X	-
B.7 Other changes	-	134	-	-	2.980	3.114
C. Decreases	**-**	**8.017**	**755**	**1.814**	**6.330**	**16.916**
C.1 Sales	-	37	3	-	3	43
C.2 Depreciation	-	4.426	752	1.814	5.654	12.646
C.3 Impairment losses taken to:	-	-	-	-	-	-
a) equity	-	-	-	-	-	-
b) profit or loss	-	-	-	-	-	-
C.4 Fair value losses taken to:	-	-	-	-	-	-
a) equity	-	-	-	-	-	-
b) profit or loss	-	-	-	-	-	-
C.5 Exchange losses	-	-	-	-	-	-
C.6 Transfers to:	-	-	-	-	-	-
a) Property, plant and equipment held for investment purpose	-	-	X	X	X	-
b) Non-current assets and disposal groups	-	-	-	-	-	-
C.7 Other changes	-	3.554	-	-	673	4.227
D. Net closing balance	**27.591**	**106.829**	**3.741**	**4.047**	**54.999**	**197.207**
D.1 Total net amortisation and impairment losses	-	30.616	10.052	22.017	17.773	80.458
D.2 Gross closing balance	**27.591**	**137.445**	**13.793**	**26.064**	**72.772**	**277.665**
E. Measurement at cost	**-**	**-**	**-**	**-**	**-**	**-**

Property, plant and equipment for functional use are measured at cost and are depreciated on a straight-line basis over their useful life, with the exclusion of land with an indefinite useful life and the “Villa Fürstenberg” ("Villa Marocco") property, whose residual value at the end of its useful life is expected to be higher than its carrying amount.

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Property, plant and equipment not yet brought into use at the reporting date are not depreciated.

8.7 Property, plant and equipment held for investment purpose: annual changes

	31.12.2025	
	Land	Buildings
A. Opening balance	**-**	**210**
B. Increases	**-**	**-**
B.1 Purchases	-	-
B.2 Capitalised improvement expenses	-	-
B.3 Fair value gains	-	-
B.4 Reversals of impairment losses	-	-
B.5 Exchange gains	-	-
B.6 Transfers from property for functional use	-	-
B.7 Other changes	-	-
C. Decreases	**-**	**-**
C.1 Sales	-	-
C.2 Depreciation	-	-
C.3 Fair value losses	-	-
C.4 Impairment losses	-	-
C.5 Exchange losses	-	-
C.6 Transfers to:	-	-
a) property for functional use	-	-
b) Non-current assets and disposal groups	-	-
C.7 Other changes	-	-
D. Closing balance	**-**	**210**
E. Measurement at fair value	**-**	**210**

8.8 Inventories of tangible assets covered by IAS 2: annual changes

There is no data to report.

8.9 Commitments to purchase property, plant and equipment

There are no commitments to purchase property, plant and equipment.

Section 9 - Intangible assets - Item 90

9.1 Intangible assets: breakdown by asset type

Assets/Amounts	31.12.2025		31.12.2024	
	Finite life	Indefinite life	Finite life	Indefinite life
A.1 Goodwill	**X**	**-**	**X**	**-**
A.2 Other intangible assets	**44.889**	**-**	**40.100**	**-**
of which: software	*44.889*	-	*40.100*	-
A.2.1 Assets measured at cost:	44.889	-	40.100	-
a) Internally generated intangible assets	3.119	-	2.749	-
b) Other assets	41.770	-	37.351	-
A.2.2 Assets measured at fair value:	-	-	-	-
a) Internally generated intangible assets	-	-	-	-
b) Other assets	-	-	-	-
Total	**44.889**	**-**	**40.100**	**-**

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Other intangible assets refer almost exclusively to software purchase and development and are amortised on a straight-line basis over the estimated useful life, which is five years from deployment.

9.2 Intangible assets: annual changes

	Goodwill	Other intangible assets: internally generated		Other intangible assets: other		Total 31.12.2025
		FINITE	INDEF	FINITE	INDEF	
A. Opening balance	**-**	**3.267**	**-**	**110.249**	**-**	**113.516**
A.1 Total net amortisation and impairment losses	-	518	-	72.898	-	73.416
A.2 Net opening balance	**-**	**2.749**	**-**	**37.351**	**-**	**40.100**
B. Increases	**-**	**1.109**	**-**	**16.320**	**-**	**17.429**
B.1 Purchases	-	-	-	15.979	-	15.979
B.2 Increases in internally generated intangible assets	X	**1.109**	-	341	-	1.450
B.3 Reversals of impairment losses	X	-	-	-	-	-
B.4 Fair value gains	-	-	-	-	-	-
- to equity	X	-	-	-	-	-
- to profit or loss	X	-	-	-	-	-
B.5 Exchange gains	-	-	-	-	-	-
B.6 Other changes	-	-	-	-	-	-
C. Decreases	**-**	**739**	**-**	**11.901**	**-**	**12.640**
C.1 Sales	-	-	-	-	-	-
C.2 Impairment losses/reversals	-	739	-	11.901	-	12.640
- Amortisation	X	739	-	11.901	-	12.640
- Impairment losses:	-	-	-	-	-	-
+ equity	X	-	-	-	-	-
+ profit or loss	-	-	-	-	-	-
C.3 Fair value losses:	-	-	-	-	-	-
- to equity	X	-	-	-	-	-
- to profit or loss	X	-	-	-	-	-
C.4 Transfer to non-current assets under disposal	-	-	-	-	-	-
C.5 Exchange losses	-	-	-	-	-	-
C.6 Other changes	-	-	-	-	-	-
D. Net closing balance	**-**	**3.119**	**-**	**41.770**	**-**	**44.889**
D.1 Total net amortisation, impairment losses and reversals of impairment losses	-	1.257	-	84.799	-	86.056
E. Gross closing balance	**-**	**4.376**	**-**	**126.569**	**-**	**130.945**
F. Measurement at cost	-	-	-	-	-	-

Key
FIN: finite useful life
INDEF: indefinite useful life

Purchases refer exclusively to investments for the enhancement of IT systems.

9.3 Intangible assets: other information

There is no further information to report than that presented in the preceding paragraphs.

Section 10 - Tax assets and liabilities - Item 100 of assets and Item 60 of liabilities

National consolidated tax regime

On 4 July 2025, as an indirect consequence of the offer on the illimity Bank Group, the control requirement pursuant to Article 120 of the TUIR (Consolidated Law on Income Tax), required for the continuation of the existing national

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tax consolidation arrangement between La Scogliera S.A. (Italian branch), Banca Ifis S.p.A., and its subsidiaries, ceased to apply.

In order to preserve the Bank's tax benefits for the Banca Ifis Group, a new option for the National Tax Consolidation was exercised for the three-year period 2025-2027, with the Bank as Consolidator and the other group companies resident in Italy (with the exception of the newly acquired illimity Group and Euclidea SIM, now Fürstenberg SIM) as Consolidating Party meeting the requirements of the TUIR.

Current tax assets and liabilities include both items relating to IRES, the relative surtax and IRAP payments on account, and those relating to the IRES payable, the relative surtax and IRAP estimated for the year, also determined on the basis of the Bank's role as tax consolidator.

In application of the tax consolidation agreements in place, receivables or payables for tax consolidation with the companies participating in the National Tax Consolidation, in the presence, respectively, of negative or positive IRES taxable income pursuant to current legislation, as well as payables relative to the portion of IRES advance for the year that may be attributed to each consolidated company, are recorded under Other Assets or Other Liabilities. As a result of the tax consolidation agreements in place, tax consolidation receivables from the companies participating in the National Tax Consolidation Programme with positive IRES taxable income under tax law are recognised as Other assets. In addition, current tax liabilities include the items relating to the tax burden for the relevant financial year as a result of the Bank's role as tax consolidator.

10.1 Deferred tax assets: breakdown

The main types of deferred tax assets are set out below:

Deferred tax assets	31.12.2025	31.12.2024
A. Gross deferred tax assets	**135.577**	**152.283**
A1. Receivables (including securitisations)	58.740	80.963
A2. Other financial instruments	12.323	10.497
A3. Goodwill	2.667	5.029
A4. Expenses spanning several years	-	-
A5. Tangible assets	-	-
A6. Provisions for risks and charges	20.083	12.538
A7. Entertainment expenses	-	-
A8. Personnel-related expenses	-	-
A9. Tax losses	38.949	39.989
A10. Unused tax credits to be deducted	-	-
A11. Other	2.815	3.267
B. Set-off with deferred tax liabilities	**-**	**-**
C. Net deferred tax assets	**135.577**	**152.283**

Deferred tax assets amount to 135,6 million Euro compared to the figure of 152,3 million Euro at 31 December 2024 and consist mainly of approximately 58,7 million Euro of assets recognised for impairment losses on receivables due from customers, potentially convertible into tax credits (81 million Euro at 31 December 2024), 38,9 million Euro assets recognised for prior tax losses and aid for economic growth (“ACE”) benefit (40,0 million Euro at 31 December 2024) and 12,3 million Euro in misalignments on financial assets measured at fair value with impact on comprehensive income (10,5 million Euro at 31 December 2024).

The item also includes approximately 2,7 million Euro for the tax redemption of goodwill booked on the Consolidated Financial Statements relative to the purchase of the controlling equity investment in the former Fbs and 20,1 million Euro for temporary differences in provisions for risks and charges.

In accordance with the rules set forth in IAS 12, the Bank recognised Deferred Tax Assets (DTAs), after verifying that the amounts so recognised are supported by a probability opinion on their recoverability. For the purpose of

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expressing the aforementioned opinion, current tax provisions were taken into consideration, with particular reference to the rules for transforming certain deferred tax assets into tax credits, and the Bank's ability to generate future taxable income also taking into account the "tax consolidation" option.

Recognition of these assets and their subsequent maintenance therefore presupposes an assessment of the likelihood of their recovery. This assessment is not carried out for deferred tax assets pursuant to Law No. 214 of 22 December 2011, which can be transformed into tax credits in the event of the recognition of a "statutory loss", a "tax loss" for IRES tax purposes and a "negative net production value" for IRAP tax purposes, and for which the relative recovery is therefore certain regardless of the ability to generate future income.

For the remaining tax assets that cannot be transformed into tax credits, the judgement of their likelihood is supported by a valuation exercise of recoverability (referred to as the “probability test”). Based on the provisions of IAS 12 and the considerations made by ESMA in its paper of 15 July 2019, the aforementioned assessment of recoverability requires a careful reconnaissance of all evidence supporting the likelihood of having sufficient taxable income in the future, also taking into account the circumstances that generated the tax losses, which should be traced back to clearly identified causes that are deemed to be non-repeatable in the future on a recurring basis.

With reference to the recoverability of deferred tax assets recognised at 31 December 2025 other than those convertible pursuant to Law 214/2011, on the basis of estimated future taxable income, the relative recovery has been assessed as probable, albeit over a medium-term time horizon. Specifically, the portion attributable to Law 214/2011 would be reversed by 2029 by express legislative provision.

It is recalled that such deferred tax assets, which meet the requirements set forth by the specified Law, can be transformed into tax credits in the event of the recognition of a "statutory loss", a "tax loss" for IRES tax purposes and a "negative net production value" for IRAP tax purposes; their recovery is therefore certain regardless of the capacity to generate future income. The maintenance of convertibility into tax credits is subject to the exercise of the option provided for by D.L. No. 59 of 3 May 2016, converted with amendments by Law No. 119 of 30 June 2016, which the Bank decided to avail itself of in accordance with the envisaged terms and conditions.

A significant portion of past tax losses and ACE surpluses would be recovered (greater than 85%) by 2033. The remaining portion refers mainly to financial assets measured at fair value through other comprehensive income (FVOCI) and is therefore related to the performance of the related reserve.

Details on the assumptions used for the probability test and their outcomes are given below.

Estimated future taxable income

Future taxable income was estimated based on specific income projections of Banca Ifis for the three-year period 2026-2028 prepared on the basis of the FY 2026 budget.

In order to properly take into account the uncertainty in the estimation of future income, the last available income without any growth assumptions was used as a reference for long-term profitability.

Probability test results and sensitivity analysis

On the basis of the assessment carried out with the model described previously, out of the overall total of 135,6 million Euro, the 58,7 million Euro portion attributable to Law 214/2011 (equal to 43,3% of the total DTA) will be reversed by 2029 due to express regulatory provision. The portion referring to prior tax losses and ACE surpluses, totalling 38,9 million Euro (or 28,7% of the total DTA) should be fully recovered from 2025 to 2033 (of which approximately 31 million Euro by 2029). The remainder, amounting to 38,0 million Euro, mainly relates to provisions for risks recognised in the balance sheet that will be reversed in subsequent years, and to financial assets measured at fair value with an impact on comprehensive income (FVOCI), which are correlated to the performance of the relevant reserve.

10.2 Deferred tax liabilities: breakdown

The main types of deferred tax liabilities are shown below:

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Deferred tax liabilities	31.12.2025	31.12.2024
A. Gross deferred tax liabilities	**23.570**	**27.060**
A1. Capital gains to be spread over multiple periods	-	-
A2. Goodwill	-	-
A3. Tangible assets	290	290
A4. Financial instruments	3.209	1.320
A5. Personnel-related expenses	-	-
A6. Other	20.071	25.450
B. Set-off with deferred tax assets	**-**	**-**
C. Net deferred tax liabilities	**23.570**	**27.060**

Deferred tax liabilities, totalling 23,6 million Euro, mainly include 19,6 million Euro in receivables for interest on arrears that will be taxed upon receipt, 0,3 million Euro in the revaluation of property and 3,2 million Euro relative to financial assets measured at fair value through other comprehensive income (FVOCI).

10.3 Changes in deferred tax assets (recognised through profit or loss)

	31.12.2025	31.12.2024
1. Opening balance	**141.786**	**197.727**
2. Increases	**22.265**	**27.411**
2.1 Deferred tax assets recognised in the year	21.567	27.411
a) relative to previous years	6.614	(65)
b) due to change in accounting standards	-	-
c) reversals of impairment losses	-	-
d) other	14.953	27.476
2.2 New taxes or increases in tax rates	698	-
2.3 Other increases	-	-
3. Decreases	**40.797**	**83.352**
3.1 Deferred tax assets reversed during the year	11.414	56.564
a) reversals	-	56.564
b) impairment losses due to unrecoverability	1.035	-
c) change in accounting standards	-	-
d) other	10.379	-
3.2 Reductions in tax rates	-	-
3.3 Other decreases:	29.383	26.788
a) conversion into tax credits as per Italian Law No. 214/2011	29.383	26.788
b) other	-	-
4. Closing balance	**123.254**	**141.786**

10.3bis Changes in deferred tax assets as per Italian Law No. 214/2011

	31.12.2025	31.12.2024
1. Opening balance	**80.963**	**135.184**
2. Increases	**7.160**	**16**
3. Decreases	**29.383**	**54.237**
3.1 Reversals	-	27.449
3.2 Conversion in tax credits	29.383	26.788
a) deriving from losses for the year	-	-
b) deriving from tax losses	29.383	26.788
3.3 Other decreases	-	-
4. Closing balance	**58.740**	**80.963**

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10.4 Changes in deferred tax liabilities (recognised through profit or loss)

	31.12.2025	31.12.2024
1. Opening balance	**25.713**	**28.436**
2. Increases	**22.266**	**26.241**
2.1 Deferred tax assets recognised in the year	22.259	26.241
a) relative to previous years	-	-
b) due to change in accounting standards	-	-
c) other	22.259	26.241
2.2 New taxes or increases in tax rates	7	-
2.3 Other increases	-	-
3. Decreases	**27.616**	**28.964**
3.1 Deferred tax liabilities reversed during the year	27.616	28.964
a) reversals	26.314	28.964
b) due to change in accounting standards	-	-
c) other	1.302	-
3.2 Reductions in tax rates	-	-
3.3 Other decreases	-	-
4. Closing balance	**20.363**	**25.713**

10.5 Changes in deferred tax assets (recognised through equity)

	31.12.2025	31.12.2024
1. Opening balance	**10.497**	**11.928**
2. Increases	**1.826**	**-**
2.1 Deferred tax assets recognised in the year	1.826	-
a) relative to previous years	-	-
b) due to change in accounting standards	-	-
c) other	1.826	-
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	-	-
3. Decreases	**-**	**1.431**
3.1 Deferred tax assets reversed during the year	-	1.431
a) reversals	-	1.431
b) impairment losses due to unrecoverability	-	-
c) due to change in accounting standards	-	-
d) other	-	-
3.2 Reductions in tax rates	-	-
3.3 Other decreases	-	-
4. Closing balance	**12.323**	**10.497**

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10.6 Changes in deferred tax liabilities (recognised through equity)

	31.12.2025	31.12.2024
1. Opening balance	**1.347**	**1.033**
2. Increases	**11.527**	**314**
2.1 Deferred tax assets recognised in the year	11.527	314
a) relative to previous years	-	(11)
b) due to change in accounting standards	-	-
c) other	11.527	325
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	-	-
3. Decreases	9.667	**-**
3.1 Deferred tax liabilities reversed during the year	9.667	-
a) reversals	9.578	-
b) due to change in accounting standards	-	-
c) other	89	-
3.2 Reductions in tax rates	-	-
3.3 Other decreases	-	-
4. Closing balance	**3.207**	**1.347**

10.7 Other information

A) Current tax assets

	31.12.2025	31.12.2024
A. Gross current tax assets	**75.713**	**21.491**
A.1 IRES advances	44.433	304
A.2 IRAP advances	6.486	6.423
A.3 Other receivables and retentions	24.794	14.764
B. Set-off with current tax liabilities	**-**	**-**
C. Net current tax assets	**75.713**	**21.491**

B) Current tax liabilities

	31.12.2025	31.12.2024
A. Gross current tax liabilities	**52.988**	**9.138**
A.1 IRES tax liabilities	45.833	-
A.2 IRAP tax liabilities	7.155	9.138
A.3 Other current income taxes payable	-	-
B. Set-off with current tax assets	**-**	**-**
C. Net current tax liabilities	**52.988**	**9.138**

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Section 11 – Non-current assets and disposal groups and related liabilities – Item 110 (assets) and Item 70 (liabilities)

11.1 Non-current assets and disposal groups: breakdown by type of asset

	Total 31.12.2025	Total 31.12.2024
A. Assets held for sale		
A.1 Financial assets	8.030	-
A.2 Equity investments		-
A.3 Property, plant and equipment		-
of which: obtained by enforcing collateral		-
A.4 Intangible assets		-
A.5 Other non-current assets		-
Total (A)	**8.030**	**-**
of which measured at cost		-
of which measured at fair value Level 1		-
of which measured at fair value Level 2		-
of which measured at fair value Level 3	*8.030*	-
B. Discontinued operations	-	-
B.1 Financial assets measured at fair value through profit or loss	-	-
- financial assets held for trading	-	-
- financial assets measured at fair value	-	-
- other financial assets mandatorily measured at fair value	-	-
B.2 Financial assets measured at fair value through other comprehensive income	-	-
B.3 Financial assets measured at amortised cost	-	-
B.4 Equity investments	-	-
B.5 Property, plant and equipment	-	-
of which: obtained by enforcing collateral	-	-
B.6 Intangible assets	-	-
B.7 Other assets	-	-
Total (B)	-	-
of which measured at cost	-	-
of which measured at fair value Level 1	-	-
of which measured at fair value Level 2	-	-
of which measured at fair value Level 3	-	-
C. Liabilities associated with assets held for sale	-	-
C.1 Debts	-	-
C.2 Securities	-	-
C.3 Other liabilities	-	-
Total (C)	-	-
of which measured at cost	-	-
of which measured at fair value Level 1	-	-
of which measured at fair value Level 2	-	-
of which measured at fair value Level 3	-	-
D. Liabilities associated with discontinued operations	-	-
C.1 Financial liabilities measured at amortised cost	-	-
C.2 Financial liabilities held for trading	-	-
D.3 Financial liabilities designated as at fair value	-	-

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D.4 Provisions	-	-
D.5 Other liabilities	-	-
Total (D)	-	-
of which measured at cost	-	-
of which measured at fair value Level 1	-	-
of which measured at fair value Level 2	-	-
of which measured at fair value Level 3	-	-

11.2 Other information

Non-current assets and groups of assets held for sale amount to 8,0 million Euro as at 31 December 2025 (in 2024 they had no balance) and are entirely related to credit portfolios for which the Bank expects to divest in the short term.

Section 12 - Other assets - Item 120

12.1 Other assets: breakdown

	AMOUNTS	
	31.12.2025	**31.12.2024**
Tax receivables	131.459	175.922
Accrued income and deferred expenses	32.866	33.554
Guarantee deposits	765	685
Debtors for invoices	40.904	35.300
Sundry receivables	109.827	30.546
of which: tax consolidation receivables	*45.825*	-
of which: other receivables	*64.002*	*30.546*
Miscellaneous provisional items	11.782	17.984
Effects portfolio	36.015	38.426
Total other assets	**363.618**	**332.417**

Other assets amount to 363,6 million Euro at 31 December 2025 (332,4 million Euro at 31 December 2024).

“Tax receivables” consist mainly of the portion deemed recoverable of tax credits for superbonus and other building tax bonuses, (114,7 million Euro of Ecobonus), purchased in previous years, to which a nominal amount of 126,5 million Euro corresponds.

Sundry receivables' amount to 109,8 million Euro as at 31 December 2025 (30,5 million Euro as at December 2024). This item includes receivables arising in 2025 as a result of the change in the tax consolidation system. On 4 July 2025, as an indirect consequence of the exchange of Banca Ifis shares for illimity Bank shares following the offer for the latter, the control requirement pursuant to art. 120 of the TUIR, required for the continuation of the national tax consolidation and in force between the ultimate Parent company Fürstenberg Scogliera Holding S.A. (formerly La Scogliera S.A.), Banca Ifis S.p.A. and some of its subsidiaries. The Bank has opted for a National Tax Consolidation Scheme for the three-year period 2025-2027, with the Bank as Consolidator and the other Group companies resident in Italy (with the exception of the newly-acquired illimity Group and Euclidea SIM) as Consolidated Companies qualifying under the TUIR. Adhesion to the Tax Consolidation allows the taxable income of the participating companies to be offset against each other (using the Losses and the ACE accrued during the adhesion period). In the remaining 'other receivables' of 64,0 million Euro, 33 million Euro relate to Indigo Lease, which was previously placed with third-party investors and has now returned to self-securitisation.

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LIABILITIES

Section 1 - Financial liabilities measured at amortised cost - Item 10

1.1 Financial liabilities at amortised cost: breakdown of payables due to banks by type

Type of transaction/Amounts	31.12.2025				31.12.2024			
	CA	Fair Value			CA	Fair Value		
		L1	L2	L3		L1	L2	L3
1. Payables due to Central banks	**721.826**	X	X	X	**419.316**	**X**	**X**	**X**
2. Payables due to banks	**2.720.524**	X	X	X	**908.068**	**X**	**X**	**X**
2.1 Current accounts and on demand deposits	36.337	X	X	X	727	X	X	X
2.2 Term deposits	172.652	X	X	X	91.222	X	X	X
2.3 Loans	2.494.856	X	X	X	809.938	X	X	X
2.3.1 Repurchase agreements	2.222.093	X	X	X	630.539	X	X	X
2.3.2 Other	272.763	X	X	X	179.399	X	X	X
2.4 Debt from buyback commitments on treasury equity instruments	-	X	X	X	-	X	X	X
2.5 Lease payables	-	X	X	X	-	X	X	X
2.6 Other payables	16.679	X	X	X	6.181	X	X	X
Total	**3.442.350**	**-**	**-**	**3.442.350**	**1.327.384**	**-**	**-**	**1.327.384**

Key
CA = Carrying amount
L1 = Level 1
L2 = Level 2
L3 = Level 3

Payables due to banks amount to 3,4 billion Euro, up 2,1 billion (+159,3%) compared to 31 December 2024. The change is mainly attributable to the increase in repurchase agreements with banks in the amount of 1,6 billion Euro and the increase in financing transactions with central banks in the amount of 302,2 million Euro. Specifically, as at 31 December 2025, there was an MRO transaction of 500 million Euro (400 million Euro as at 31 December 2024), executed at the end of December and repaid on 7 January 2026, and an OT (Other Type of operation) transaction in USD of 221 million Euro (19,3 million Euro as at 31 December 2024) outstanding with the ECB. As a result of Decision ECB/2022/37 of 27 October 2022 for FY 2025, the fees were determined on the basis of the rate provided for as of the aforementioned decision.

The item “Other payables” mainly includes deposits for margins related to transactions on derivatives.

The fair value of payables due to banks is in line with the relevant carrying amount, considering the counterparty and the fact that interbank deposits are short- or very short-term.

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1.2 Financial liabilities measured at amortised cost: breakdown of payables due to customers by type

Type of transaction/Amounts	31.12.2025				31.12.2024			
	CA	Fair Value			CA	Fair Value		
		L1	L2	L3		L1	L2	L3
1. Current accounts and on demand deposits	1.014.926	X	X	X	918.704	X	X	X
2. Term deposits	4.457.739	X	X	X	4.732.115	X	X	X
3. Loans	620.157	X	X	X	1.249.556	X	X	X
3.1 Repurchase agreements	251.884	X	X	X	1.045.734	X	X	X
3.2 Other	368.273	X	X	X	203.822	X	X	X
4. Debt from buyback commitments on treasury equity instruments	-	X	X	X	-	X	X	X
5. Lease payables	20.106	X	X	X	21.247	X	X	X
6. Other payables	798.731	X	X	X	1.277.801	X	X	X
Total	**6.911.659**	**-**	**-**	**6.797.551**	**8.199.423**	**-**	**-**	**8.028.548**

Key:
CA = Carrying amount
L1 = Level 1
L2 = Level 2
L3 = Level 3

Payables due to customers at 31 December 2025 total 6,9 billion Euro, down 15,7% compared to 31 December 2024. The change is mainly attributable to the decrease in repurchase agreements payable of 793,9 million Euro, the decrease of 479,1 million Euro in other payables as a result of the total repurchase of senior securities related to the Indigo Lease securitisation (which became self-securitisation again), and finally the decrease in time deposits of 274,4 million Euro. These trends were only partially offset by the growth in the balance of current accounts and sight deposits of 96,2 million Euro.

This latter item includes funding from the on demand Rendimax savings account and the Rendimax on-line current account, amounting to 504,1 million Euro and 32,9 million Euro, respectively; term deposits represent restricted funding from fixed-term Rendimax accounts and time deposits. Lease payables represent lease liabilities (connected with finance lease contracts and rights of use acquired under leases), in accordance with IFRS 16.

1.3 Financial liabilities measured at amortised cost: breakdown of debt securities issued by type

Type of securities/Amounts	31.12.2025				31.12.2024			
	CA	Fair Value			CA	Fair Value		
		L1	L2	L3		L1	L2	L3
A. Securities								
1. Bonds	1.909.708	1.961.409	-	-	1.507.314	1.455.245	112.439	-
1.1 structured bonds	-	-	-	-	-	-	-	-
1.2 other bonds	1.909.708	1.961.409	-	-	1.507.314	1.455.245	112.439	-
2. Other securities	32	-	-	32	37	-	-	37
2.1 structured	-	-	-	-	-	-	-	-
2.2 other	32	-	-	32	37	-	-	37
Total	**1.909.740**	**1.961.409**	**-**	**32**	**1.507.351**	**1.455.245**	**112.439**	**37**

Key:
CA = Carrying amount
L1 = Level 1
L2 = Level 2
L3 = Level 3

Debt securities issued at 31 December 2025 total 1.909,7 million Euro, up 26,7% compared to 31 December 2024.

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The item 'Bonds' includes senior bonds issued by the Bank totalling 1.536,5 million Euro, inclusive of interest, which increased by 35,5% compared to the previous year's figure as a result of the new Senior Preferred bond issue with a nominal value of 400 million Euro maturing in November 2029 as part of the 5 billion Euro EMTN programme.

The item also includes the Tier 2 bond in the amount of 373 million Euro, including interest, in line with the previous year's figure.

1.4 Breakdown of subordinated debts/securities

The line item "Debt securities issued" includes 373 million Euro in subordinated notes related to Euro Tier 2 bond issued in mid-October 2017 for a nominal amount of 400 million Euro.

1.5 Breakdown of structured debts

The case does not exist.

1.6 Lease payables

The lease payable is related to lease contracts of properties and cars for 17,9 million Euro, all coming under the scope of application of accounting standard IFRS 16, as more extensively described in "Part M - Leasing disclosure" of this document.

The item also includes 2,1 million Euro for the real estate lease the former company Toscana Finanza S.p.A. entered into in 2009 for the property located in Florence, which housed the headquarters of Npl Investing S.p.A. until August 2016. The term of the lease entered into with Centro Leasing S.p.A. is 18 years (from 01.03.2009 to 01.03.2027) and provides for the payment of 216 monthly instalments of 28,5 thousand Euro, including the principal, interest and an option to buy the asset at the end of the lease for 1,9 million Euro. At the reference date of these Financial Statements, the property is used as an additional operational headquarters of the Bank.

The rate applied to lease payables expresses the Group's average cost of funding taking into account the creditworthiness of the lessee and the economic environment in which the transaction takes place, in line with the requirements of IFRS 16.

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Section 2 - Financial liabilities held for trading

2.1 Financial liabilities held for trading: breakdown by type

Type of transaction/Amounts	31.12.2025					31.12.2024				
	NA	Fair value			Fair value*	NA	Fair value			Fair value*
		L1	L2	L3			L1	L2	L3	
A. On-balance-sheet liabilities										
1. Payables due to banks	-	-	-	-	-	-	-	-	-	-
2. Payables due to customers	-	-	-	-	-	-	-	-	-	-
3. Debt securities	-	-	-	-	-	-	-	-	-	-
3.1 Bonds	-	-	-	-	-	-	-	-	-	-
3.1.1 Structured	-	-	-	-	X	-	-	-	-	X
3.1.2 Other bonds	-	-	-	-	X	-	-	-	-	X
3.2 Other securities	-	-	-	-	-	-	-	-	-	-
3.2.1 Structured	-	-	-	-	X	-	-	-	-	X
3.2.2 Other	-	-	-	-	X					X
Total (A)	-	-	-	-	**-**	**-**	-	**-**	**-**	**-**
B. Derivatives										
1. Financial derivatives	-	-	13.824	-	-	-	-	13.765	-	-
1.1 for trading	X	-	13.824	-	X	X	-	13.765	-	X
1.2 connected to the fair value option	X	-	-	-	X	X	-	-	-	X
1.3 Other	X	-	-	-	X	X	-	-	-	X
2. Credit derivatives	-	-	-	-	-	-	-	-	-	-
2.1 for trading	X	-	-	-	X	X	-	-	-	X
2.2 connected to the fair value option	X	-	-	-	X	X	-	-	-	X
2.3 Other	X	-	-	-	X	X	-	-	-	X
Total (B)	**X**	**-**	**13.824**	-	**X**	**X**	**-**	**13.765**	**-**	**X**
Total (A+B)	**X**	**-**	**13.824**	-	**X**	**X**	**-**	**13.765**	**-**	**X**

Key:
NA = Nominal or notional amount
L1 = Level 1
L2 = Level 2
L3 = Level 3
Fair Value = Fair value calculated excluding changes in value due to changes in the issuer's creditworthiness compared to the date of issuance*

With regard to Level 2 trading liabilities, see the comments in "Section 2 - Financial assets measured at fair value through profit or loss - Item 20" of Assets in these Notes.

2.2 Details of “Financial liabilities held for trading”: subordinated liabilities

The case does not exist.

2.3 Details of “Financial liabilities held for trading”: structured debts

The case does not exist.

Section 3 - Financial liabilities designated at fair value - Item 30

Item 30 is not present at the reporting date.

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3.1. Financial liabilities designated at fair value: breakdown by type

The case does not exist.

3.2 Details of "Financial liabilities designated at fair value": subordinated liabilities

The case does not exist.

Section 4 - Hedging derivatives - Item 40

4.1 Hedging derivatives: breakdown by hedge type and hierarchical Levels

	Fair Value 31.12.2025			NA 31.12.2025	Fair Value 31.12.2024			NA 31.12.2024
	L1	L2	L3		L1	L2	L3	
A. Financial derivatives	**-**	**17.192**	**-**	**474.759**	**-**	**14.868**	**-**	**389.381**
1) Fair value	-	17.192	-	474.759	-	14.868	-	389.381
2) Cash flows	-	-	-	-	-	-	-	-
3) Foreign investments	-	-	-	-	-	-	-	-
B. Credit derivatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	**-**	**17.192**	**-**	**474.759**	**-**	**14.868**	**-**	**389.381**

Key:
NA = notional amount
L1 = Level 1
L2 = Level 2
L3 = Level 3

Hedging derivatives liabilities as at 31 December 2025 amount to 17,2 million Euro, up by 2,3 million Euro compared to the previous year, and mainly related to the micro fair value hedging strategy on the interest rate risk associated with securities held by the Bank.

4.2 Hedging derivatives: breakdown by hedged portfolio and type of hedge

Transactions/Hedge type	Fair Value							Cash flows		Foreign investments
	Specific						Generic	Specific	Generic	
	debt securities and interest rates	equity securities and share indexes	currencies and gold	credit	commodities	other				
1. Financial assets measured at fair value through other comprehensive income	5	8.348	-	-	X	X	X	-	X	X
2. Financial assets measured at amortised cost	8.839	X	-	-	X	X	X	-	X	X
3. Portfolio	X	X	X	X	X	X	-	X	-	X
4. Other transactions	-	-	-	-	-	-	X	-	X	-
Total assets	**8.844**	**8.348**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Financial liabilities	-	-	-	-	-	-	X	-	X	X
2. Portfolio	X	X	X	X	X	X	-	X	-	X
Total liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Expected transactions	X	X	X	X	X	X	X	-	X	X
2. Portfolio of financial assets and liabilities	X	X	X	X	X	X	-	X	-	-

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Section 5 - Value adjustment of financial liabilities generically hedged - Item 50

Item 50 is not present at the reporting date.

5.1 Value adjustment of hedged financial liabilities: breakdown by hedged portfolio

The case does not exist.

Section 6 - Tax liabilities - Item 60

Current tax liabilities amount to 53,0 million Euro, an increase of 43,9 million Euro compared to 31 December 2024 (9,1 million Euro), and include items related to the IRES payable, the related surtax and IRAP estimated to be due in the year, also determined in accordance with the role of tax consolidator assumed by the Bank in 2025. Deferred tax liabilities, totalling 23,6 million Euro, are down by 12,9% on the balance of 2024 and largely include 19,6 million Euro in receivables for interest on arrears that will be taxed upon receipt and 3,2 million Euro relative to financial assets measured at fair value through other comprehensive income (FVOCI).

Section 7 - Liabilities associated with assets held for sale - Item 70

Item 70 is not present at the reporting date.

Section 8 - Other liabilities - Item 80

8.1 Other liabilities: breakdown

	31.12.2025	31.12.2024
Payables due to suppliers	105.953	63.285
Payables due to personnel	17.448	19.993
Payables due to the Tax Office and Social Security agencies	18.410	27.366
of which payables for: Extraordinary contribution Law No. 199 of 2025	*6.574*	-
Sums available to customers	12.709	14.241
Accrued liabilities and deferred income	5.778	4.830
Other items	103.796	68.972
of which: tax consolidation payables	*36.609*	-
of which other payables	*67.187*	*68.972*
Miscellaneous provisional items	18.113	21.241
Total	**282.207**	**219.928**

At 31 December 2025, other liabilities amount to 282,2 million Euro, an increase of 62,3 million Euro from the balance at 31 December 2024. The change was mainly due to the increase in trade payables, which grew by 42,3 million Euro (+67,4%) compared to the previous year, and to the recognition of payables to group companies for the new tax consolidation (+36,6 million Euro), relating to the portion of IRES advance payment, generated as a result of the exercise of the consolidation option (for the three-year period 2025-2027), for which the Bank assumed the role of consolidating company and the other Italian resident companies of the Group - meeting the requirements of the Consolidated Income Tax Act for the current year - the role of consolidated company. The item "Due to Tax Authorities and Social Security Institutions" includes, at the end of 2025, 6,6 million Euro of liabilities related to the extraordinary contribution of 27,5% on the extra-profits reserve established pursuant to Article 1, Section 69, of Law No. 199 of 30 December 2025. This amount will be paid during 2026 following the resolution of the Board of Directors. For further details, refer to the specific paragraph "Extraordinary Contribution Law No. 199 of 2025" within "Part A - Accounting Policies", "A.1 - General Part", "Section 4 - Other Aspects" of these Notes to the Financial Statements.

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Section 9 - Post-employment benefits - Item 90

9.1 Post-employment benefits: annual changes

	31.12.2025	31.12.2024
A. Opening balance	**5.081**	**5.322**
B. Increases	**161**	**231**
B.1 Provisions for the year	161	164
B.2 Other changes	-	67
C. Decreases	**529**	**472**
C.1 Payments made	406	288
C.2 Other changes	123	184
D. Closing balance	**4.713**	**5.081**
Total	**4.713**	**5.081**

The liability for severance pay at 31 December 2025 amounts to 4,7 million Euro, down 7,2% compared with the previous year's figure (5,1 million Euro). Payments made represent the portions paid to employees during the year. Other decreases include the impact of the discounting of benefits earned up to 31 December 2006 and still held in the company, which, based on the changes introduced by IAS 19, are recognised through equity.

9.2 Other information

Under IAS/IFRS standards, a company's liabilities regarding benefits that will be paid to employees at the conclusion of the employer/employee relationship (post-employment benefits) should be recognised based on actuarial calculations of the amount that will be paid at maturity.

Specifically, these allocations must take into account the amount already earned over the period at the reporting date, projecting it into the future in order to calculate the amount that will be paid at the conclusion of the employer/employee relationship. This amount must then be discounted to take into account the time that will pass until payment.

Following the coming into force of the 2007 Budget Law, which brought the reform regarding supplementary pension plans - as per Italian Legislative Decree No. 252 of 5 December 2005 - forward to 1 January 2007, the employee was given a choice as to whether to allocate the post-employment benefits earned as from 1 January 2007 to supplementary pension funds or to maintain them in the company, which would then transfer it to a dedicated fund managed by INPS (the Italian National Social Security Institute).

This reform has led to changes in the accounting of post-employment benefits (severance indemnity) as for both the benefits earned up to 31 December 2006 and those earned from 1 January 2007.

In particular:

- post-employment benefits earned as from 1 January 2007 constitute a "defined-contribution plan", regardless of whether the employee has chosen to allocate them to a supplementary pension fund or to INPS's Treasury Fund. Those benefits shall be calculated according to contributions due without applying actuarial methods;
- post-employment benefits earned up to 31 December 2006 continue to be considered as a “defined-benefit plan”, and as such are calculated on an actuarial basis which, however, unlike the calculation method applied until 31 December 2006, no longer requires that the benefits be proportionally attributed to the period of service rendered. This is because the employee’s service is considered entirely accrued due to the change in the accounting nature of benefits earned as from 1 January 2007.

The actuarial valuation of the severance indemnity was conducted with the support of an independent external actuary, based on the “accrued benefits” methodology using the “Projected Unit Credit” criterion, as required by IAS 19. The following table shows the main demographic, economic and financial assumptions on which the valuation at 31 December 2025 is based.

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Main actuarial assumptions for the valuation of the severance indemnity ("TFR")	
Demographic assumptions (2025):	
Employee mortality rate	From Istat table resident population
Probability of the request for advance payment of severance indemnity	1,7%
Measure required in the case of severance indemnity advance	70,0%
Frequency of turnover	1,4%
Financial assumptions (2025):	
Annual discount rate	3,7%
Annual inflation rate	2,3%

The update of the actuarial assumptions for the valuation of the severance indemnity at 31 December 2025, compared to the previous year, resulted in an overall decrease in the provision of 122,8 thousand Euro, equal to the combined effect of the following elements:

- changes in financial assumptions, for an overall net effect of 102,1 thousand Euro.
- changes in other actuarial assumptions, for an overall net effect of 20,7 thousand Euro.

With regard to the discount rate (3,7%), which is one of the most important assumptions used in the measurement of defined benefit plan obligations, reference was made to an average rate calculated on the basis of the duration of the settlements using reference indices on corporate bonds in euro currency and with a maturity > 6 years as benchmarks.

In fact, IAS 19 requires that this rate should reflect the time value of money, but not the entity-specific credit risk, actuarial or investment risk, and the risk that the actual data experienced may differ in the future from the actuarial assumptions used. The standard further specifies that this rate shall be determined by reference to market yields, at the end of the reporting period, of securities of primary corporations of the country in which the entity operates (referred to as the "High Quality Corporate Bond yield") and, alternatively, in the absence of a market for such securities, by reference to market yields of government securities.

Sensitivity analyses

As required by IAS 19, a sensitivity analysis of the severance pay obligation was conducted assuming an increase or decrease in the discount rate and inflation rate of 50 basis points. The analysis is intended to show how much the balance sheet liability would vary in relation to reasonably possible fluctuations in these actuarial assumptions.

The results of the sensitivity analysis are as follows, in terms of absolute and percentage changes in the severance pay liability:

	Change in TFR in absolute terms (in thousands of Euro)	Change in TFR in percentage terms
Modification of actuarial assumptions:		
- Discounting rate		
+ 0,5%	(182,1)	(3,86%)
- 0,5%	174,9	3,70%
- Inflation rate		
+ 0,5%	103,4	2,19%
- 0,5%	(120,8)	(2,56%)

Amounts in brackets indicate a decrease in the provision.

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Section 10 - Provision for risks and charges - Item 100

10.1 Provisions for risks and charges: breakdown

Items/Amounts	31.12.2025	31.12.2024
1. Provisions for credit risk related to commitments and financial guarantees granted	5.897	5.102
2. Provisions on other commitments and guarantees given	62	337
3. Provisions for pensions	336	218
4. Other provisions for risks and charges	70.858	43.328
4.1 legal and tax disputes	11.233	25.595
4.2 personnel expenses	40.000	1.788
4.3 other	19.625	15.945
Total	**77.153**	**48.985**

10.2 Provisions for risks and charges: annual changes

	Provisions on other commitments and financial guarantees granted	Provisions for pensions	Other provisions for risks and charges	Total 31.12.2025
A. Opening balance	**337**	**218**	**43.328**	**43.883**
B. Increases	**555**	**161**	**51.239**	**51.955**
B.1 Provisions for the year	555	30	49.041	**49.626**
B.2 Changes due to the passage of time	-	15	-	**15**
B.3 Changes due to changes in the discount rate	-	-	-	**-**
B.4 Other changes	-	116	2.198	**2.314**
C. Decreases	**830**	**43**	**23.709**	**24.582**
C.1 Used in the year	-	-	11.886	**11.886**
C.2 Changes due to changes in the discount rate	-	43	-	**43**
C.3 Other changes	830	-	11.823	**12.653**
D. Closing balance	**62**	**336**	**70.858**	**71.256**

10.3 Provisions for credit risk related to commitments and financial guarantees granted

	Provisions for credit risk related to commitments and financial guarantees granted				
	Stage 1	Stage 2	Stage 3	Purchased and/or originated impaired	Total
Loan commitments	1.634	16	-	-	**1.650**
Guarantees granted	1.283	710	2.254	-	**4.247**
Total	**2.917**	**726**	**2.254**	**-**	**5.897**

At 31 December 2025, this item amounts to 5,9 million Euro, reflecting the impairment losses on irrevocable commitments to disburse funds and financial guarantees granted by the Bank.

10.4 Provisions on other commitments and other guarantees given

Provisions on other commitments and other guarantees given amount to 0,1 million Euro and relate to guarantees of a commercial nature.

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10.5 Defined-benefit corporate pension funds

1. Illustration of fund characteristics and related risks

The item includes the provision related to the post-retirement medical plan in favour of certain employees, introduced in the third quarter of 2023: this is a defined benefit plan that provides for healthcare and other benefits to employees, even after retirement.

Specifically, Banca Ifis has provided, for all managerial staff, insurance cover for the reimbursement of medical expenses (RSMO) valid and effective until the age of 85. This cover is therefore in continuity with the cover in place during employment, even after retirement. The only condition for access is the termination of employment with Banca Ifis due to retirement. The policy premium will be borne by the Bank with an annual contribution from the retired manager. Therefore, the Bank is responsible for the costs and risks associated with the provision of such benefits.

2. Changes in net defined benefit liabilities (assets) and redemption rights during the year

The opening balance as at January 2025 of the net defined benefit liabilities was 218 thousand Euro. As at 31 December 2025, this provision increases by a total of 118 thousand Euro to 336 thousand Euro, mainly as a result of provisions accrued during the year.

3. Disclosure of fair value of plan assets

There is no information to be reported in this paragraph.

4. Description of the main actuarial assumptions

For this fund, as a supplementary defined-benefit pension fund, the determination of the actuarial values required by the application of IAS 19 "Employee Benefits" is carried out using the "Project Unit Credit Method". The liability is recognised in the balance sheet net of any plan assets, and actuarial gains and losses calculated in the plan valuation process are recognised in the statement of comprehensive income and, therefore, in equity.

The main actuarial assumptions adopted are as follows:

- discount rate of 3,96%, calculated as an average rate on the basis of the duration of the liquidations and using reference indexes on corporate bonds in euro currency and with maturity > 10 years as benchmarks;
- premium inflation rate of 2,25%;
- annual turnover rate of 2,0%;
- frequency of “waiver” (non-payment of the premium component of pensioners) of 2,0%.

5. Information on amount, timing and uncertainty of cash flows

Given that the healthcare benefits are provided through a policy and that they constitute a benefit for the recipients until they reach the age of 85, the obligation subject to discounting under IAS 19 is that relating to the period in retirement and up to the age of 85.

A sensitivity analysis was also conducted on these net defined benefit liabilities, analysing what the amount of the net liabilities would be in the event of:

- a change in the discount rate of +/- 0,5% (50 bps);
- a change in the growth rate of payments to the insurance company of +/- 0,5% (50 bps);
- a change in the inflation rate of +/- 0,5% (50 bps);
- a change in the wage growth rate of +/- 0,5% (50 bps);
- a change in retirement age of +/- 1 year;
- a change in average longevity of +/- 1 year.

The maximum and minimum values of the net defined-benefit liabilities at 31 December 2025 resulting from the aforementioned sensitivities are 387 thousand Euro and 252 thousand Euro, respectively.

6. Multi-employer plans

There is no information to be reported in this paragraph.

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7. Defined benefit plans that share risks between entities under common control

There is no information to be reported in this paragraph.

10.6 Provisions for risks and charges - Other provisions

Legal and tax disputes

At 31 December 2025, provisions have been made for 11,2 million Euro for legal and tax disputes in respect of which the Bank is deemed to have a present obligation that may lead to the use of financial resources. Information on the amount of the allocation to the provisions for risks and charges is not provided by individual dispute but by type, both in consideration of the number of disputes and in order to avoid prejudicing the Bank in the evolution of the dispute with the counterparty, either through legal proceedings or settlements. More specifically, the amount mainly breaks down as follows:

- 6,1 million Euro for 10 disputes concerning the Factoring Area (the plaintiffs seek 411,4 million Euro in damages), mainly connected with the request for the repetition of amounts collected. Compared to 31 December 2024, one new dispute was received with a corresponding provision of 232 thousand Euro, while 7 disputes were closed with a total provision of 7,1 million Euro. There are also downward adjustments of 3,2 million Euro in connection with the development of existing litigation.
- 2,6 million Euro (the plaintiffs seek 4,5 million Euro in damages) for 6 disputes deriving from the business unit acquired from the former Aigis Banca and mainly the Corporate Banking & Lending Area. During the year, 1 dispute whose associated provision for risks and charges amounted to 85 thousand Euro was closed, and, in addition, adjustments of 277 thousand Euro were recorded on disputes still outstanding.
- 1,2 million Euro (the plaintiffs seek 1,8 million Euro in damages) for 5 disputes concerning the Corporate Banking & Lending Area deriving from the former Interbanca. With respect to 31 December 2024, a dispute was closed, the provision for which amounted to 62 thousand Euro;
- 1,4 million Euro (the plaintiffs seek 1,4 million Euro in damages) for 28 disputes concerning the Leasing Area. During 2025, 7 cases were closed with a provision of 173 thousand Euro at 31 December 2024 and 11 new cases were opened with a provision for risks and charges of 79 thousand Euro.
- 455 thousand Euro (the plaintiffs seek 455 thousand Euro) relating to a dispute that arose during the year concerning tax credits.

Personnel expenses

As at 31 December 2025, provisions for personnel amount to 40 million Euro, an increase of 38,2 million Euro compared to December 2024 as a result of the accrual for the year of 40,0 million Euro against the signing, on 29 December 2025, of an agreement with the Trade Unions concerning a voluntary redundancy plan aimed at accompanying 120 employees to retirement, also through recourse to the extraordinary benefits of the Solidarity Fund of the credit sector. For further details, see 'Part A - Accounting Policies', 'A.1 - General', 'Section 4 - Other Aspects of the Notes to the Financial Statements'.

Other provisions for risks and charges

As at 31 December 2025, the item 'Other provisions' amounted to 19,6 million Euro and increased by 3,7 million Euro compared to the previous year's figure (15,9 million Euro as at 31 December 2024). This item consists mainly of: 2,3 million Euro for guarantees provided in transactions involving the sale of equity instruments and loans, 3,2 million Euro related to the Supplementary Customer Indemnity associated with the operations of the Leasing Area, 1,0 million Euro related to tax disputes allocated during the year, 1,9 million Euro related to payments under guarantee in connection with non-recourse factoring positions, and 9,4 million Euro related to the purchase of Superbonus tax credits sold by an individually significant counterparty, of which 1,9 million Euro set aside during the year.

Contingent liabilities

Here below are the most significant contingent liabilities, in accordance with IAS 37, outstanding at 31 December 2025, which do not have a risk provision. Based on the opinion of the legal advisers assisting the Bank, they are

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considered possible, and therefore they are only disclosed. Such disclosures are not provided with respect to situations where the likelihood of deploying resources capable of producing economic benefits is remote.

The amount sought in association with these contingent liabilities totals 76,7 million Euro at 31 December 2025.

Litigation related to insolvency proceedings

During the fourth quarter of 2022, the Bank was sued by the bodies of bankruptcy proceedings, which requested that it be ordered to pay 47,7 million Euro as compensation for damages for the unlawful forbearance in its capacity as lender, albeit marginal, of the companies now in proceedings. The request was made jointly and severally with 8 other institutions. The Bank, supported by its legal advisers, evaluated the risk of defeat as "possible" and, therefore, it did not allocate funds to the provisions for risks and charges.

Tax dispute concerning the assumed "permanent establishment" in Italy of the Polish company Ifis Finance Sp. z o.o.

Following a tax audit, Notices of Assessment were served for the years 2013/2017 in which the "concealed permanent establishment" of Ifis Finance Sp. z o.o., the subsidiary based in Poland, was contested.

The Financial Administration hypothesised that the office in Poland was used in the Group's strategies more as a branch/office for the promotion and sale of services offered, *de facto*, by the Bank, rather than constituting an independent and autonomous legal entity in the exercise of its activity.

For all the years 2013/2017, the courts of first and second instance fully upheld the arguments of Banca Ifis, rejecting the Internal Revenue Agency's objections. In the course of 2024, the appeal was notified by the Attorney General's Office before the Court of Cassation for the years 2013/2015.

Tax litigation regarding value added tax (VAT)

For the years 2017-2019, the Revenue Agency carried out VAT audits challenging the Bank for non-payment of tax on 'car leasing' transactions carried out in favour of habitual exporters on the basis of their letters of intent submitted electronically.

With reference to the year 2019, the Bank, considering the most recent jurisprudential guidelines and the sanction savings, used the institution of adherence to the Formal Report of Findings, paying 0,3 million Euro.

Section 11 - Redeemable shares - Item 120

Item 120 is not present at the reporting date.

11.1 Redeemable shares: breakdown

The item is not present at the reporting date

Section 12 - Equity - Items 110, 130, 140, 150, 160, 170 and 180

12.1 "Share capital" and "Treasury shares": breakdown

Item		31.12.2025	31.12.2024
160	Share capital (in thousands of Euro)	61.819	53.811
	Number of ordinary shares	61.819	53.811.095
	Nominal amount of ordinary shares	1 euro	1 euro
170	Treasury shares (in thousands of Euro)	(13.701)	(20.971)
	Number of treasury shares	739.255	1.238.886

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12.2 Share capital - number of shares: annual changes

Items/Types	Ordinary	Other
A. Shares held at the beginning of the year	**53.811.095**	**-**
- fully paid-up	53.811.095	-
- not fully paid-up	-	-
A.1 Treasury shares (-)	(1.238.886)	-
A.2 Outstanding shares: opening balance	**52.572.209**	**-**
B. Increases	**8.507.461**	**-**
B.1 New issues	*8.007.830*	-
- paid:	*8.007.830*	-
- business combinations	*8.007.830*	-
- conversion of bonds	-	-
- exercise of warrants	-	-
- other	-	-
- free:	-	-
- in favour of employees	-	-
- in favour of directors	-	-
- other	-	-
B.2 Sale of treasury shares	*378.600*	-
B.3 Other changes	*121.031*	-
C. Decreases	**-**	**-**
C.1 Annulments	-	-
C.2 Buybacks of treasury shares	-	-
C.3 Company sell-offs	-	-
C.4 Other changes	-	-
D. Outstanding shares: closing balance	**61.079.670**	**-**
D.1 Treasury shares (+)	739.255	-
D.2 Shares held at the end of the year	61.818.925	-
- fully paid-up	61.818.925	-
- not fully paid-up	-	-

The item "new issues" represents the cumulative effect of the issuances of new shares of the Bank to service the offer on illimity Bank (for more details on this, refer to the specific paragraph "Voluntary Takeover Bid on all shares of illimity Bank" within the Directors' Report).

The sale of treasury shares is connected with the exercise by Banca Ifis Group employees of stock options under the 2021-2023 Long Term Incentive (LTI) Plan. In this case, a total of 378.600 options were exercised in 2025 at a strike price of 12,92 Euro (of which 243.600 by the Chief Executive Officer and 135.000 by the additional beneficiaries of the plan), to which the sale of 378.600 Banca Ifis treasury shares to these beneficiaries corresponded. For more information, refer to 'Part I - Share-based payments' of these Notes to the Financial Statements.

Other increases in the number of shares refer to the allocation of shares during the year as part of remuneration mechanisms for the Bank's Top Management, which were included in treasury shares at the start of the year.

12.3 Share capital: other information

The share capital is composed of 61.818.925 ordinary shares with a nominal value of 1 Euro each, bearing no rights, liens and obligations, including those relating to dividend distribution and capital redemption.

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12.4 Profit reserves: other information

Items/Components	31.12.2025	31.12.2024
Legal reserve	10.762	10.762
Extraordinary reserve	551.122	523.729
Other reserves	657.381	662.796
Buyback reserve	13.701	20.971
Total profit reserves	**1.232.966**	**1.218.258**
Stock option reserve	1.132	2.213
Extraordinary contribution reserve Law no. 199/2025	(6.574)	-
Other reserves, not “profit reserves”	42.039	2.269
Total reserves item	**1.269.563**	**1.222.740**

Pursuant to Article 1, paragraph 147 of the 2014 Stability Law (Italian Law No. 147 of 27 December 2013) and Article 1, paragraph 704 of the 2020 Budget Law (Italian Law No. 160 of 27 December 2019), the Bank has realigned the spread between the statutory value and tax value on certain properties. The amount corresponding to the higher values following the realignment, net of the substitute tax, generated a 15,3 million Euro untaxed reserve.

In addition, following the 2017 merger of Interbanca S.p.A. into Banca Ifis, Article 172 paragraph 5 of the Consolidated Law on Income Tax required the Bank to restore the merging entity's deferred tax reserves as follows:

- 4,6 million Euro special reserve as per Article 15 paragraph 10 of Italian Law No. 516 of 07/08/82;
- 2,3 million Euro revaluation reserve as per Italian Law No. 408/90.

There are an additional 20,7 million Euro in deferred tax reserves recognised by the Bank and arising from the merger of Interbanca, in accordance with the following laws: No. 576/75, No. 83/72 and No. 408/90, that had been previously recognised as share capital of the latter. The aforementioned types of reserves are all included in the sub-item "Other reserves within the revenue reserve" in the table above.

With reference to the extraordinary tax on the "extra-profits" of the banks referred to in Law No. 136/2023, it should be noted that the corresponding allocations to reserves for which the directors had proposed for approval at the Bank's Shareholders' Meeting on 18 April 2024, were approved by the latter and amounted to 23.905.112 Euro. Finally, it should be noted that the provision of the last part of paragraph 5-bis of Italian Law No. 136/2023 determines an obligation to be considered new and autonomous and consisting in the maintenance of the non-distributable restriction on this reserve recorded on the financial statements. In this regard, the directors currently confirm their intention not to proceed with any distribution of the reserves thus constituted.

The sub-item "Extraordinary contribution reserve pursuant to Law No. 199/2025" shows a negative balance of 6,6 million Euro as of 31 December 2025, which refers to the recognition in the item "other liabilities" of the extraordinary contribution of 27,5% on the extra-profits reserve established pursuant to Article 1, Section 69, of Law No. 199 of 30 December 2025, which will be paid in 2026 following the resolution of the Board of Directors. For further details, refer to the specific paragraph "Extraordinary Contribution Law No. 199 of 2025" within "Part A - Accounting Policies", "A.1 - General Part", "Section 4 - Other Aspects" of these Notes to the Financial Statements.

The sub-item "Other reserves" is equal to 42,0 million Euro and reflects for approximately 39,8 million Euro the cumulative effect of the issuances of new Banca Ifis shares occurred during 2025 to service the Offer on illimity Bank (for more details on this, refer to the specific paragraph "Voluntary Takeover Bid on all the shares of illimity Bank" within the Directors' Report).

The item "Extraordinary reserve" shows an increase of 27,4 million Euro corresponding to the portion of the profit of 31 December 2024 allocated to reserves.

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Disclosure pursuant to Article 2427 paragraph 7-bis of the Civil Code

As required by Article 2427, paragraph 7-bis of the Italian Civil Code, the following table shows the equity items along with the nature, possible use and availability, as well as what has been used in previous years.

Items	Amount at 31.12.2025	Possibility of use (*)	Portion available	Summary of uses during the last three years	
				For loss coverage	For other reasons
Share capital	61.819	-	-	-	-
Share premiums	229.093	*A, B (1)*	229.093	-	-
Reserves:	1.269.563	-	1.266.811	-	-
- Legal reserve	10.762	*B*	-	-	-
- Extraordinary reserve	*551.122*	*A, B, C*	*551.122*	-	-
- of which unavailable share of profits (Art. 6, paragraph 1, letter a) of Legislative Decree No. 38/2005)	*39.363*	*B (2)*	*39.363*	-	-
- Reserves from the application of international accounting standards	*321*	*(3)*	-	-	-
- Reserve for own shares	*13.701*	-	-	-	-
- Extra Profits Reserve	*23.905*	*(4)*	-	-	-
- Extraordinary contribution reserve Law No. 199/2025	*(6.574)*	*(5)*	-	-	-
- Other reserves (from capital increase payments)	*39.770*	*A, B*	*39.770*		
- Other reserves	*636.555*	*A, B, C*	*636.555*	-	*3.132 (6)*
Interim dividends (-)	**(73.296)**	**-**	-	-	-
Valuation reserves:	**(12.153)**	-	-	-	-
- Financial assets measured at fair value through other comprehensive income	*(12.647)*	*(7)*	-	-	-
- Actuarial gains (losses) related to defined benefit plans	*494*	-	-	-	-
Treasury shares (-)	(13.701)	-	-	-	-
Total Capital and Reserves	**1.461.325**		**1.495.904**	**-**	**-**
Non-distributable portion			**336.320**		

(*) A = to increase capital, B = to cover losses, C = for distribution to shareholders.
(1) The share premium reserve is available for capital increases and loss coverage. This reserve is considered distributable when the legal reserve has reached one-fifth of the share capital.
(2) Non-distributable portion of profits pursuant to Article 6, paragraph 1, letter a) of Legislative Decree No. 38/2005. The reserve may only be used to cover losses after the available reserves have been used and must be replenished at a later date.
(3) The item includes 2,5 million Euro in reserves deriving from the first time adoption of accounting standard IFRS 9 (FTA), net of the related tax effects, of which: 1,0 million Euro due to the FTA IFRS 9 effect on Banca Ifis and 1,5 million Euro for the FTA IFRS 9 effect on the former Ifis Leasing, merged by incorporation into Banca Ifis in 2018.
(4) Tax suspension reserve set aside as an alternative to the payment of extraordinary tax 2023 following the introduction of Article 26 of Decree-Law No. 104 of 10 August 2023, converted, with amendments, by Law No. 136 of 9 October 2023. The reserve is tied up in a tax-suspension arrangement pursuant to Decree-Law no. 104/2023 converted with amendments by Law 136/2023. If the reserve is distributed (even partially) to shareholders, the entire tax must be paid. As from the financial year 2028, pursuant to Art. 26 Paragraph 5-ter of Decree-Law No. 104/2023, introduced by Art. 1 para. 68 of Law No. 199 of 30 December 2025 ("2026 Budget Law"), it is assumed that this reserve will be distributed in priority in the event of the distribution of profits (including interim dividends), irrespective of the shareholders' resolution.
(5) Reserve established pursuant to the provisions of Law No. 199 of 30 December 2025 ("2026 Budget Law") Article 1 paragraph 69. Pursuant to Section 70 of the aforementioned Law, the amount of the contribution is determined at the rate of 27,5% of the reserve referred to in Art. 26 of Decree-Law No. 104 of 10 August 2023, converted, with amendments, by Law No. 136 of 9 October 2023, existing at 31 December 2025. According to Paragraph 71, this reserve is to be liquidated by the deadline for the payment of the balance of income tax 2025.
(6) The share included in utilisations refers to allocations linked to the staff incentive scheme.
(7) The reserve, where positive, is restricted pursuant to Article 6 of Italian Legislative Decree No. 38/2005.

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As at 31 December 2025, the non-distributable portion of 336,3 million Euro was attributable to:

- 10,8 million Euro to the legal reserve pursuant to Art. 2430 of the Italian Civil Code;
- 23,9 million Euro to the extra-profits reserve pursuant to paragraph 5-bis of Law No. 136/2023;
- 39,4 million Euro to the non-distributable portion of profits pursuant to Article 6, paragraph 1, letter a) of Legislative Decree No. 38/2005;
- 229,1 million Euro to the share premium reserve, which is considered distributable when the legal reserve has reached at least one-fifth of the share capital;
- 39,8 million Euro to the "Other Reserves" set up following the capital increase during the year;
- 6,6 million Euro to the negative reserve established in application of the provisions of Law No. 199 of 30 December 2025 ("2026 Budget Law") Article 1 paragraph 69.

12.5 Equity instruments: breakdown and annual changes

The case does not exist.

12.6 Other information

With reference to valuation reserves, refer to the details in “Part F - Information on equity”.

Other information

1. Commitments and financial guarantees granted (other than those measured at fair value)

	Nominal amount of commitments and financial guarantees granted				Total 31.12.2025	Total 31.12.2024
	Stage 1	Stage 2	Stage 3	Purchased and/or originated impaired		
1. Loan commitments	**1.715.257**	**19.556**	**14.690**	**-**	**1.749.503**	**998.965**
a) Central Banks	-	-	-	-	-	-
b) Public Administrations	1	-	-	-	1	-
c) Banks	684.267	-	-	-	684.267	122.741
d) Other financial companies	540.135	16	-	-	540.151	363.416
e) Non-financial companies	473.305	19.238	14.406	-	506.949	501.781
f) Households	17.549	302	284	-	18.135	11.027
2. Guarantees granted	**191.970**	**29.301**	**7.174**	**-**	**228.445**	**123.060**
a) Central Banks	-	-	-	-	-	-
b) Public Administrations	-	-	-	-	-	-
c) Banks	-	-	-	-	-	-
d) Other financial companies	35	69	-	-	104	35
e) Non-financial companies	191.935	29.232	7.174	-	228.341	121.625
f) Households	-	-	-	-	-	1.400

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2. Other commitments and guarantees granted

	Nominal amount	
	31.12.2025	31.12.2024
1. Other guarantees granted	**40.952**	**42.922**
of which: non-performing	-	*1.683*
a) Central Banks	-	-
b) Public Administrations	-	-
c) Banks	-	-
d) Other financial companies	-	-
e) Non-financial companies	40.952	42.922
f) Households	-	-
2. Other commitments	**64.033**	**68.536**
of which: non-performing	-	-
a) Central Banks	-	-
b) Public Administrations	-	-
c) Banks	-	-
d) Other financial companies	60.496	65.536
e) Non-financial companies	3.537	3.000
f) Households	-	-

3. Assets used as collateral for own liabilities and commitments

Portfolios	31.12.2025	31.12.2024
1. Financial assets measured at fair value through profit or loss	-	-
2. Financial assets measured at fair value through other comprehensive income	654.393	168.604
3. Financial assets measured at amortised cost	2.449.948	2.184.897
4. Property, plant and equipment	-	-
- of which: property, plant and equipment qualifying as inventories	-	-

Financial assets measured at fair value with an impact on comprehensive income as well as financial assets measured at amortised cost mainly refer to government bonds as collateral for financing operations with the Eurosystem (of which Italian government bonds for 336,9 million Euro and 1.337,7 million Euro, respectively) The remainder of the financial assets measured at amortised cost refer to bank deposits as collateral for derivative transactions.

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4. Administration and mediation on behalf of third parties

Type of services	Amount
1. Execution of orders on behalf of clients	
a) purchases	-
1. settled	-
2. unsettled	-
b) sales	-
1. settled	-
2. unsettled	-
2. Individual portfolio management	
3. Safekeeping and administration of securities	
a) third party securities in custody: associated with depositary bank services (excluding portfolio management)	-
1. securities issued by the reporting bank	-
2. other securities	-
b) other third party securities in custody (excluding portfolio management): other	333.648
1. securities issued by the reporting bank	-
2. other securities	333.648
c) third party securities held with third parties	298.533
d) own securities held with third parties	6.289.398
4. Other transactions	**-**

5. Financial assets subject to on-balance sheet netting, or subject to master netting agreements or similar arrangements

The case does not exist.

6. Financial liabilities subject to on-balance sheet netting, or subject to master netting agreements or similar arrangements

The case does not exist.

7. Securities lending transactions

The case does not exist.

8. Disclosure of joint operations

The case does not exist.

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Part C - Income statement

Section 1 - Interest - Items 10 and 20

1.1 Interest receivable and similar income: breakdown

Items/Technical forms	Debt securities	Loans	Other transactions	Total 31.12.2025	Total 31.12.2024
1. Financial assets measured at fair value through profit or loss:	**4.855**	**15**	**-**	**4.870**	**7.370**
1.1 Financial assets held for trading	8	-	-	8	6
1.2 Financial assets designated as at fair value	-	-	-	-	-
1.3 Other financial assets mandatorily measured at fair value	4.847	15	-	4.862	7.364
2. Financial assets measured at fair value through other comprehensive income	**20.739**	**-**	**X**	**20.739**	**11.487**
3. Financial assets measured at amortised cost:	**90.720**	**393.042**	**-**	**483.762**	**584.514**
3.1 Due from banks	16.298	11.068	X	27.366	50.766
3.2 Receivables due from customers	74.422	381.974	X	456.396	533.748
4. Hedging derivatives	**X**	**X**	**(2.552)**	**(2.552)**	**2.468**
5. Other assets	**X**	**X**	**5.982**	**5.982**	**7.674**
6. Financial liabilities	**X**	**X**	**X**	**-**	**-**
Total	**116.314**	**393.057**	**3.430**	**512.801**	**613.513**
of which: interest income on impaired financial assets	*1.143*	*16.917*	*-*	*18.060*	*19.160*
of which: interest income on financial leases	*X*	*80.574*	*X*	*80.574*	*88.865*

As for "Financial assets measured at fair value through profit or loss", the amounts refer to debt securities and loans that failed the SPPI test, as per IFRS 9, whereas in the case of "Financial assets measured at fair value through other comprehensive income", the reported amounts are almost exclusively related to the government bonds in the portfolio. Total interest income as at 31 December 2025 amounted to 512,8 million Euro, a decrease of 16,4% compared to the figure for 2024 (613,5 million Euro).

Interest income on receivables due from customers measured at amortised cost relating to debt securities relates to securitised securities in the amount of about 40,8,9 million Euro, government securities in the amount of 9 million Euro, and the remainder relates to other securities held in the portfolio.

The item "Hedging derivatives" in the column "Other transactions" shows the positive or negative amount of differentials or margins accrued on the aforementioned derivatives that correct the interest income component recognised on the hedged financial instruments (in the case in point, these are certain debt securities valued at amortised cost and at fair value through other comprehensive income hedged with a micro fair value hedge strategy).

Interest income on impaired financial assets mainly related to impaired assets related to the National Health System (9,6 million Euro) and three securities related to securitisations and classified as impaired.

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1.2 Interest receivable and similar income: other information

1.2.1 Interest income on foreign currency financial assets

	31.12.2025	31.12.2024
Interest income on foreign currency financial assets	6.675	5.916

1.3 Interest due and similar expenses: breakdown

Items/Technical forms	Payables	Securities	Other transactions	31.12.2025	31.12.2024
1. Financial liabilities measured at amortised cost	(270.178)	(103.115)	X	(373.293)	(412.840)
1.1 Payables due to central banks	(7.586)	X	X	(7.586)	(26.961)
1.2 Payables due to banks	(56.458)	X	X	(56.458)	(41.797)
1.3 Payables due to customers	(206.134)	X	X	(206.134)	(248.426)
1.4 Debt securities issued	X	(103.115)	X	(103.115)	(95.656)
2. Financial liabilities held for trading	-	-	-	-	-
3. Financial liabilities designated at fair value	-	-	-	-	-
4. Other liabilities and provisions	X	X	(79)	(79)	(28)
5. Hedging derivatives	X	X	-	-	-
6. Financial assets	X	X	X	(178)	(252)
Total	**(270.178)**	**(103.115)**	**(79)**	**(373.550)**	**(413.120)**
of which: interest expense on lease payables	*(470)*	*X*	*X*	*(470)*	*(482)*

Interest expenses as at 31 December 2025 amount to 373,6 million Euro, down by 39,6 million Euro from the December 2024 figure. This trend can be attributed to the decrease in funding from customers, especially retail and repurchase agreements, only partially offset by an increase in repurchase agreements with bank counterparties. Specifically, interest expense on amounts due to customers amounted to 206,1 million Euro as of 31 December 2025, a decrease of 42,3 million Euro compared to 31 December 2024, and related for 156,9 million Euro to retail funding mainly through the Rendimax and time deposit account (172,4 million Euro in 2024).

Interest payable to central banks increased by about 14,7 million Euro due to the increase in repurchase agreements.

1.4 Interest due and similar expenses: other information

1.4.1 Interest expense on foreign currency liabilities

	31.12.2025	31.12.2024
Interest expense on foreign currency liabilities	(5.120)	(4.784)

1.5 Hedging differentials

Items	Total 31.12.2025	Total 31.12.2024
A. Positive differentials on hedging transactions	19.045	13.882
B. Negative differentials on hedging transactions	21.597	11.414
C. Balance (A-B)	**2.552**	**2.468**

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Section 2 – Commissions – Items 40 and 50

2.1 Commission income: breakdown

Type of services/Amounts	31.12.2025	31.12.2024
a) Financial instruments	-	-
1. Placement of securities	-	-
1.1 On a firm and/or irrevocable commitment basis	-	-
1.2 Without irrevocable commitment	-	-
2. Receipt and transmission of orders and execution of orders on behalf of customers	-	-
2.1 Receipt and transmission of orders for one or more financial instruments	-	-
2.2 Execution of orders on behalf of clients	-	-
3. Other commissions related to activities linked to financial instruments	-	-
of which: trading on own account	-	-
of which: individual portfolio management	-	-
b) Corporate finance	**866**	**23**
1. Mergers and acquisitions advisory services	-	-
2. Treasury services	-	-
3. Other commissions related to corporate finance services	866	23
c) Investment advisory activities	**-**	**-**
d) Clearing and settlement	**-**	**-**
e) Custody and administration	**-**	**-**
1. Depository bank	-	-
2. Other commissions related to custody and administration activities	-	-
f) Central administrative services for collective portfolio management	**-**	**-**
g) Fiduciary activities	**-**	**-**
h) Payment services	**799**	**1.035**
1. Current accounts	474	624
2. Credit cards	-	-
3. Debit cards and other payment cards	10	42
4. Bank transfers and other payment orders	25	64
5. Other fees related to payment services	290	305
i) Distribution of third-party services	**4.730**	**4.144**
1. Collective portfolio management	-	-
2. Insurance products	4.730	4.144
3. Other products	-	-
of which: individual portfolio management	-	-
j) Structured finance	**-**	**-**
k) Servicing for securitisation transactions	**-**	**-**
l) Loan commitments	**-**	**-**
m) Guarantees granted	**4.450**	**2.522**
of which: credit derivatives	-	-
n) Loans	**82.369**	**86.014**
of which: for factoring transactions	54.082	57.073
o) Trading in currencies	**-**	**-**
p) Commodities	**-**	**-**
q) Other commission income	**3.569**	**2.710**
of which: for management of multi-lateral trading facilities	-	-
of which: for management of organised trading facilities	-	-
Total	**96.783**	**96.448**

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Commission income amounted to 96,8 million Euro, essentially stable compared to 31 December 2024. This trend is mainly driven by the lower contribution of factoring commissions, down by 3,0 million Euro compared to 31 December 20224, offset by the positive performance of commissions for structured finance transactions, as well as leasing transactions and other fees for services rendered.

Commissions related to the distribution of insurance products recorded at the end of 2025 include approximately 3,9 million Euro (3,4 million Euro at the end of 2024) related to the operations of the Leasing Area.

2.2 Commission income: distribution channels of products and services

Channels/Amounts	31.12.2025	31.12.2024
a) At own branches:	**-**	**-**
1. portfolio management	-	-
2. placement of securities	-	-
3. third-party services and products	-	-
b) Out-of-office offer:	**-**	**-**
1. portfolio management	-	-
2. placement of securities	-	-
3. third-party services and products	-	-
c) Other distribution channels:	**4.730**	**4.144**
1. portfolio management	-	-
2. placement of securities	-	-
3. third-party services and products	4.730	4.144
Total	**4.730**	**4.144**

2.3 Commission expense: breakdown

Services/Amounts	31.12.2025	31.12.2024
a) Financial instruments	**(506)**	**(362)**
of which: trading in financial instruments	*(506)*	*(362)*
of which: placement of financial instruments	-	-
of which: individual portfolio management	-	-
- Own	-	-
- Delegated to third parties	-	-
b) Clearing and Settlement	**-**	**-**
c) Custody and administration	**(202)**	**(181)**
d) Collection and payment services	**(155)**	**(243)**
of which: credit cards, debit cards and other payment cards	-	-
e) Servicing for securitisation transactions	**-**	**-**
f) Loan commitments	**-**	**-**
g) Financial guarantees received	**(208)**	**(469)**
of which: credit derivatives	-	-
h) Out-of-office canvassing of financial instruments, services and products	**(2.728)**	**(4.035)**
i) Trading in currencies	**-**	**-**
j) Other commissions payable	**(7.757)**	**(6.850)**
Total	**(11.556)**	**(12.140)**

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Section 3 - Dividends and similar income - Item 70

3.1 Dividends and similar income: breakdown

Items/Income	31.12.2025		31.12.2024	
	Dividends	Similar income	Dividends	Similar income
A. Financial assets held for trading	-	-	-	-
B. Other financial assets mandatorily measured at fair value	1.047	9.458	-	1.852
C. Financial assets measured at fair value through other comprehensive income	20.466	-	10.691	-
D. Equity investments	182.482	-	82.000	-
Total	**203.995**	**9.458**	**92.691**	**1.852**

Item "C" is attributable to dividends received on equities held in the FVOCI portfolio. In particular, 2,3 million Euro relate to dividends from the investment in the Bank of Italy.

Item "D" comprises 145,0 million Euro in dividends received from the subsidiary Ifis Npl Investing S.p.A. (72,0 million Euro in 2024) and 30,0 million Euro from Ifis Rental Services S.r.l. (10,0 million Euro in 2024) and for 7,5 million Euro by Banca Credifarma S.p.A..

Section 4 – Net profit (loss) from trading – Item 80

4.1 Net profit (loss) from trading: breakdown

Transactions/Income items	Capital gains (A)	Profit from trading (B)	Capital losses (C)	Losses from trading (D)	Net result [(A+B) - (C+D)]
1. Financial assets held for trading	**-**	**1.397**	**(3)**	**(368)**	**1.026**
1.1 Debt securities	-	499	-	(33)	466
1.2 Equity instruments	-	898	(3)	(335)	560
1.3 UCITS units	-	-	-	-	-
1.4 Loans	-	-	-	-	-
1.5 Other	-	-	-	-	-
2. Financial liabilities held for trading	**-**	**-**	**-**	**-**	**-**
2.1 Debt securities	-	-	-	-	-
2.2 Payables	-	-	-	-	-
2.3 Other	-	-	-	-	-
3. Financial assets and financial liabilities: exchange differences	**X**	**X**	**X**	**X**	**44**
4. Derivatives	**85.235**	**53.101**	**(78.781)**	**(54.642)**	**4.913**
4.1. Financial derivatives:	85.235	53.101	(78.781)	(54.642)	4.913
- On debt securities and interest rates	36.051	26.269	(18.595)	(29.536)	14.189
- On equity instruments and share indexes	49.184	26.832	(60.186)	(25.106)	(9.276)
- On currencies and gold	**X**	**X**	**X**	**X**	-
- Other	-	-	-	-	-
4.2 Derivatives on loans	-	-	-	-	-
Of which: natural hedges connected to the fair value option	*X*	*X*	*X*	*X*	-
Total	**82.235**	**54.498**	**(78.784)**	**(55.010)**	**5.983**

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The net result from trading activities as at 31 December 2025 was a positive 6,0 million Euro, up 4,1 million Euro compared to the positive result of 1,9 million Euro as at 31 December 2024, mainly due to the positive changes recorded in the fair value measurement of the derivative component.

Section 5 – Net result from hedging – Item 90

5.1 Net result from hedging: breakdown

Income components/Values	Total 31.12.2025	Total 31.12.2024
A. Income related to:		
A.1 Fair value hedging derivatives	18.887	2.231
A.2 Financial assets hedged (fair value)	143	168
A.3 Financial liabilities hedged (fair value)	-	-
A.4 Cash flow hedging derivatives	-	-
A.5 Foreign currency assets and liabilities	-	-
Total income from hedges (A)	**19.030**	**2.399**
B. Charges relating to:		
B.1 Fair value hedging derivatives	(53)	(977)
B.2 Financial assets hedged (fair value)	(16.987)	(2.562)
B.3 Financial liabilities hedged (fair value)	-	-
B.4 Cash flow hedging derivatives	-	-
B.5 Foreign currency assets and liabilities	-	-
Total charges from hedges (B)	**(17.040)**	**(3.539)**
C. Net result from hedging (A - B)	**1.990**	**(1.140)**
of which: result of hedges of net positions	**-**	**-**

The net positive result of hedging activities as at 31 December 2025 was approximately 2,0 million Euro (-1,1 million Euro as at 31 December 2024). This item includes the results of micro-fair value hedges on interest rate risk related to securities held by the Bank. The main types of items hedged are, at the reference date of the Financial Statements, debt securities and equity securities on the asset side. They are hedged in micro fair value hedge relationships, using interest rate swaps (IRS) and put and call options as hedging instruments.

Section 6 - Profit (loss) from sale or buyback - Item 100

6.1 Profit (loss) from sale or buyback: breakdown

Items/Income items	31.12.2025			31.12.2024		
	Profit	Losses	Net result	Profit	Losses	Net result
A. Financial assets						
1. Financial assets measured at amortised cost	14.418	(782)	13.636	17.767	(1.169)	16.598
1.1 Receivables due from banks	8.330	-	8.330	10.948	(458)	10.490
1.2 Receivables due from customers	6.088	(782)	5.306	6.819	(711)	6.108
2. Financial assets measured at fair value through other comprehensive income	5.675	(4.405)	1.270	10.425	(2.221)	8.204
2.1 Debt securities	5.675	(4.405)	1.270	10.425	(2.221)	8.204
2.2 Loans	-	-	-	-	-	-
Total assets (A)	**20.093**	**(5.187)**	**14.906**	**28.192**	**(3.390)**	**24.802**
B. Financial liabilities measured at amortised cost						
1. Payables due to banks	-	-	-	-	-	-
2. Payables due to customers	-	-	-	-	-	-
3. Debt securities issued	-	(265)	(265)	86	(22)	64
Total liabilities (B)	**-**	**(265)**	**(265)**	**86**	**(22)**	**64**

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Net gains on the sale or repurchase of financial assets and liabilities totalled 14,6 million Euro as at 31 December 2025 (net gains of 24,9 million Euro as at 31 December 2024). In particular, it should be noted that approximately 14,8 million Euro was generated by the disposals of debt securities recorded in 2025 (25,1 million Euro in 2024), of which 8,3 million Euro related to bank debt securities and 4,9 million Euro to Italian government bonds.

Section 7 - Net result of financial assets and liabilities at fair value through profit or loss - Item 110

7.1 Net change in other financial assets and liabilities measured at fair value through profit or loss: breakdown of financial assets and liabilities designated at fair value

The case does not exist.

7.2 Net change in other financial assets and liabilities measured at fair value through profit or loss: breakdown of financial assets mandatorily measured at fair value

Transactions/Income items	Capital gains (A)	Gains on sale (B)	Capital losses (C)	Losses on sale (D)	Net result [(A+B)-(C+D)]
1. Financial assets	**31.695**	**2.822**	**(12.611)**	**(2.011)**	**19.895**
1.1 Debt securities	3.458	-	(371)	(2.011)	1.076
1.2 Equity instruments	11.179	2.822	(1.995)	-	12.006
1.3 UCITS units	17.034	-	(9.962)	-	7.072
1.4 Loans	24	-	(283)	-	(259)
2. Financial assets: exchange differences	**X**	**X**	**X**	**X**	**-**
Total	**31.695**	**2.822**	**(12.611)**	**(2.011)**	**19.895**

The net result of other financial assets and liabilities at fair value through profit or loss was positive and amounted to 19,9 million Euro, a decrease of 4,1 million Euro compared to 24,0 million Euro at 31 December 2024. The trend is driven by lower capital gains from the sale of equity shares, which in 2024 had been particularly significant and concentrated in a single position.

Section 8 - Net credit risk losses/reversals - Item 130

8.1 Net credit risk losses related to financial assets measured at amortised cost: breakdown

Transactions/ Income components	Losses						Reversals				Total 31.12.2025	Total 31.12.2024
	Stage 1	Stage 2	Stage 3		Purchased or originated impaired		Stage 1	Stage 2	Stage 3	Purchased or originated impaired		
			Write-offs	Other	Write-offs	Other						
A. Receivables due from banks	**(615)**	**-**	**-**	**-**	**-**	**-**	**366**	**-**	**-**	**-**	**(249)**	**658**
- Loans	(547)	-	-	-	-	-	16	-	-	-	(531)	(18)
- Debt securities	(68)	-	-	-	-	-	350	-	-	-	282	676
B. Receivables due from customers	**(4.662)**	**(1.124)**	**(4.527)**	**(99.095)**	**-**	**(331)**	**27.842**	**6.670**	**48.067**	**3.917**	**(23.243)**	**(34.535)**
- Loans	(4.216)	(1.124)	(4.527)	(98.339)	-	(331)	27.226	6.670	48.067	3.917	(22.657)	(34.737)
- Debt securities	(446)	-	-	(756)	-	-	616	-	-	-	(586)	202
Total	**(5.277)**	**(1.124)**	**(4.527)**	**(99.095)**	**-**	**(331)**	**28.208**	**6.670**	**48.067**	**3.917**	**(23.492)**	**(33.877)**

Net credit risk losses relative to financial assets measured at amortised cost total 23,5 million Euro at 31 December 2025, down (-38,3%) on the net adjustments recorded at end 2024 (33,9 million Euro).

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8.2 Net credit risk losses related to financial assets measured at fair value through other comprehensive income: breakdown

Transactions/ Income components	Losses						Reversals				Total 31.12.2025	Total 31.12.2024
	Stage 1	Stage 2	Stage 3		Purchased or originated impaired		Stage 1	Stage 2	Stage 3	Purchased or originated impaired		
			Write-offs	Other	Write-offs	Other						
A. Debt securities	**(341)**	**(399)**	**-**	**-**	**-**	**-**	**419**	**-**	**-**	**-**	**(321)**	**483**
B. Loans	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- To customers	-	-	-	-	-	-	-	-	-	-	-	-
- To banks	-	-	-	-	-	-	-	-	-	-	-	-
Total	**(341)**	**(399)**	**-**	**-**	**-**	**-**	**419**	**-**	**-**	**-**	**(321)**	**483**

Section 9 - Gains/losses on contractual modifications without derecognition

Item 140 is not present at the reporting date.

9.1 Profit (loss) from contractual changes: breakdown

The case does not exist.

Section 10 - Administrative expenses - Item 160

10.1 Personnel expenses: breakdown

Type of expense/Sectors	31.12.2025	31.12.2024
1) Employees	(170.254)	(123.776)
a) salaries and wages	(92.423)	(87.204)
b) social security contributions	(24.489)	(23.494)
c) post-employment benefits	(2.422)	(2.455)
d) pension expense	-	-
e) allocations for post-employment benefits	(3.553)	(3.095)
f) allocations to pensions and similar provisions:	(45)	(99)
- defined contribution plans	-	-
- defined benefit plans	(45)	(99)
g) payments made to supplementary external funds:	(2.097)	(1.688)
- defined contribution plans	(2.097)	(1.688)
- defined benefit plans	-	-
h) costs arising from share-based payment agreements	-	(155)
i) other employee benefits	(45.225)	(5.586)
2) Other serving employees	(305)	(242)
3) Directors and Statutory Auditors	(6.053)	(5.319)
4) Retired personnel	-	-
5) Recovery of expenses for seconded personnel	3.353	3.766
6) Reimbursement of expenses for seconded third-party employees at the Company	(1.495)	(1.716)
Total	**(174.754)**	**(127.287)**

Staff expenses amounted to 174,8 million Euro, an increase of 47,5 million Euro compared to 31 December 2024 following the recognition of 40 million Euro, with a balancing entry in the provisions for personnel risks, against the signing, on 29 December 2025, of an agreement with the trade unions concerning a voluntary redundancy plan

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aimed at accompanying 120 employees to retirement, also through recourse to the extraordinary benefits of the Solidarity Fund of the credit sector. For further details, see 'Part A - Accounting Policies', 'A.1 - General', 'Section 4 - Other Aspects of the Notes to the Financial Statements'.

The number of Bank employees at 31 December 2025 is 1.432 as compared with 1.428 resources at 31 December 2024.

"Allocations for post-employment benefits" include both contributions that employees have chosen to leave in the company and to be paid to INPS's Treasury Fund, and contributions to be paid to supplementary pension funds, as well as the interest expense on the defined benefit obligation.

The sub-items "allocations for post-employment benefits" and "allocations to pensions and similar provisions - defined benefit" also include interest accrued during the year due to the passage of time.

10.2 Average number of employees by category

Employees	31.12.2025	31.12.2024
Employees:	**1.441**	**1,387**
a) managers	87	88
b) middle managers	587	543
c) other employees	767	756
Other personnel	**15**	**18**

10.3 Defined-benefit corporate pension funds: costs and revenues

The balance at 31 December 2025 of provisions for defined-benefit corporate pension funds amounts to 45 thousand Euro (99 thousand Euro at 31 December 2024). For more information on defined-benefit pension funds, refer to "Section 10 - Provisions for risks and charges - Item 100", paragraph “10.5 Defined-benefit corporate pension funds”.

10.4 Other employee benefits

Other employee benefits as of 31 December 2025 amount to 45,2 million Euro, up by 39,6 million Euro compared to 31 December 2024 as a result of the recognition of 40 million Euro in connection with the signing of the agreement with the Trade Unions, as previously described in section "10.1 Personnel Expenses". The remaining amount essentially relates to sickness benefit contributions of approximately 2,8 million Euro, contributions for meal vouchers for 1,8 million Euro and training expenses of 0,6 million Euro.

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10.5 Other administrative expenses: breakdown

OTHER ADMINISTRATIVE EXPENSES (in thousands of Euro)	31.12.2025	31.12.2024
Expenses for professional services	**(31.121)**	**(41.356)**
Legal and consulting services	(28.004)	(39.031)
Auditing	(688)	(587)
Outsourced services	(2.429)	(1.738)
Direct and indirect taxes	**(15.445)**	**(14.865)**
Expenses for purchasing goods and other services	**(76.608)**	**(61.127)**
Software assistance and hire	(23.352)	(20.018)
Advertising and inserts	(17.634)	(11.022)
Property expenses	(9.168)	(6.964)
Business travel and transfers	(5.242)	(5.243)
Customer information	(3.179)	(3.460)
Telephone and data transmission expenses	(3.417)	(3.268)
Car fleet management and maintenance	(3.254)	(3.109)
Securitisation costs	(1.263)	(1.117)
Postage and archiving of documents	(206)	(728)
Other sundry expenses	(9.893)	(6.198)
Charges related to the banking system	**(583)**	**(7.945)**
Non-recurring administrative expenses	**(47.125)**	**(77)**
Total other administrative expenses	**(170.882)**	**(125.370)**

Other administrative expenses as at 31 December 2025 amount to 170,9 million Euro, an increase of 45,5 million Euro compared to 125,4 million Euro as at 31 December 2024, mainly attributable to non-recurring costs incurred in connection with the launch of the offer on illimity Bank. The change in this item is also characterised by the contrasting effect in some items, explained below:

“Legal and consulting services" expenses amount to 28,0 million Euro at 31 December 2025, down by approximately 11,0 million Euro (-28,3%) compared to the previous year, mainly referring to judicial collection activities for non-performing loans, and consulting activities related to the implementation of the Bank's strategic projects.

"Direct and indirect taxes" amount to 15,4 million Euro and consist mainly of stamp duty in the amount of 13,2 million Euro (stable with the figure at the end of 2024), the charge of which to customers is included in “Other operating income”.

“Expenses for purchasing goods and other services” amount to 76,6 million Euro, up 15,5 million Euro (+25,3%) from the 61,1 million Euro at 31 December 2024. The trend is as follows:

- costs for software support and rental, which increase by 3,3 million Euro (+16,7%) compared to 2024, due almost entirely to increased interventions for the Bank's software;
- expenditure on advertising and advertisements, amounts to 17,6 million Euro as at December 2025, up by approximately 6,6 million Euro (+60,0%) compared to 11,0 million Euro in the previous year in relation to advertising campaigns and sponsorships carried out during the year 2025;
- expenses related to real estate amounting to 9,2 million Euro, increased by approximately 2,2 million Euro (+31,6%) compared to the December 2024 figure due to maintenance and surveillance expenses related to real estate and investments made during 2025 on land and buildings for functional use.

The item “Charges related to the banking system” includes the costs incurred during the year for the operation of the banking system's guarantee funds, and amount to 0,6 million Euro, down sharply from the 7,9 million Euro in 2024, as last year included the cost of the annual contribution to the Interbank Deposit Protection Fund (FITD).

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"Non-recurring administrative expenses" has a balance of 47,2 million Euro as at 31 December 2025 and mainly relates to non-recurring operating costs associated with the offer on illimity Bank presented by the Bank in January 2025 (for more details see the section "Significant events during the year" entitled "Voluntary Takeover Bid on illimity Bank" within the Directors' Report).

Section 11 - Net allocations to provisions for risks and charges - Item 170

11.1 Net allocations to provisions for credit risk related to loan commitments and financial guarantees granted: breakdown

Net allocations to provisions for credit risk relating to commitments to disburse funds and financial guarantees issued reflect the risk estimates on commitments undertaken and as at 31 December 2025 have a balance of 781 thousand Euro.

11.2 Net allocations to provisions for other commitments and other guarantees given: breakdown

Net allocations to provisions for other commitments and other guarantees given, amounting to 458 thousand Euro, reflect guarantees of a commercial nature.

11.3 Net allocations to other provisions for risks and charges: breakdown

For more details, see Part B, "Section 10 - Provisions for risks and charges" in these Notes.

Section 12 - Net credit risk losses/reversals on property, plant and equipment - Item 180

12.1 Net impairment losses on property, plant and equipment: breakdown

Assets/Income items	Amortisation (a)	Impairment losses (b)	Reversals of impairment losses (c)	Net result (a + b - c)
A. Property, plant and equipment				
1. for functional use	(12.646)	-	-	(12.646)
- Owned	(8.192)	-	-	(8.192)
- Rights of use acquired through leases	(4.454)	-	-	(4.454)
2. Held for investment	-	-	-	-
- Owned	-	-	-	-
- Rights of use acquired through leases	-	-	-	-
3. Inventories	X	-	-	-
Total	(12.646)	-	-	(12.646)

Section 13 - Net impairment losses/reversals on intangible assets - Item 190

13.1 Net impairment losses on intangible assets: breakdown

Assets/Income items	Amortisation (a)	Impairment losses (b)	Reversals of impairment losses (c)	Net result (a + b - c)
A. Intangible assets				
of which: software	*(12.640)*	-	-	*(12.640)*
A.1 Owned	(12.640)	-	-	(12.640)
- Internally generated	(739)	-	-	(739)
- Other	(11.901)	-	-	(11.901)
A.2 Rights of use acquired through leases	-	-	-	-
Total	**(12.640)**	**-**	**-**	**(12.640)**

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Section 14 - Other operating income (costs) - Item 200

14.1 Other operating costs: breakdown

Type of expense/Amounts	31.12.2025	31.12.2024
a) Transactions with customers	(34)	(103)
b) Capital losses	(23)	(26)
c) Other expenses	(1.294)	(730)
Total	**(1.351)**	**(859)**

14.2 Other operating income: breakdown

Amounts/Income	31.12.2025	31.12.2024
a) Recovery of third party expenses	14.141	15.505
b) Rental income	1.262	1.201
c) Income from the realisation of property, plant and equipment	13	105
d) Other income	49.577	38.662
Total	**64.993**	**55.473**

Other income and expenses at 31 December 2025 show a net positive balance of 63,6 million Euro, an increase of 16,5% from the previous year. The item mainly includes revenue from the recovery of expenses charged to third parties. The relevant cost component is included in other administrative expenses (legal expenses and indirect taxes), as well as recoveries of expenses associated with leasing operations.

Section 15 – Profit (loss) on equity investments – Item 220

15.1 Analysis of profit (loss) on equity investments

Income components/Values	31.12.2025	31.12.2024
A. Income	-	-
1. Revaluations	-	-
2. Gains on sale	-	-
3. Reversals	-	-
4. Other income	-	-
B. Expenses	(2.862)	(3.017)
1. Write-downs	-	-
2. Impairment losses	(2.862)	(3.017)
3. Losses on sale	-	-
4. Other expenses	-	-
Net result	**(2.862)**	**(3.017)**

The value adjustments recorded in both 2025 and 2024 refer entirely to the investment in Cap.Ital.Fin. S.p.A. and reflect the impairment applied.

Section 16 - Net profit (loss) from fair value measurement of property, plant and equipment and intangible assets - Item 230

Item 230 is not present at the reporting date.

Section 17 - Value adjustments of goodwill - Item 240

Item 240 is not present at the reporting date.

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Section 18 - Profit (Loss) from sale of investments - Item 250

18.1 Profit (Loss) from sale of investments: breakdown

At 31 December 2025, as in the previous year, there are no gains or losses on the disposal of investments.

Section 19 - Income taxes for the year relating to current operations - Item 270

19.1 Income taxes for the year relating to current operations: breakdown

Income items/Sectors	31.12.2025	31.12.2024
1. Current taxes (-)	(8.041)	(9.138)
2. Changes in current taxes of previous years (+/-)	10.121	2.749
3. Reductions in current taxes for the year (+)	-	-
3.*bis* Reduction in current taxes for the year for tax credits as per Italian Law No. 214/2011 (+)	29.383	26.788
4. Changes in deferred tax assets (+/-)	(19.948)	(54.821)
5. Changes in deferred tax liabilities (+/-)	5.350	2.723
6. Tax expense for the year (-) (-1+/-2+3+3bis+/-4+/-5)	**16.865**	**(31.699)**

19.2 Reconciliation between theoretical tax charges and effective tax charges for the year

Items/Components	31.12.2025	31.12.2024
Pre-tax profit (loss) from continuing operations	**144.034**	**171.002**
IRES - theoretical tax charges (27,5%)	(39.609)	(47.026)
- effect of non-taxable income and other decreases - permanent	58.610	28.880
- effect of non-deductible charges and other increases - permanent	(5.631)	(4.715)
- non-current corporate income tax (IRES)	5.566	(74)
IRES - Effective tax charges	**18.936**	**(22.935)**
IRAP - theoretical tax charges (5,57%)	(8.023)	(9.525)
- effect of income/charges that are not part of the taxable base	1.397	(2.063)
- non-current corporate income tax (IRAP)	4.555	2.824
IRAP - Effective tax charges	**(2.071)**	**(8.764)**
Effective tax charges for the year	**16.865**	**(31.699)**

The tax rate for the year 2025 was a credit of 11,71%, compared to a debit tax rate of 18,54% in the previous year. The effective tax rate is below the theoretical tax rate of 33,07% (27,5% IRES + 5,57% IRAP) primarily due to the benefits generated by the partial taxation of dividends received by the Bank, 95% of which are excluded from IRES taxation and 50% from IRAP taxation, as well as the benefit deriving from the "New Patent Box" facilitation (Art. 6, L.D. 146/2021).

Section 20 - Profit (Loss) from discontinued operations after tax - Item 290

Item 290 is not present at the reporting date.

Section 21 - Other information

21.1 Disclosure of government grants as per Article 1, paragraph 125 of Italian Law No. 124 of 4 August 2017 (the “Annual Law on the Market and Competition”)

Italian Law No. 124 of 4 August 2017 (Annual Market and Competition Law), under Art. 1, paragraphs 125-129, introduced various measures aimed at increasing the transparency of contributions by administrations and public companies, including listed, in the favour of third sector subjects and businesses in general.

Specifically, with respect to the financial reporting process, the law requires all businesses to disclose subsidies, grants, paid positions, and economic benefits of any kind received from the following entities in the notes to the Annual Financial Statements:

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- public administrations and entities with equivalent status (Article 2-bis, Italian Legislative Decree No. 33/2013);
- entities owned, either de jure or de facto, directly or indirectly, by public administrations; and
- state-owned enterprises.

Said disclosures are required if the amounts received during the reporting period exceeded 10 thousand Euro. Consistently with the clarification issued by Italy's Council of State with opinion No. 1.149 of 1 June 2018 and the guidance provided by trade associations (Assonime), the disclosure requirements do not apply to the following:

- prices for the business provision of professional and other services and supplies or other appointments coming under the scope of the core business. Indeed, these amounts received do not come under the scope of donations/public support policies;
- tax expenditures available to all businesses that meet specific conditions, based on pre-established general requirements, which are also the subject of specific disclosures;
- extension of subsidised loans to customers, as these involve funds of third parties (e.g. interest rate subsidies from the public administration) and not funds of the bank that acts as intermediary.

For information on subsidies, contributions, paid assignments and economic advantages of any kind received by the Bank, please refer to the National Register of State Aid, “Transparency” section.

Section 22 - Earnings per share

22.1 Average number of ordinary diluted shares

Earnings per share and diluted earnings per share	31.12.2025	31.12.2024
Net profit (in thousands of Euro)	160.899	139.303
Average number of outstanding shares (1)	56.770.114	52.529.787
Average number of diluted shares	57.376.954	53.383.843
Earnings per share (units of Euro)	**2,83**	**2,65**
Diluted earnings per share (units of Euro)	**2,80**	**2,61**

(1) The average number of outstanding shares is to be understood net of the average number of treasury shares held in the portfolio.

Diluted earnings per share (EPS) is determined by dividing net income by the weighted average number of shares outstanding during the reference year, excluding treasury shares, plus the number of shares that could potentially be added to those outstanding as a result of the assignment or disposal of treasury shares held under stock option plans. Therefore, the difference between the average number of outstanding shares and the average number of ordinary shares on a diluted capital basis derives from the potentially dilutive effect of the stock options granted as a result of the vesting of the 2021-2023 Long Term Incentive (LTI) Plan for the Chief Executive Officer, Co-General Managers and other Group employees. For more details on this LTI Plan, refer to 'Part I - Share-based payments' of these Notes.

The change in the average number of shares outstanding between 31 December 2025 and 31 December 2024, and the consequent effects on EPS, mainly derives from the effect of the issuance of new Banca Ifis shares to service the offer on illimity Bank and from the treasury share transactions carried out during 2025. For further details in this regard, refer to the specific paragraph "Voluntary Public Offer to Purchase and Exchange on all the shares of illimity Bank" within the Directors' Report on the Group and to the information on the changes in the number of shares of Banca Ifis within "Section 12 - Shareholders' Equity - Items 110, 130, 140, 150, 160, 170 and 180" of the Liabilities of "Part B - Information on the Statement of Financial Position" of these Notes to the Financial Statements.

22.2 Other information

There is no further information to report than that presented in the preceding paragraphs.

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Part D - Statement of comprehensive income

	ITEMS (in thousands of Euro)	31.12.2025	31.12.2024
10.	**Profit (Loss) for the year**	**160.899**	**139.303**
	Other comprehensive income, net of taxes, not to be reclassified to profit or loss	**563**	**(3.756)**
20.	Equity securities measured at fair value through other comprehensive income	1.583	(2.441)
	a) fair value gains (losses)	(92)	8.579
	b) transfers to other components of equity	1.675	(11.021)
40.	Hedging of equity securities measured at fair value through other comprehensive income	934	(180)
	a) fair value gains (losses) (hedged instrument)	24.640	(1.375)
	b) transfers to other components of equity (hedging instrument)	(23.706)	1.195
70.	Defined benefit plans	49	254
100.	Income taxes related to other comprehensive income to be reclassified to profit or loss	(2.003)	(1.389)
	Other comprehensive income, net of taxes, to be reclassified to profit or loss	**5.149**	**2.393**
150.	Financial assets (other than equity securities) measured at fair value through other comprehensive income:	7.534	3.813
	a) fair value gains (losses)	5.315	(7.961)
	b) reclassification to profit or loss	2.219	11.774
	- credit risk losses	321	(483)
	- gains/losses on sale	1.898	12.257
	c) other changes	-	-
180.	Income taxes related to other comprehensive income to be reclassified to profit or loss	(2.385)	(1.420)
190.	**Other comprehensive income**	**5.712**	**(1.363)**
200.	**Comprehensive income (Item 10 + 190)**	**166.611**	**137.939**

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Part E - Information on risks and related hedging policies

Background

This Part of the Notes includes quantitative information on risks referring to Banca Ifis S.p.A. For qualitative information on the risk management and monitoring process, refer to Part E in the Notes to the Consolidated Financial Statements in this document.

Section 1 - Credit risk

Qualitative information

For qualitative information, please refer to Part E in the Notes to the Consolidated Financial Statements in this document.

Quantitative information

A. Credit quality

A.1 Non-performing and performing credit exposures: amounts, impairment losses, trend, and economic breakdown

A.1.1 Breakdown of financial assets by portfolio and credit quality (carrying amounts)

Portfolio/Quality	Bad loans	Unlikely to pay	Non-performing past due exposures	Performing past due exposures	Other performing exposures	Total
1. Financial assets measured at amortised cost	37.900	145.557	29.117	176.647	10.367.672	10.756.893
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	885.829	885.829
3. Financial assets designated at fair value	-	-	-	-	-	-
4. Other financial assets mandatorily measured at fair value	-	911	-	-	57.414	58.325
5. Financial assets under disposal	8.030	-	-	-	-	8.030
Total 31.12.2025	**45.930**	**146.468**	**29.117**	**176.647**	**11.310.915**	**11.709.077**
Total 31.12.2024	**33.642**	**128.060**	**49.387**	**166.125**	**10.318.206**	**10.695.420**

Excluded from this table are on-demand receivables from banks (which are classified under the item "Cash and cash equivalents", in accordance with Bank of Italy instructions), equity securities and UCITS units.

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A.1.2 Breakdown of financial assets by portfolio and credit quality (gross and net amounts)

Portfolio/Quality	Non-performing				Performing			Total (net exposure)
	Gross exposure	Overall impairment losses/reversals	Net exposure	Overall partial write-offs (1)	Gross exposure	Overall impairment losses/reversals	Net exposure	
1. Financial assets measured at amortised cost	428.289	215.715	212.574	2.593	10.579.737	35.418	10.544.319	10.756.893
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	886.830	1.001	885.829	885.829
3. Financial assets designated at fair value	-	-	-	-	X	X	-	-
4. Other financial assets mandatorily measured at fair value	911	-	911	-	X	X	57.414	58.325
5. Financial assets under disposal	12.929	4.899	8.030	-	-	-	-	8.030
Total 31.12.2025	**442.129**	**220.614**	**221.515**	**2.593**	**11.466.567**	**36.419**	**11.487.562**	**11.709.077**
Total 31.12.2024	**408.636**	**197.547**	**211.089**	**2.074**	**10.481.122**	**64.886**	**10.484.331**	**10.695.420**

(1) Amount to be reported for disclosure purposes

Excluded from this table are on-demand receivables from banks (which are classified under the item "Cash and cash equivalents", in accordance with Bank of Italy instructions), equity securities and UCITS units.

Portfolio/Quality	Low credit quality assets		Other assets
	Accumulated capital losses	Net exposure	Net exposure
1. Financial assets held for trading	-	-	6.974
2. Hedging derivatives	-	-	23.398
Total 31.12.2025	**-**	**-**	**30.372**
Total 31.12.2024	**-**	**-**	**10.893**

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A.1.3 Distribution of financial assets by past due buckets (carrying amounts)

Portfolios/risk stages	Stage 1			Stage 3			Stage 3			Purchased or originated impaired		
	From 1 day to 30 days	From over 30 days to 90 days	Over 90 days	From 1 day to 30 days	From over 30 days to 90 days	Over 90 days	From 1 day to 30 days	From over 30 days to 90 days	Over 90 days	From 1 day to 30 days	From over 30 days to 90 days	Over 90 days
1. Financial assets measured at amortised cost	57.096	-	-	10.836	36.434	71.659	3.975	9.928	107.221	1.230	429	6.025
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
3. Financial assets under disposal	-	-	-	-	-	-	-	-	8.030	-	-	-
Total 31.12.2025	**57.096**	**-**	**-**	**10.836**	**36.434**	**71.659**	**3.975**	**9.928**	**115.251**	**1.230**	**429**	**6.025**
Total 31.12.2024	**37.858**	**-**	**-**	**11.668**	**29.332**	**86.691**	**9.771**	**11.053**	**80.107**	**646**	**392**	**3.986**

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A.1.4 Financial assets, loan commitments and financial guarantees granted: overall impairment losses/reversals and overall provisions

Reason/Risk stage	Overall impairment losses/reversals																						Total provisions on loan commitments and financial guarantees granted				Tot.
	Stage 1 assets						Stage 2 assets						Stage 3 assets						Purchased or originated impaired financial assets								
	Due from banks and Central Banks on demand	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets under disposal	of which: individual impairment	of which: collective impairment	Due from banks and Central Banks on demand	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets under disposal	of which: individual impairment	of which: collective impairment	Due from banks and Central Banks on demand	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets under disposal	of which: individual impairment	of which: collective impairment	Financial assets measured at amortised cost	Financial assets measured at fair value through	Financial assets under disposal	of which: individual impairment	of which: collective impairment	Stage 1	Stage 2	Stage 3	Commitments to disburse funds and fin.	
Opening balance of total impairment losses/reversals of impairment losses	**114**	**40.613**	**363**	**-**	**-**	**41.090**	**-**	**23.593**	**318**	**-**	**-**	**23.911**	**-**	**197.547**	**-**	**-**	**197.547**	**-**	**-**	**-**	**-**	**-**	**-**	**2.293**	**448**	**2.361**	**-**	**267.650**
Increases from purchased or originated financial assets	783	17.508	119	-	-	18.410	-	2.393	-	-	-	2.393	-	40.054	-	4.899	44.953	-	X	X	X	X	X	4.182	22	-	-	**69.960**
Derecognitions other than write-offs	(263)	(3.351)	(13)	-	-	(3.627)	-	(599)	-	-	-	(599)	-	(27.860)	-	-	(27.860)	-	(382)	-	-	(382)	-	(3.052)	(20)	-	-	**(35.540)**
Net credit risk losses/reversals (+/-)	204	(23.136)	(78)	-	-	(23.010)	-	(5.546)	399	-	-	(5.147)	-	51.029	-	-	51.029	-	(3.586)	-	-	(4.225)	639	(504)	276	(105)	-	**18.953**
Contractual modifications without derecognition	-	-	-	-	-	-	-	-	-	-	-	-	-	(19)	-	-	(19)	-	1	-	-	-	1	-	-	-	-	**(18)**
Changes in estimation method	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Write-offs not recognised directly through profit or loss	-	(100)	-	-	-	(100)	-	(2)	-	-	-	(2)	-	(23.198)	-	-	(23.198)	-	-	-	-	-	-	-	-	-	-	**(23.300)**
Other changes	(520)	(4.156)	76	-	-	(4.600)	-	(11.799)	(183)	-	-	(11.981)	-	(21.838)	-	-	(21.838)	-	3.967	-	-	4.607	(640)	(2)	-	(2)	-	**(34.456)**
Closing balance of total impairment losses/reversals of impairment losses	**318**	**27.378**	**467**	**-**	**-**	**28.163**	**-**	**8.040**	**534**	**-**	**-**	**8.575**	**-**	**215.715**	**-**	**4.899**	**220.614**	**-**	**-**	**-**	**-**	**-**	**-**	**2.917**	**726**	**2.254**	**-**	**263.249**
Recoveries from collections on financial assets subject to write-off	-	102	-	-	-	102	-	-	-	-	-	-	-	523	-	-	523	-	20	-	-	-	20	-	-	-	-	**645**
Write-offs recognised directly through profit or loss	-	(153)	-	-	-	(153)	-	-	-	-	-	-	-	(4.527)	-	-	(4.527)	-	-	-	-	-	-	-	-	-	-	**(4.680)**

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A.1.5 Financial assets, loan commitments and financial guarantees granted: transfers between different credit risk stages (gross and nominal amounts)

Portfolios/risk stages	Gross amounts/nominal amount					
	Transfers between Stage 1 and Stage 2		Transfers between Stage 2 and Stage 3		Transfers between Stage 1 and Stage 3	
	From Stage 1 to Stage 2	From Stage 2 to Stage 1	From Stage 2 to Stage 3	From Stage 3 to Stage 2	From Stage 1 to Stage 3	From Stage 3 to Stage 1
1. Financial assets measured at amortised cost	290.918	302.197	60.312	4.290	74.503	16.573
2. Financial assets measured at fair value through other comprehensive income	348	1.889	-	-	-	-
3. Financial assets under disposal	-	-	-	-	-	-
4. Loan commitments and financial guarantees granted	28.823	5.802	3.972	31	4.049	611
Total 31.12.2025	**320.089**	**309.888**	**64.284**	**4.321**	**78.552**	**17.184**
Total 31.12.2024	**302.283**	**245.391**	**43.137**	**46.232**	**102.764**	**45.537**

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A.1.6 On- and off-balance-sheet exposures to banks: gross and net amounts

"On-demand" credit exposures include on-demand loans to banks classified under "Cash and cash equivalents". On-balance-sheet exposures include all on-balance-sheet financial assets due from banking counterparties (except for equity securities and units of UCITSs), regardless of the portfolio they are included in (measured at amortised cost, measured at fair value through other comprehensive income, designated at fair value, mandatorily measured at fair value, under disposal).

Types of exposures/Amounts	Gross exposure					Overall impairment losses/reversals and overall allocations					Net exposure	Overall partial write-offs
		Stage 1	Stage 2	Stage 3	Purchased or originated impaired		Stage 1	Stage 2	Stage 3	Purchased or originated impaired		
A. On-balance-sheet credit exposures												
A.1 On demand	**308.183**	**308.183**	**-**	**-**	**-**	**318**	**318**	**-**	**-**	**-**	**307.865**	**-**
a) Non-performing	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	308.183	308.183	-	X	-	318	318	-	X	-	307.865	-
A.2 Other	**744.660**	**744.660**	**-**	**-**	**-**	**808**	**808**	**-**	**-**	**-**	**743.852**	**-**
a) Bad loans	-	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 exposures	-	X	-	-	-	-	X	-	-	-	-	-
- of which forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
d) Performing past due exposures	484	484	-	X	-	-	-	-	X	-	484	-
- of which forborne exposures	-	-	-	X	-	-	-	-	X	-	-	-
e) Other performing exposures	744.176	744.176	-	X	-	808	808	-	X	-	743.368	-
- of which forborne exposures	-	-	-	X	-	-	-	-	X	-	-	-
Total (A)	**1.052.843**	**1.052.843**	**-**	**-**	**-**	**1.126**	**1.126**	**-**	**-**	**-**	**1.051.717**	**-**
B. Off-balance-sheet credit exposures												
a) Non-performing	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	3.038.365	683.777	-	X	-	-	-	-	X	-	3.038.365	-
Total (B)	**3.038.365**	**683.777**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3.038.365**	**-**
Total (A+B)	**4.091.208**	**1.736.620**	**-**	**-**	**-**	**1.126**	**1.126**	**-**	**-**	**-**	**4.090.082**	**-**

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A.1.7 On- and off-balance-sheet exposures to customers: gross and net amounts

Types of exposures/Amounts	Gross exposure					Overall impairment losses/reversals and overall allocations					Net exposure	Overall partial write-offs
		Stage 1	Stage 2	Stage 3	Purcha-sed or originated impaired		Stage 1	Stage 2	Stage 3	Purchased or originated impaired		
A. On-balance-sheet credit exposures												
a) Bad loans	144.400	X	-	139.414	4.986	98.470	X	-	98.470	-	45.930	2.251
- of which forborne exposures	3.462	X	-	2.544	918	2.158	X	-	2.158	-	1.304	5
b) Unlikely to pay	263.886	X	-	257.464	5.511	117.418	X	-	117.418	-	146.468	342
- of which forborne exposures	61.301	X	-	56.834	4.467	27.440	X	-	27.440	-	33.861	154
c) Non-performing past due exposures	33.843	X	-	33.569	274	4.726	X	-	4.726	-	29.117	-
- of which forborne exposures	2.862	X	-	2.670	192	828	X	-	828	-	2.034	-
d) Performing past due exposures	178.493	56.691	121.180	X	622	2.330	79	2.250	X	-	176.163	21
- of which forborne exposures	1.293	-	1.155	X	138	41	-	41	X	-	1.252	-
e) Other performing exposures	10.600.828	10.179.794	352.965	X	10.654	33.281	26.957	6.324	X	-	10.567.547	105
- of which forborne exposures	72.961	-	67.296	X	5.665	1.234	-	1.234	X	-	71.727	-
Total (A)	**11.221.450**	**10.236.485**	**474.145**	**430.447**	**22.047**	**256.225**	**27.036**	**8.574**	**220.614**	**-**	**10.965.225**	**2.719**
B. Off-balance-sheet credit exposures												
a) Non-performing	21.864	X	-	21.864	-	2.254	X	-	2.254	-	19.610	-
b) Performing	1.730.182	1.326.371	50.432	X	-	3.705	2.975	729	X	-	1.726.477	-
Total (B)	**1.752.046**	**1.326.371**	**50.432**	**21.864**	**-**	**5.959**	**2.975**	**729**	**2.254**	**-**	**1.746.087**	**-**
Total (A+B)	**12.973.496**	**11.562.856**	**524.577**	**452.311**	**22.047**	**262.184**	**30.011**	**9.303**	**222.868**	**-**	**12.711.312**	**2.719**

On-balance-sheet exposures include all on-balance-sheet financial assets due from customer counterparties (except for equity securities and units of UCITSs) regardless of the portfolio they are included in (measured at amortised cost, measured at fair value through other comprehensive income, designated at fair value, mandatorily measured at fair value, under disposal).

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A.1.8 On-balance-sheet exposures to banks: trends in gross non-performing exposures

The case does not exist.

A.1.8 bis On-balance-sheet exposures to banks: trends in gross forborne exposures broken down by credit quality

The case does not exist.

A.1.9 On-balance-sheet exposures to customers: trends in gross non-performing exposures

Reason/Categories	Bad loans	Unlikely to pay	Non-performing past due exposures
A. Opening gross exposure	**121.706**	**231.780**	**55.150**
- of which: transferred and not derecognised	*848*	*3.207*	*3.358*
B. Increases	**85.584**	**176.303**	**61.947**
B.1 income from performing exposures	4.335	127.231	55.896
B.2 income from purchased or originated impaired financial assets	953	5.324	91
B.3 transfers from other non-performing exposure categories	55.712	27.735	426
B.4 contractual modifications without derecognition	-	-	-
B.5 other increases	24.584	16.013	5.534
C. Decreases	**62.890**	**144.197**	**83.254**
C.1 outflows to performing exposures	288	2.499	30.482
C.2 write-offs	15.722	7.629	-
C.3 collections	28.867	43.068	6.313
C.4 proceeds from sales	566	3.044	-
C.5 losses on sale	15.363	5.549	-
C.6 transfers to other non-performing loan categories	660	56.138	27.075
C.7 contractual modifications without derecognition	-	20	-
C.8 other decreases	1.424	26.250	19.384
D. Closing gross exposure	**144.400**	**263.886**	**33.843**
- of which: transferred and not derecognised	*160*	*2.732*	*3.025*

On-balance-sheet exposures include all on-balance-sheet financial assets due from customers (except for equity securities and units of UCITSs) regardless of the portfolio they are included in (measured at amortised cost, measured at fair value through other comprehensive income, designated at fair value, mandatorily measured at fair value, under disposal).

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A.1.9 bis On-balance-sheet exposures to customers: trends in gross forborne exposures broken down by credit quality

Reason/Categories	Forborne exposures: non-performing	Forborne exposures: performing
A. Opening gross exposure	**36.956**	**68.298**
- of which: transferred and not derecognised	*293*	*91*
B. Increases	**53.010**	**50.396**
B.1 inflows from non-forborne performing exposures	370	47.872
B.2 inflows from forborne performing exposures	25.136	X
B.3 inflows from non-performing forborne exposure	X	680
B.4 inflows from non-forborne non-performing exposures	25.583	-
B.5 other increases	1.921	1.844
C. Decreases	**22.341**	**44.440**
C.1 outflows to non-forborne performing exposures	X	9.671
C.2 outflows to forborne performing exposures	680	X
C.3 outflows to non-performing forborne exposures	X	25.136
C.4 write-offs	4	3
C.5 collections	5.314	3.325
C.6 proceeds from sales	109	-
C.7 losses on sale	2.371	-
C.8 other decreases	13.863	6.305
D. Closing gross exposure	**67.625**	**74.254**
- of which: transferred and not derecognised	*85*	*134*

A.1.10 On-balance-sheet non-performing exposures to banks: trends in overall impairment losses/reversals

The case does not exist.

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A.1.11 On-balance-sheet non-performing exposures to customers: trends in overall impairment losses/reversals

Reason/Categories	Bad loans		Unlikely to pay		Non-performing past due exposures	
	Total	*of which: forborne exposures*	Total	*of which: forborne exposures*	Total	*of which: forborne exposures*
A. Opening balance of total impairment losses/reversals of impairment losses	**88.064**	***1.829***	**103.720**	***11.748***	**5.763**	***762***
- of which: transferred and not derecognised	*697*	*2*	*1.881*	*121*	*556*	*14*
B. Increases	**50.483**	***938***	**73.750**	***21.076***	**3.437**	***277***
B.1 impairment losses from purchased or originated impaired financial assets	66	*X*	300	*X*	-	*X*
B.2. other impairment losses	27.638	*541*	67.730	*18.533*	3.359	*202*
B.3 losses on sale	153	-	359	-	-	-
B.4 transfers from other non-performing exposure categories	12.616	*91*	826	*2*	3	-
B.5 contractual modifications without derecognition	-	-	-	-	-	-
B.6 other increases	10.010	*306*	4.535	*2.541*	75	*75*
C. Decreases	**40.077**	***609***	**60.052**	***5.384***	**4.474**	***211***
C.1 impairment reversals from appreciation	17.514	*553*	22.284	*3.861*	1.882	*60*
C.2 impairment reversals from collection	4.146	*52*	2.090	*349*	149	*3*
C.3 gains on disposal	506	-	157	-	-	-
C.4 write-offs	15.722	*4*	7.629	-	-	-
C.5 transfers to other non-performing loan categories	-	-	12.612	*91*	833	*2*
C.6 contractual modifications without derecognition	-	-	-	-	-	-
C.7 other decreases	2.189	-	15.280	*1.083*	1.610	*146*
D. Closing balance of total impairment losses/reversals of impairment losses	**98.470**	***2.158***	**117.418**	***27.440***	**4.726**	***828***
- of which: transferred and not derecognised	*160*	-	*1.530*	*142*	*402*	*25*

A.2 Classification of financial assets, loan commitments and financial guarantees granted by external and internal rating

A.2.1 Breakdown of financial assets, loan commitments and financial guarantees granted by external rating class (gross amounts)

For the purposes of calculating capital requirements against credit risk, Banca Ifis uses the external credit assessment institution (ECAI) Fitch Ratings exclusively for the positions recognised under "Exposures to Central Governments and Central Banks". Banca Ifis also uses the ECAI Cerved rating for corporate counterparties, having certain specific characteristics of size and use, in order to calculate capital absorption for supervisory purposes. These positions are included in the "Exposure to Companies" classes.

No external ratings are used for other asset classes.

A.2.2 Breakdown of financial assets, loan commitments and financial guarantees granted by internal rating class (gross amounts)

The Bank does not use internal ratings to calculate capital absorption. The Bank has implemented an internal ratings system geared towards operating Segments, differentiated by legal nature and size. This has been developed on proprietary databases and has the following components:

- a "financial" module, to assess the company's operating/financial soundness;

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- a "central credit register" module, presenting the evolution of counterparty risk vis-à-vis the banking industry;
- an "internal performance" module, monitoring the performance of the relationships between the counterparty and the Bank.
- a "socio-demographic" module aimed at assessing the risk profile on the basis of biographical information.

These models are differentiated by segment to ensure that appropriate models are applied on homogeneous population from the point of view of characteristics and risk level. There are therefore models for corporations, differentiated by two size clusters, and a model for partnerships and sole proprietorships.

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A.3 Breakdown of guaranteed credit exposures by guarantee type

A.3.1 Guaranteed on- and off-balance-sheet exposures to banks

	Gross exposure	Net exposure	Collateral guarantees (1)				Personal guarantees (2)									Total (1)+(2)
							Credit derivatives					Unsecured loans				
								Other derivatives								
			Property - Mortgages	Property - lease financing	Securities	Other collateral	CLN	Central counterparties	Banks	Other financial corporations	Other entities	General governments	Banks	Other financial corporations	Other entities	
1. Guaranteed on-balance-sheet credit exposures:	**763**	**761**	**-**	**-**	**-**	**240**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**473**	**-**	**713**
1.1 totally guaranteed	241	240	-	-	-	240	-	-	-	-	-	-	-	-	-	240
- of which non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.2 partially guaranteed	522	521	-	-	-	-	-	-	-	-	-	-	-	473	-	473
- of which non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Secured "off-balance sheet" credit exposures:	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 totally guaranteed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
- of which non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
2.2 partially guaranteed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
- of which non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**

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A.3.2 Guaranteed on- and off-balance-sheet exposures to customers

	Gross exposure	Net exposure	Collateral guarantees (1)				Personal guarantees (2)									Total (1)+(2)
							Credit derivatives					Unsecured loans				
								Other derivatives								
			Property Mortgages	Property Finance Leases	Securities	Other collateral	CNL	Central counterparties	Banks	Other financial corporations	Other entities	General governments	Banks	Other financial corporations	Other entities	
1. Guaranteed on-balance-sheet credit exposures:	**3.190.403**	**3.080.421**	**191.777**	**-**	**-**	**1.612.660**	**-**	**-**	**-**	**-**	**-**	**548.961**	**-**	**316.516**	**104.075**	**2.773.989**
1.1 totally guaranteed	1.999.443	1.941.267	171.209	-	-	1.528.920	-	-	-	-	-	88.030	-	63.815	89.293	1.941.267
- of which non-performing	102.826	58.081	23.751	-	-	14.986	-	-	-	-	-	13.947	-	5	5.392	58.081
1.2 partially guaranteed	1.190.960	1.139.154	20.568	-	-	83.740	-	-	-	-	-	460.931	-	252.701	14.782	832.722
- of which non-performing	124.624	77.417	3.063	-	-	8.630	-	-	-	-	-	62.023	-	-	164	73.880
2. Guaranteed off-balance-sheet credit exposures:	**35.020**	**34.964**	**97**	**-**	**-**	**5.350**	**-**	**-**	**-**	**-**	**-**	**107**	**-**	**461**	**11.794**	**17.809**
2.1 totally guaranteed	15.219	15.202	97	-	-	3.648	-	-	-	-	-	19	-	461	10.976	15.201
- of which non-performing	54	53	-	-	-	26	-	-	-	-	-	-	-	-	27	53
2.2 partially guaranteed	19.801	19.762	-	-	-	1.702	-	-	-	-	-	88	-	-	818	2.608
- of which non-performing	71	71	-	-	-	-	-	-	-	-	-	7	-	-	-	7

A.4 Financial and non-financial assets obtained through the enforcement of guarantees received

The case does not exist.

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B. Concentration and distribution of credit exposures

B.1 Breakdown of on- and off-balance-sheet exposures to customers by segment

Exposures/Counterparties	General governments		Financial companies		*Financial companies (of which: insurance companies)*		Non-financial corporations		Households	
	Net exposure	Overall impairment losses/reversals	Net exposure	Overall impairment losses/reversals	*Net exposure*	*Overall impairment losses/reversals*	Net exposure	Overall impairment losses/reversals	Net exposure	Overall impairment losses/reversals
A. On-balance-sheet credit exposures										
A.1 Bad loans	214	387	413	255	-	-	43.220	94.513	2.083	3.315
- of which forborne exposures	-	-	-	-	-	-	*479*	*1.828*	*825*	*330*
A.2 Unlikely to pay	11.182	144	15.379	1.945	-	-	109.748	110.093	10.159	5.236
- of which forborne exposures	-	-	*13*	*18*	-	-	*27.146*	*25.227*	*6.702*	*2.195*
A.3 Non-performing past due exposures	10.342	28	128	29	-	-	10.466	1.894	8.181	2.775
- of which forborne exposures	*31*	-	-	-	-	-	*94*	*26*	*1.909*	*802*
A.4 Performing exposures	2.872.368	1.603	2.490.416	3.525	10.831	16	4.922.804	27.984	458.122	2.499
- of which forborne exposures	-	-	*4.169*	*30*	-	-	*63.742*	*1.102*	*5.068*	*143*
Total (A)	**2.894.106**	**2.162**	**2.506.336**	**5.754**	**10.831**	**16**	**5.086.238**	**234.484**	**478.545**	**13.825**
B. Off-balance-sheet credit exposures										
B.1 Non-performing exposures	-	-	-	-	-	-	19.326	2.254	284	-
B.2 Performing exposures	1	-	600.211	540	-	-	755.088	3.164	17.851	1
Total (B)	**1**	**-**	**600.211**	**540**	**-**	**-**	**774.414**	**5.418**	**18.135**	**1**
Total (A+B) 31.12.2025	**2.894.107**	**2.162**	**3.106.547**	**6.294**	**10.831**	**16**	**5.860.652**	**239.902**	**496.680**	**13.826**
Total (A+B) 31.12.2024	**2.339.923**	**4.820**	**2.486.472**	**7.674**	**1.854**	**2**	**5.711.604**	**236.117**	**467.598**	**18.481**

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B.2 Geographical breakdown of on- and off-balance-sheet exposures to customers

Exposures/Geographic areas	Italy		Other European countries		America		Asia		Rest of the World	
	Net exposure	Overall impairment losses/reversals	Net exposure	Overall impairment losses/reversals	Net exposure	Overall impairment losses/reversals	Net exposure	Overall impairment losses/reversals	Net exposure	Overall impairment losses/reversals
A. On-balance-sheet credit exposures										
A.1 Bad loans	45.930	98.439	-	31	-	-	-	-	-	-
A.2 Unlikely to pay	146.436	117.382	32	36	-	-	-	-	-	-
A.3 Non-performing past due exposures	29.113	4.726	4	-	-	-	-	-	-	-
A.4 Performing exposures	9.741.635	34.154	911.103	1.364	47.445	39	30.656	42	12.871	12
Total (A)	**9.963.114**	**254.701**	**911.139**	**1.431**	**47.445**	**39**	**30.656**	**42**	**12.871**	**12**
B. Off-balance-sheet credit exposures										
B.1 Non-performing exposures	19.397	2.254	213	-	-	-	-	-	-	-
B.2 Performing exposures	1.193.095	3.674	175.716	31	4.162	-	141	-	37	-
Total (B)	**1.212.492**	**5.928**	**175.929**	**31**	**4.162**	**-**	**141**	**-**	**37**	**-**
Total (A+B) 31.12.2025	**11.175.606**	**260.629**	**1.087.068**	**1.462**	**51.607**	**39**	**30.797**	**42**	**12.908**	**12**
Total (A+B) 31.12.2024	**9.997.236**	**263.599**	**971.784**	**3.361**	**22.783**	**77**	**11.755**	**44**	**2.039**	**11**

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B.3 Geographical breakdown of on- and off-balance-sheet exposures to banks

Exposures/Geographic areas	Italy		Other European countries		America		Asia		Rest of the World	
	Net exposure	Overall impairment losses/reversals	Net exposure	Overall impairment losses/reversals	Net exposure	Overall impairment losses/reversals	Net exposure	Overall impairment losses/reversals	Net exposure	Overall impairment losses/reversals
A. On-balance-sheet credit exposures										
A.1 Bad loans	-	-	-	-	-	-	-	-	-	-
A.2 Unlikely to pay	-	-	-	-	-	-	-	-	-	-
A.3 Non-performing past due exposures	-	-	-	-	-	-	-	-	-	-
A.4 Performing exposures	793.599	544	248.018	570	9.092	12	-	-	1.008	-
Total (A)	**793.599**	**544**	**248.018**	**570**	**9.092**	**12**	**-**	**-**	**1.008**	**-**
B. Off-balance-sheet credit exposures										
B.1 Non-performing exposures	-	-	-	-	-	-	-	-	-	-
B.2 Performing exposures	695.574	-	18.523	-	-	-	-	-	-	-
Total (B)	**695.574**	**-**	**18.523**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total (A+B) 31.12.2025	**1.489.173**	**544**	**266.541**	**570**	**9.092**	**12**	**-**	**-**	**1.008**	**-**
Total (A+B) 31.12.2024	**1.024.756**	**531**	**237.420**	**363**	**-**	**-**	**-**	**-**	**-**	**-**

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B.4 Large exposures

		31.12.2025	31.12.2024
a)	Amount (carrying amount)	10.592.144	7.628.561
b)	Amount (weighted value)	1.305.445	943.298
c)	Number	16	12

The overall weighted amount of Large exposures at the weighted amount at 31 December 2025, comprising 16 positions, consists of 62,9 million Euro in tax assets, 207,5 million Euro in exposure to equity investments not included in the prudential scope of consolidation and the remaining 1.035 million Euro in positions vs supervised intermediaries, mainly connected with reverse repurchase agreements, derivatives and securities and indirect exposures towards insurance companies.

Disclosure regarding Sovereign Debt

On 5 August 2011, Consob (drawing on ESMA document No. 2011/266 of 28 July 2011) issued Communication No. DEM/11070007 on disclosures by listed companies of their exposures to sovereign debt and market performance, the management of exposures to sovereign debt, and their operating and financial impact.

Pursuant to said communication, please note that at 31 December 2025 the exposures to sovereign debt entirely consisted of Italian government bonds; their carrying amount totalled 2.614 million Euro, net of the negative 11,7 million Euro valuation reserve.

These securities, with a nominal amount of approximately 2.723 million Euro have a weighted residual average life of approximately 82 months.

The fair values used to measure the exposures to sovereign debt securities at 31 December 2025 are considered to be Level 1.

Pursuant to the CONSOB Communication, besides the exposure to sovereign debt, it is also necessary to consider receivables due from the Italian National Administration, which at 31 December 2025 totalled 280 million Euro, including 65 million Euro relating to tax receivables.

C. Securitisation transactions

Securitisations in which the Bank is the originator and for which all the liabilities issued by the special purpose vehicles were subscribed by the Bank at the time of issue shall not be recorded in this section. In other words, the self-securitisation transactions fully subscribed by Banca Ifis (such as Indigo Lease S.r.l.) are discussed in the liquidity risk section of Part E of these Notes to the Financial Statements to which reference should be made.

Qualitative information

The Bank has exposures to securitisations originated by third parties, acquired for investment purposes with the aim of generating a profit margin and achieving an appreciable medium/long-term return on capital.

These transactions may be originated by the Bank's Business Units, based on the characteristics of the underlying portfolio -- performing or non-performing -- or as part of liquidity investments.

The acquisition activities are carried out in accordance with the policies and procedures relating to credit risk, and in particular with the policies in force for the securitisation transactions and investment policies applicable to the Proprietary Finance portfolio and in compliance with the propensity to risk established within the Risk Appetite Framework (RAF). The Bank invests in securitisations of which it is able to value, on the basis of its experience, the relevant underlying assets.

In particular, after identifying the investment opportunity, the unit that proposes the transaction conducts a due diligence review to estimate future cash flows and determine whether the price is fair, coordinating the organisational units concerned from time to time and formalising the relevant findings to be submitted to the competent decision-making body.

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Subsequent to the purchase, the investment is constantly monitored based on the performance indicators of the underlying exposures and whether cash flows are in line with the estimates made at the time of the acquisition.

The Bank has prepared a "Policy for the Management of Securitisation Transactions in the Role of Originator/Promoter/Investor", with which it regulates the process of managing securitisation transactions in the event that it intervenes in the role of "originator" (i.e. a party that participated in the original contract that created the obligations that originated the securitised exposures or that acquired the exposures of a third party and subsequently proceeds to their securitisation) of "investor" (i.e. a person underwriting the securities) or "sponsor" (i.e. a person structuring the transaction as defined in Art. 2 of EU Regulation 2017/2402). For each potential case, the policy sets out the responsibilities of the organisational units and corporate bodies, with reference to both the due diligence process and the ongoing monitoring of the transaction.

Outstanding securitisation transactions at 31 December 2025 are listed below.

Securitisation as originator

IFIS ABCP Programme securitisation

On 7 October 2016, Banca Ifis launched a three-year revolving securitisation of trade receivables due from account debtors. After Banca Ifis (originator) initially reassigned the receivables for 1.254,3 million Euro, in the second quarter of 2018, the vehicle named Ifis ABCP Programme S.r.l. issued 850 million Euro, increased to 1.000 million Euro, worth of senior notes subscribed for by the investment vehicles owned by the banks that co-arranged the transaction, simultaneously with the two-year extension of the revolving period. An additional tranche of senior notes, with a maximum nominal amount of 150 million Euro, initially issued for 19,2 million Euro, and that was subsequently adjusted based on the composition of the assigned portfolio, was subscribed for by Banca Ifis. In 2019, this portion was first partially repaid by the vehicle, then sold to a third-party bank for a total residual value of 98,9 million Euro. The difference between the value of the receivables portfolios and the senior notes issued represents the credit granted to the notes' bearers, which consists in a deferred purchase price.

At the end of June 2024, this securitisation was restructured to a value of 1,2 billion Euro. The restructuring has led Banca Ifis, which assumed the role of Lead-Arranger and Calculation Agent, to improve the economic conditions of the securitisation and to enlarge the investor base from six to eight institutions. The banks already involved in the project were joined by Cassa Depositi e Prestiti (CDP), whose commitment aims to provide new finance to SMEs, and Natixis CIB, the latter also assuming the role of co-arranger. Overall, the restructuring involved maintaining the current structural features, net of the extension of the revolving period for a period of 24 months, the extension of the final maturity date of the securities and a revision of the economic conditions applied. The securities of the securitisation are today listed on the ExtraMOT PRO segment of Borsa Italiana. This restructuring transaction did not have any impact on the Bank’s economic and equity position.

Banca Ifis acts as servicer, performing the following tasks:

- following collection operations and monitoring cash flows on a daily basis;
- reconciling the closing balance at every cut-off date;
- verifying, completing and submitting the Service report with the information on the securitised portfolio requested by the vehicle and the banks at every cut-off date.

As part of the securitisation programme, the Bank sends the amount it collects to the vehicle on a daily basis, while the new portfolio is assigned approximately six times each month; this ensures a short time lapse between the outflows from the Bank and the inflows associated with the payment of the new assignments.

Only part of the securitised receivables due from account debtors are recognised as assets - especially for the portion that the Bank has purchased outright, resulting in the transfer of all risks and rewards to the buyer. Therefore, the tables in the quantitative disclosure show only this portion of the portfolio.

In compliance with IAS/IFRS accounting standards, currently the securitisation process does not involve the substantial transfer of all risks and rewards, as it does not meet derecognition requirements. In addition, the vehicle Ifis ABCP Programme S.r.l. was consolidated because, following an analysis of the requirements set forth

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in IFRS 10, it was found to be subject to the control of Banca Ifis (for further details, see "Section 3 - Scope and methods of consolidation" of the paragraph “A.1 - General part” of "Part A - Accounting policies" of these Notes to the Consolidated Financial Statements).

The maximum theoretical loss for Banca Ifis is represented by the losses that could potentially arise within the portfolio of assigned receivables, and the impact would be the same as if the securitisation programme did not exist; therefore, the securitisation has been accounted for as follows:

- the securitised receivables purchased outright were recognised under "receivables due from customers", subitem "factoring";
- the funds raised from the issue of senior notes subscribed for by third parties were recognised under "debt securities issued” of the balance sheet liabilities;
- the interest on the receivables was recognised under the same item of the income statement "interest receivable and similar income";
- the interest on the notes was recognised under "interest due and similar expenses", sub-item "debt securities issued";
- the arrangement fees were fully recognised in profit or loss in the year in which the programme was launched.

At 31 December 2025, the interest expense on the senior notes recognised in profit or loss amounts to 28,7 million Euro.

Other securitisations

At 31 December 2025, the Bank holds 1.002,3 million Euro in notes deriving from third-party securitisation transactions, as follows: 942,2 million Euro of senior notes (of which 14,8 million Euro relate to securities with underlying non-financial assets and 7 million Euro in credit facilities), 39,6 million Euro of mezzanine notes, 0,6 million Euro of junior notes and single tranche securities for 20,0 million Euro. The Bank also holds securities deriving from multi-originator securitisations in which it assumed, together with other banks, the role of originator. Of this, the own securitisation portion is 3,2 million Euro (senior securities for 3,2 million Euro and mezzanine securities for 0,3 million Euro), while the third-party securitisation portion is 25,5 million Euro as at 31 December 2025 (36 million Euro as at 31 December 2024 for both own and third-party securities). For further details, refer to paragraph "C. Financial assets sold and derecognised in full" below, within subsection "E. Disposal transactions" of "Section 1 - Credit risk” of “Part E - Information on risks and related hedging policies” of these Notes to the Financial Statements.

In December 2024, the subsidiary Ifis Npl Investing S.p.A. participated in a multi-originator securitisation transaction. The special purpose vehicle Luzzatti POP NPLs 2024 S.r.l. acquired from Ifis Npl Investing S.p.A. a portfolio of non-performing loans for a carrying amount of 10,3 million Euro and issued securities in three classes: a senior class offered in subscription to each of the assignors at par and pro-rata and with an investment grade BBB area rating; a mezzanine class and a junior class both placed by IMI on the institutional market net of a 5% share subscribed by the assignors. Following Ifis Npl Investing S.p.A.'s pro-rata subscription of the senior notes, they were sold to Banca Ifis, net of a 5% share retained by it. The carrying amount at 31/12/2025 for Banca Ifis is 9,1 million Euro.

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Quantitative information

C.1 Exposures from the main "own" securitisations broken down by type of securitised asset and type of exposure

Type of securitised asset/Exposure	On-balance-sheet exposures						Guarantees granted						Credit lines					
	Senior		Mezzanine		Junior		Senior		Mezzanine		Junior		Senior		Mezzanine		Junior	
	Carrying amount	Impairment losses/ reversals	Carrying amount	Impairment losses/ reversals	Carrying amount	Impairment losses/ reversals	Net exposure	Impairment losses/ reversals	Net exposure	Impairment losses/ reversals	Net exposure	Impairment losses/ reversals	Net exposure	Impairment losses/ reversals	Net exposure	Impairment losses/ reversals	Net exposure	Impairment losses/ reversals
A. Fully derecognised	**3.215**	-	**26**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B. Partly derecognised	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C. Not derecognised	-	-	-	-	**133.643**	-	-	-	-	-	-	-	-	-	-	-	-	-
- receivables due from customers	-	-	-	-	133.643	-	-	-	-	-	-	-	-	-	-	-	-	-

C.2 Exposures from the main "third-party" securitisations broken down by type of securitised asset and type of exposure

Type of securitised asset/Exposures	On-balance-sheet exposures						Guarantees granted						Credit lines					
	Senior		Mezzanine		Junior		Senior		Mezzanine		Junior		Senior		Mezzanine		Junior	
	Carrying amount	Impairment losses/ reversals	Carrying amount	Impairment losses/ reversals	Carrying amount	Impairment losses/ reversals	Net exposure	Impairment losses/ reversals	Net exposure	Impairment losses/ reversals	Net exposure	Impairment losses/ reversals	Net exposure	Impairment losses/ reversals	Net exposure	Impairment losses/ reversals	Net exposure	Impairment losses/ reversals
Secured and unsecured loans	955.179	1.516	39.532	980	581	-	-	-	-	-	-	-	6.986	31	-	-	-	-
Total	**955.179**	**1.516**	**39.532**	**980**	**581**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**6.986**	**31**	**-**	**-**	**-**	**-**

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C.3 Special purpose vehicle for the securitisation

Securitisation name / Special purpose vehicle name	Registered office	Consolidation	Assets			Liabilities		
			Receivables	Debt securities	Other	Senior	Mezzanine	Junior
Ifis ABCP Programme S.r.l.	Conegliano (Province of Treviso)	100%	1.181.370	-	160.751	975.672	-	-

C.4 Non-consolidated special purpose vehicles for the securitisation

The case does not exist.

C.5 Servicer activities – own securitisations: collection of securitised loans and redemption of securities issued by the SPV for securitisation

The case does not exist.

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D. Disclosure on structured entities not consolidated in the accounts (other than securitisation vehicles)

There are no unconsolidated structured companies at 31 December 2025 other than the securitisation company falling within the Bank's scope.

E. Disposals

A. Financial assets sold and not derecognised in full

Qualitative information

Transfer transactions that did not result in the derecognition of the underlying financial assets are represented by:

- securitisation transactions of credit exposures to customers;
- repurchase agreements (repos) on securities owned, mainly classified in the portfolios "Financial assets measured at fair value through other comprehensive income" and "Financial assets measured at amortised cost".

In the case of repurchase agreements, the non-derecognition of the security, which is the subject of a spot sale, derives from the fact that the Bank retains substantially all the risks and rewards associated with the security, having the obligation to repurchase it forward at a contractually agreed price. The securities being transferred therefore continue to be shown in the accounting portfolios to which they belong; the consideration for the transfer is recognised under “Financial liabilities measured at amortised cost: a) payables due to banks or b) payables due to customers”, depending on the type of counterparty. In this regard, it should be noted that the following tables do not represent repurchase agreements on securities not recorded in the balance sheet, if the availability of the same results from reverse repurchase agreements (refer to the section "Other information" in Part B of these Notes).

For securitisation transactions, described in section "C. Securitisation transactions" above, the non-derecognition follows the Bank's subscription of the tranches of junior securities or similar exposures, which entail the risk of first losses for it and, likewise, the benefit associated with the return on the portfolio of transferred assets. In exchange for the transfer, the consideration received is recognised as a balancing entry to a liability to the special purpose vehicle, net of any tranches of securities subscribed or drawdowns of forms of liquidity support in favour of the vehicle in order to make principal payments. The loan thus recorded to the special purpose vehicle will be reduced by the sums collected by the originator, as "servicer", and transferred to the same vehicle.

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Quantitative information

E.1 Financial assets sold and fully recognised and associated financial liabilities: carrying amounts

	Financial assets sold and fully recognised				Associated financial liabilities		
	Carrying amount	*of which: securitised*	*of which: subject to repurchase agreements*	*of which non-performing*	Carrying amount	*of which: securitised*	*of which: subject to repurchase agreements*
A. Financial assets held for trading	-	-	-	*X*	-	-	-
1. Debt securities	-	-	-	*X*	-	-	-
2. Equity securities	-	-	-	*X*	-	-	-
3. Loans	-	-	-	*X*	-	-	-
4. Derivatives	-	-	-	*X*	-	-	-
B. Other financial assets mandatorily measured at fair value	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-	-	-	-
2. Equity securities	-	-	-	*X*	-	-	-
3. Loans	-	-	-	-	-	-	-
C. Financial assets designated at fair value	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-	-	-	-
2. Loans	-	-	-	-	-	-	-
D. Financial assets measured at fair value through other comprehensive income	**363.907**	**-**	***363.907***	**-**	**365.357**	**-**	***365.357***
1. Debt securities	363.907	-	*363.907*	-	365.357	-	*365.357*
2. Equity securities	-	-	-	*X*	-	-	-
3. Loans	-	-	-	-	-	-	-
E. Financial assets measured at amortised cost	**2.628.873**	***819.886***	***1.808.987***	***3.825***	**2.900.399**	***791.780***	***2.108.619***
1. Debt securities	1.808.987	-	*1.808.987*	-	2.108.619	-	*2.108.619*
2. Loans	819.886	*819.886*	-	*3.825*	791.780	*791.780*	-
Total 31.12.2025	**2.992.780**	***819.886***	***2.172.894***	***3.825***	**3.265.756**	***791.780***	***2.473.976***
Total 31.12.2024	**2.491.101**	***777.020***	***1.714.081***	***4.279***	**2.867.601**	***1.268.471***	***1.599.130***

E.2 Financial assets sold and partly recognised and associated financial liabilities: carrying amounts

The case does not exist.

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E.3 Disposal transactions with liabilities having recourse only to assets sold and not derecognised in full: fair value

	Recorded in full	Recorded partially	Total	
			31.12.2025	31.12.2024
A. Financial assets held for trading	-	-	-	-
1. Debt securities	-	-	-	-
2. Equity securities	-	-	-	-
3. Loans	-	-	-	-
4. Derivatives	-	-	-	-
B. Other financial assets mandatorily measured at fair value	-	-	-	-
1. Debt securities	-	-	-	-
2. Equity securities	-	-	-	-
3. Loans	-	-	-	-
C. Financial assets designated at fair value	-	-	-	-
1. Debt securities	-	-	-	-
2. Loans	-	-	-	-
D. Financial assets measured at fair value through other comprehensive income	**363.907**	**-**	**363.907**	**98.796**
1. Debt securities	363.907	-	363.907	98.796
2. Equity securities	-	-	-	-
3. Loans	-	-	-	-
E. Financial assets measured at amortised cost	**2.628.873**	**-**	**2.628.873**	**2.392.305**
1. Debt securities	1.808.987	-	1.808.987	1.615.285
2. Loans	819.886	-	819.886	777.020
Total financial assets	**2.992.780**	**-**	**2.992.780**	**2.491.101**
Total associated financial liabilities	**3.265.757**	**-**	**X**	**X**
Net balance at 31.12.2025	**(272.977)**	**-**	**(272.977)**	**X**
Net balance at 31.12.2024	**(376.500)**	**-**	**X**	**(376.500)**

B. Financial assets sold and derecognised in full with recognition of continuing involvement

The Bank has not entered into any disposal transactions for which disclosure is required under IFRS 7.

C. Financial assets sold and derecognised in full

Qualitative information

At 31 December 2025, the Bank held securitised securities and mutual fund units acquired as a result of transactions involving the sale of financial assets that were derecognised in full during previous years. These transactions involved the transfer of financial assets, consisting of loans, by the Bank to securitisation special purpose entities or mutual funds and their derecognition in accordance with IFRS 9, following verification that the originator Bank itself had substantially transferred the risks and rewards of the transferred assets and had simultaneously retained no control over those assets. Instead of these derecognised assets, securitised securities, equity instruments or Fund units received in the same transactions have been recognised as financial assets.

Below is information provided on multi-originator sales of loan portfolios, in particular of "unlikely to pay" loans - that are attributable to the assignment of loans to a mutual fund with allocation of the relevant shares to the assigning intermediaries.

Quantitative information

The following table provides details of the funds held, showing the fund management company and the carrying amount at 31 December 2025. With regard to equity instruments, refer to the descriptive section below.

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Fund name	Carrying amount at 31/12/2025 (in thousands)	Asset management company
illimity Credit & Corporate Turnaround Fund	5.925	Fürstenberg SGR (formerly illimity SGR)
City Regeneration Fund	8.228	Redo SGR
IDeA Corporate Credit Recovery I - Comparto Crediti	5.984	Dea Capital Alternative Funds SGR
IDeA Corporate Credit Recovery II - Comparto Crediti	6.176	Dea Capital Alternative Funds SGR
IDeA Corporate Credit Recovery II - Comparto Shipping	739	Dea Capital Alternative Funds SGR
BCC NPLs 2020	25.135	BCC NPLs 2020 S.r.l
BCC NPLs 2021	3.590	BCC NPLs 2021 S.r.l

Transactions concluded during the year

During 2025, no transactions were undertaken in accordance with this disclosure.

Transactions concluded in previous years

"Illimity Credit & Corporate Turnaround Fund" ICCT Fund

Restructuring fund managed by Fürstenberg SGR (which, before 18 December 2025 was called illimity SGR), established in 2021 with the objective of purchasing non-performing loans owed by banks to companies engaged in restructuring processes.

The subscription of the fund's shares by Banca Ifis took place in April 2024 with an investment of 7,405 million Euro, an amount coinciding with the price of the sale of loans due in respect of an automotive company. The investment, recorded at 5,8 million Euro, represented 3,3% of the fund at the time of subscription. Subsequently, further closures occurred, which did not affect Banca Ifis, and which reduced the Fund's participation to 2,68%. Following a regulatory change effective from 1 January 2025, the Fund was split into two sub-funds by means of a distribution in kind of the original sub-fund, now called Accelerated, which holds the assets of companies that have now been restructured, and at the same time subscribing to units of the new Core sub-fund, which continues to invest and has a longer time horizon. As at 31 December 2025, the shareholding in the Accelerated segment was stable at 2,68%, while the shareholding in the Core segment decreased to 2,13%, due to closures that did not affect Banca Ifis.

Distributions were received from the Accelerated segment during the year. The carrying amount as of 31 December 2025 of the Accelerated sub-fund is 2,6 million Euro, while that of the Core sub-fund is 3,3 million Euro, giving a total fund value of 5,9 million Euro.

IDeA CCR II Fund - Comparto Crediti

Fund established in 2017, a replica of the CCR I fund launched in previous years, with the objective of purchasing non-performing loans and instruments claimed by banks from companies involved in restructuring processes.

In 2017, Banca Ifis subscribed units for a total initial value of 8,8 million Euro in conjunction with the assignment to the Fund of its claim against a single debtor operating in the manufacturing sector.

At subscription, Banca Ifis's shareholding in the sub-fund was 3,72%. As a result of the subsequent closures implemented by the Fund, the Fund's sub-fund participation in respect of units subscribed before December 2024 was reduced to 0,44%.

In December 2024, Banca Ifis subscribed a further 209,91 units in the fund for an equivalent amount of 3,8 million Euro in conjunction with the assignment to it of its claim against a company operating in the furnishings sector. At the time of subscription, the new units represented 0,64% of the total units issued. Following further closures by the end of the year, the percentage dropped to 0,53% for a value of 3,1 million Euro.

Over the years, distributions have been made in favour of shareholders.

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During 2025, as a result of further closures and distributions to shareholders, the overall shareholding in the Fund at year-end decreased to 0,92%.

The comprehensive carrying amount at 31 December 2025 is 6,1 million Euro.

IDeA CCR I Fund - Comparto Crediti

Fund established in January 2016, with the objective of purchasing non-performing loans and instruments claimed by banks from companies involved in restructuring processes.

Banca Ifis became a shareholder in July 2019, as part of the last closing realised by the fund, through the subscription of units worth 15,9 million Euro, in conjunction with the sale to the fund of receivables and equity instruments owed to an operator in the automotive segment. Banca Ifis's share of the Fund is 13,66% of the sub-fund. In 2024, having reached maturity, the fund was put into liquidation. The sub-fund's management team is focused on selling the last asset in the portfolio from which the final redemption of units will be derived. The carrying amount at 31 December 2025 is 6,0 million Euro.

IDeA CCR II Fund - Comparto Shipping

Sub-fund established in 2018 within the CCR II Fund launched in 2017, specifically for non-performing loans arising from transactions with ship operators. The sub-fund is denominated in US dollars.

The subscription of the sub-fund's shares by Banca Ifis took place in December 2018 with an investment of 37,7 million Dollar, an amount coinciding with the price of the sale of ship mortgage-backed loans to as many operators. Banca Ifis's shareholding represents 19,34% of the sub-fund's units.

Over the years, the Fund has made significant distributions from the proceeds realised through the restructuring of receivables, repossession of ships and the subsequent sale of part of them, greatly anticipating the recovery expected by shareholders. In the course of 2025, a new important distribution was made in favour of the shareholders. The carrying amount at 31 December 2025 is 0,7 million Euro.

City Regeneration Fund

A closed-end real estate alternative investment fund reserved for professional investors established in November 2020 with the objective of making sustainable investments in real estate initiatives aimed at urban regeneration and having a social impact, with a focus on Social Housing, Senior Living and Student Housing.

In November 2023, Banca Ifis sold its claim against a single debtor, the owner of the largest urban regeneration project in Italy, with a nominal amount of 9,2 million Euro and a carrying amount of 5,9 million Euro. For this transaction, Banca Ifis received units of the City Regeneration Fund, entered at a fair value of 6,3 million Euro.

At 31 December 2025, Banca Ifis's share is 1,54% of the total value of the Fund's subscriptions and its carrying amount is 8,2 million Euro.

In addition to the above, again with a view to pursuing de-risking activities, Banca Ifis participated in two multi-originator securitisation transactions in 2020 and 2021, respectively.

“BCC NPLs 2020” securitisation

Multi-originator transaction whereby, on 18/11/2020, 90 banks, 88 of which belong to the Iccrea Cooperative Banking Group and two banks outside the group (Banca Ifis and Banca Popolare Valconca), completed the sale of an equal number of portfolios of non-performing loans classified as bad loans at the date of sale for a total credit claim of 2.347,1 million Euro (of which 249,0 million Euro related to the portfolio sold by the bank) in favour of a vehicle company ("BCC NPLs 2020 S.r.l.") set up pursuant to Law 130/1999 through the realisation of a securitisation of bad loans guaranteed by Italian Treasury Department (“GACS”) pursuant to L.D. No. 18 of 14 February 2016.

BCC NPLs 2020 S.r.l. financed acquisitions of the loans portfolio by issuing asset-backed securities, in accordance with the combined provisions of Articles 1 and 5 of Italian Law No. 130, for a total nominal amount of approximately 585 million Euro, structured into the following classes:

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- 520 million Euro of senior securities (of which a nominal 55.077.000,00 Euro subscribed by the Bank), maturing in January 2045 and with Baa2 and BBB ratings issued by Moody's Italia S.r.l. and Scope, respectively;
- 41 million Euro in mezzanine notes maturing in January 2045, with rating Caa2 and CC assigned respectively by Moody's Italia S.r.l. and Scope;
- 24 million Euro in junior notes maturing in January 2045, unrated.

The mezzanine securities and the junior securities were subscribed by independent investors having no relationship and/or ties with the originator banks, it being understood that each originator bank undertook to maintain a share of at least 5% of the nominal amount of each tranche of securities issued in the context of the Transaction. The share of mezzanine and junior securities subscribed by the bank is 245 thousand Euro and 143 thousand Euro, respectively.

In the context of this transaction, the bank benefited from the accounting and prudential derecognition of the transferred assets. The carrying amount at 31 December 2025 is 24,9 million Euro for senior units, 0,2 million Euro for mezzanine units, and junior units are of negligible value.

"BCC NPLs 2021" securitisation

Multi-originator transaction whereby, on 16/11/2021, 77 banks, 74 of which belong to the Iccrea Cooperative Banking Group and 3 Banks outside the group (Banca Ifis, Cassa di Risparmio di Asti and Guber Banca), completed the sale of an equal number of portfolios of non-performing loans classified as bad loans at the date of sale for a total credit claim of 1.311,9 million Euro (of which 86,9 million Euro related to the portfolio sold by the bank) in favour of a vehicle company ("BCC NPLs 2021 S.r.l.") set up pursuant to Law 130/1999 through the realisation of a securitisation of bad loans guaranteed by Italian Treasury Department ("GACS") pursuant to L.D. No. 18 of 14 February 2016.

BCC NPLs 2021 S.r.l. financed acquisitions of the loans portfolio by issuing asset-backed securities, in accordance with the combined provisions of Articles 1 and 5 of Italian Law No. 130, for a total nominal amount of 336,5 million Euro, structured into the following classes:

- 284 million Euro of senior securities (of which a nominal 7.823.000 Euro subscribed by the Bank), maturing in April 2046 and with Baa2, BBB and BBB ratings issued by Moody's Italia S.r.l., Scope and Arc Rating S.A., respectively;
- 39,5 million Euro in mezzanine notes maturing in April 2046, with rating Caa2, CCC and CCC+ assigned respectively by Moody's Italia S.r.l., Scope and Arc Rating S.A., respectively;
- 13 million Euro in junior securities maturing in April 2046, unrated.

The mezzanine securities and the junior securities were subscribed by independent investors having no relationship and/or ties with the originator Banks, it being understood that each originator bank undertook to maintain a share of at least 5% of the nominal amount of each tranche of securities issued in the context of the transaction. The share of mezzanine and junior securities subscribed by the bank is 130,8 thousand Euro and 43 thousand Euro, respectively.

In the context of this transaction, the bank benefited from the accounting and prudential derecognition of the transferred assets. The carrying amount at 31 December 2025 is 3,5 million Euro for senior units, 0,1 million Euro for mezzanine units, and junior units are of negligible value.

D. Covered bond transactions

The case does not exist.

F. Models for measuring credit risk

Banca Ifis does not have internal portfolio models on credit risk (VaR methodology).

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Section 2 - Market risks

2.1 Interest rate risk and price risk - supervisory trading book

Qualitative information

For qualitative information, refer to Part E in the Notes to the Consolidated Financial Statements in this document.

Quantitative information

1. Supervisory trading book: breakdown by residual maturity (re-pricing date) of on-balance-sheet financial assets and liabilities and financial derivatives - Currency: Euro

Type/Residual maturity	on demand	up to 3 months	over 3 to 6 months	over 6 months to 1 year	over 1 to 5 years	over 5 to 10 years	over 10 years	indefinite life
1. On-balance-sheet assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. On-balance-sheet liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Repurchase agreements	-	-	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 With underlying security								
- Options								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other								
+ long positions	-	17.393	-	1.329	-	-	-	-
+ short positions	-	17.393	-	158	-	-	-	-
3.2 Without underlying security								
- Options								
+ long positions	-	11.706	1.853	51	305	96	-	-
+ short positions	-	51	-	48	283	9.250	4.379	-
- Other								
+ long positions	-	246.204	2.991	556	208.092	34.325	-	-
+ short positions	-	246.161	2.991	556	208.093	34.325	-	-

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1. Supervisory trading book: breakdown by residual maturity (re-pricing date) of on-balance-sheet financial assets and liabilities and financial derivatives - Currency: Other Currencies

Type/Residual maturity	on demand	up to 3 months	over 3 to 6 months	over 6 months to 1 year	over 1 to 5 years	over 5 to 10 years	over 10 years	indefinite life
1. On-balance-sheet assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. On-balance-sheet liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Repurchase agreements	-	-	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 With underlying security								
- Options								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security								
- Options								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other								
+ long positions	-	5.013	-	-	-	-	-	-
+ short positions	-	5.055	-	-	-	-	-	-

2. Supervisory trading book: distribution of equity exposures and equity indexes by major market listing countries

Banca Ifis has no cases for which the disclosures in this paragraph are applicable.

3. Supervisory trading book - internal models and other methods for the sensitivity analysis

Banca Ifis does not have internal models for the regulatory trading book.

2.2 Interest rate risk and price risk - banking book

Qualitative information

For qualitative information, refer to Part E in the Notes to the Consolidated Financial Statements in this document.

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Quantitative information

1. Banking book: breakdown by residual maturity (re-pricing date) of financial assets and liabilities - Currency: Euro

Type/Residual maturity	on demand	up to 3 months	over 3 to 6 months	over 6 months to 1 year	over 1 to 5 years	over 5 to 10 years	over 10 years	Indefinite life
1. On-balance-sheet assets	**2.127.904**	**3.749.589**	**1.744.938**	**505.531**	**1.919.870**	**1.382.163**	**278.827**	**-**
1.1 Debt securities	17.826	993.861	921.355	113.312	706.285	1.130.904	278.275	-
- with early redemption option	506	890.863	25.151	20.678	136.078	54.714	52.056	-
- other	17.320	102.998	896.204	92.634	570.207	1.076.190	226.219	-
1.2 Loans to banks	268.283	145.243	83	44	154	-	-	-
1.3 Loans to customers	1.841.795	2.610.485	823.500	392.175	1.213.431	251.259	552	-
- current a/c	10.813	80.136	-	-	396	-	-	-
- other loans	1.830.982	2.530.349	823.500	392.175	1.213.035	251.259	552	-
- with early redemption option	232.690	1.216.957	601.485	203.882	528.243	237.902	552	-
- other	1.598.292	1.313.392	222.015	188.293	684.792	13.357	-	-
2. On-balance-sheet liabilities	**1.098.937**	**4.094.807**	**1.224.234**	**1.128.808**	**4.363.621**	**46.176**	**1.915**	**-**
2.1 Due to customers	1.062.596	2.680.520	783.367	589.550	1.758.070	4.460	1.915	-
- current a/c	411.624	247.184	116.703	116.830	187.893	-	-	-
- other payables	650.972	2.433.336	666.664	472.720	1.570.177	4.460	1.915	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	650.972	2.433.336	666.664	472.720	1.570.177	4.460	1.915	-
2.2 Payables due to banks	36.337	1.414.287	440.858	432.711	802.371	41.716	-	-
- current a/c	59	-	-	-	-	-	-	-
- other payables	36.278	1.414.287	440.858	432.711	802.371	41.716	-	-
2.3 Debt securities	4	-	9	106.547	1.803.180	-	-	-
- with early redemption option	-	-	-	-	786.986	-	-	-
- other	4	-	9	106.547	1.016.194	-	-	-
2.4 Other liabilities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 With underlying security								
- Options								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security								
- Options								
+ long positions	-	-	-	10.519	153.779	-	-	-
+ short positions	-	-	-	10.519	153.779	-	-	-
- Other								
+ long positions	-	467.700	385.500	130.000	-	-	-	-
+ short positions	-	-	-	-	269.700	713.500	-	-
4. Other off-balance-sheet transactions								
+ long positions	801.434	101.132	-	-	-	-	-	-
+ short positions	342.435	1.476	11.039	500	440.738	106.378	-	-

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1. Banking book: breakdown by residual maturity (re-pricing date) of financial assets and liabilities - Currency: Other currencies

Type/Residual maturity	on demand	up to 3 months	over 3 to 6 months	over 6 months to 1 year	over 1 to 5 years	over 5 to 10 years	over 10 years	Indefinite life
1. On-balance-sheet assets	**70.659**	**230.800**	**436**	**-**	**13**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Loans to banks	44.648	182.395	-	-	-	-	-	-
1.3 Loans to customers	26.011	48.405	436	-	13	-	-	-
- current a/c	6.816	-	-	-	-	-	-	-
- other loans	19.195	48.405	436	-	13	-	-	-
- with early redemption option	573	2.627	322	-	-	-	-	-
- other	18.622	45.778	114	-	13	-	-	-
2. On-balance-sheet liabilities	**31.181**	**274.070**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Due to customers	31.181	-	-	-	-	-	-	-
- current a/c	31.181	-	-	-	-	-	-	-
- other payables	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
2.2 Payables due to banks	-	274.070	-	-	-	-	-	-
- current a/c	-	-	-	-	-	-	-	-
- other payables	-	274.070	-	-	-	-	-	-
2.3 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
2.4 Other liabilities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 With underlying security								
- Options								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security								
- Options								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
4. Other off-balance-sheet transactions								
+ long positions	667	-	-	-	-	-	-	-
+ short positions	667	-	-	-	-	-	-	-

2. Banking book - internal models and other methods for the sensitivity analysis

Banca Ifis uses the Ermas suite for the assessment of interest rate risk on the banking book, which, using a full evaluation approach, calculates risk exposures under the two headings required by current regulations (change in

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economic value and change in net interest income). This suite is enriched by a behavioural model for the estimation of stocks and flows of on-demand collection components, differentiated by type of collection form.

2.3 Currency risk

Qualitative information

For qualitative information, please refer to Part E in the Notes to the Consolidated Financial Statements in this document.

Quantitative information

1. Breakdown of assets, liabilities and derivatives by currency

Items	Currencies					
	US DOLLAR	UK STERLING	SWEDISH KRONA	ZLOTY	SWISS FRANC	OTHER CURRENCIES
A. Financial assets	**264.037**	**2.462**	**1.056**	**30.399**	**780**	**7.444**
A.1 Debt securities	-	-	-	-	-	-
A.2 Equity securities	739	2.195	686	-	649	-
A.3 Loans to banks	195.285	217	370	30.386	131	656
A.4 Loans to customers	68.013	50	-	13	-	6.788
A.5 Other financial assets	-	-	-	-	-	-
B. Other assets	-	**-**	**-**	**-**	**-**	**-**
C. Financial liabilities	**263.016**	**2.525**	**925**	**30.644**	**859**	**7.283**
C.1 Payables due to banks	262.497	2.525	925	-	859	7.265
C.2 Payables due to customers	519	-	-	30.644	-	18
C.3 Debt securities	-	-	-	-	-	-
C.4 Other financial liabilities	-	-	-	-	-	-
D. Other liabilities	**2**	**5**	**-**	**-**	**-**	**-**
E. Financial derivatives	**10.007**	**-**	**-**	**61**	**-**	**-**
- Options						
+ long positions	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-
- Other						
+ long positions	4.952	-	-	61	-	-
+ short positions	5.055	-	-	-	-	-
Total assets	**268.989**	**2.462**	**1.056**	**30.460**	**780**	**7.444**
Total liabilities	**268.073**	**2.530**	**925**	**30.644**	**859**	**7.283**
Imbalance (+/-)	**916**	**(68)**	**131**	**(184)**	**(79)**	**161**

2. Internal models and other methods for the sensitivity analysis

Banca Ifis does not have internal models for currency risk.

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Section 3 - Derivative instruments and hedging policies

3.1 Derivative instruments held for trading

A. Financial derivatives

For more information on financial derivatives, refer to what is described in section '1.2 Market Risks' in Section 2 of Part E of the Notes to the Consolidated Financial Statements within this document.

A.1 Financial derivatives held for trading: year-end notional amounts

Underlying assets/ Types of derivatives	31.12.2025				31.12.2024			
	Over the counter			Organised markets	Over the counter			Organised markets
	Central counterparties	Without central counterparties			Central counterparties	Without central counterparties		
		With netting agreements	Without netting agreements			With netting agreements	Without netting agreements	
1. Debt securities and interest rates	**-**	**-**	**964.299**	**-**	**-**	**-**	**1.069.514**	**-**
a) Options	-	-	477.180	-	-	-	819.298	-
b) Swaps	-	-	487.119	-	-	-	250.216	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
2. Equity securities and share indexes	**-**	**-**	**246.161**	**-**	**-**	**-**	**129.379**	**-**
a) Options	-	-	246.161	-	-	-	129.379	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
3. Currencies and gold	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Commodities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
5. Others	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**-**	**1.210.460**	**-**	**-**	**-**	**1.198.893**	**-**

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A.2 Financial derivatives held for trading: gross positive and negative fair value - breakdown by product

Types of derivatives	31.12.2025				31.12.2024			
	Over the counter			Organised markets	Over the counter			Organised markets
	Central counter parties	Without central counterparties			Central counterparties	Without central counterparties		
		With netting agreements	Without netting agreements			With netting agreements	Without netting agreements	
1. Positive fair value								
a) Options	-	-	4.243	-	-	-	1.549	-
b) Interest rate swaps	-	-	2.731	-	-	-	1.940	-
c) Cross currency swaps	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-
e) Forwards	-	-	-	-	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-
Total	**-**	**-**	**6.974**	**-**	**-**	**-**	**3.489**	**-**
2. Negative fair value								
a) Options	-	-	10.902	-	-	-	11.771	-
b) Interest rate swaps	-	-	2.922	-	-	-	1.994	-
c) Cross currency swaps	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-
e) Forwards	-	-	-	-	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-
Total	**-**	**-**	**13.824**	**-**	**-**	**-**	**13.765**	**-**

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A.3 OTC financial derivatives held for trading: notional amounts, gross positive and negative fair value by counterparty

Underlying assets	Central counterparties	Banks	Other financial corporations	Other entities
Contracts not included in netting agreements				
1) Debt securities and interest rates				
- notional amount	X	961.894	-	2.405
- positive fair value	X	2.742	-	52
- negative fair value	X	11.060	-	-
2) Equity securities and share indexes				
- notional amount	X	246.161	-	-
- positive fair value	X	4.180	-	-
- negative fair value	X	2.764	-	-
3) Currencies and gold				
- notional amount	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
4) Commodities				
- notional amount	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
5) Other				
- notional amount	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
Contracts included in netting agreements				
1) Debt securities and interest rates				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
2) Equity securities and share indexes				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
3) Currencies and gold				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
4) Commodities				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
5) Other				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-

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A.4 Residual life of OTC financial derivatives held for trading: notional amounts

Underlying assets/Residual life	Up to 1 year	Over 1 to 5 years	Over 5 years	Total
A.1 Financial derivatives on debt securities and interest rates	109.464	586.185	268.650	**964.299**
A.2 Financial derivatives on equity securities and share indexes	240.661	5.500	-	**246.161**
A.3 Financial derivatives on exchange rates and gold	-	-	-	**-**
A.4 Financial derivatives on commodities	-	-	-	**-**
A.5 Other financial derivatives	-	-	-	**-**
Total 31.12.2025	**350.125**	**591.685**	**268.650**	**1.210.460**
Total 31.12.2024	**577.926**	**376.362**	**244.605**	**1.198.893**

B. Credit derivatives

B.1 Credit derivatives held for trading: year-end notional amounts

The case does not exist.

B.2 Credit derivatives held for trading: gross positive and negative fair value - breakdown by product

The case does not exist.

B.3 OTC credit derivatives held for trading: notional amounts, gross positive and negative fair value by counterparty

The case does not exist.

B.4 Residual life of OTC credit derivatives held for trading: notional amounts

The case does not exist.

B.5 Credit derivatives related to the fair value option: annual changes

The case does not exist.

3.2 Hedges

Qualitative information

A. Fair value hedging

Banca Ifis's hedges are designed to reduce the overall exposure to interest rate risk caused by movements in the interest rate curve, as well as to the price risk, caused by market fluctuations. Specifically, the hedging strategies relate to:

- a "package" of specific hedges on fixed-rate securities in the Proprietary Portfolio with which a "HTC" (Held to Collect) business model is associated. These are government bonds issued by the Italian government (BTPs) that pass the "SPPI test" prescribed by IFRS 9, and are therefore classified in the balance sheet item "Financial assets measured at amortised cost - receivables due from customers";
- specific hedges on certain fixed-rate securities in the Proprietary Portfolio with which a "HTC&S" (Held to Collect & Sell) business model is associated. These are foreign government securities that pass the "SPPI test" prescribed by IFRS 9, and are therefore classified in the balance sheet item "Financial assets measured at fair value through other comprehensive income";
- specific hedges on certain equity securities for which Banca Ifis has exercised the "OCI Option" envisaged by IFRS 9, and that are therefore classified in the balance sheet item "Financial assets measured at fair value through other comprehensive income".

In hedge accounting, the Bank applies standard IFRS 9 and, at the reference date of the Financial Statements, only adopts specific hedges (micro fair value hedges) and not general hedges (macro fair value hedges).

Within the micro fair value hedge, debt securities and equity securities on the asset side are hedged.

The main types of hedging derivatives used are:

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- plain interest rate swaps (IRS), which are not listed on regulated markets but are traded on over-the-counter (OTC) circuits;
- put and call options.

B. Cash flow hedging

As at 31 December 2025, Banca Ifis does not engage in cash flow hedges.

C. Foreign investment hedges

As at 31 December 2025, Banca Ifis does not engage in net investment hedging in a foreign entity.

D. Hedging instruments

The main causes of ineffectiveness of the model adopted by the Bank for verifying the effectiveness of hedges are attributable to the following phenomena:

- mismatch between the notional amount of the derivative and the underlying hedged item recognised at the time of initial designation or generated thereafter, such as in the case of any partial disposals of the hedged securities;
- application of different curves on the hedging derivative and the hedged item for the purpose of performing the effectiveness test on fair value hedges. Derivatives are discounted to Overnight curves, while hedged items are discounted to the indexation curve of the hedging instrument;
- inclusion in the effectiveness test of the value of the variable leg of the hedging derivative, assuming a fair value hedge.

The ineffectiveness of the hedge is promptly detected for the purposes:

- the determination of the effect on the income statement or directly on comprehensive income (in the case of fair value hedges on equity securities measured at fair value through other comprehensive income);
- assessing whether or not hedge accounting rules can continue to be applied.

The Bank does not use dynamic hedges, as defined in IFRS 7, paragraph 23C.

E. Items hedged

The main types of items hedged are, at the reference date of the Financial Statements, debt securities and equity securities on the asset side. These types are hedged in micro fair value hedge relationships, using interest rate swaps (IRS) and put and call options as hedging instruments.

Typically, the interest rate risk or price risk is generally hedged for all or most of the time for which the position is maintained in the portfolio.

To verify the effectiveness of the hedge, the Bank uses a prospective effectiveness test measured through the ratio of the delta fair value of each hedging instrument and the related hedged item based on sensitivity analysis where there is a parallel shock of the curve for debt securities, while the verification of the effectiveness of the hedge on equity securities is carried out through a prospective test on a -20% shock in the price of the underlying asset. The verification of hedging effectiveness through the prospectus described above is performed prior to the designation of the hedging relationship, as an ex-ante estimate, and is subsequently monitored on an ongoing basis and reported periodically to senior management.

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Quantitative information

A. Financial hedging derivatives

A.1 Financial hedging derivatives: year-end notional amounts

Underlying assets/ Types of derivatives	Total 31.12.2025				Total 31.12.2024			
	Over the counter			Organised markets	Over the counter			Organised markets
	Central counterparties	Without central counterparties			Central counterparties	Without central counterparties		
		With netting agreements	Without netting agreements			With offsetting agreements	Without offsetting agreements	
1. Debt securities and interest rates	**-**	**-**	**983.200**	**-**	**-**	**-**	**495.700**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	983.200	-	-	-	495.700	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
2. Equity securities and share indexes	**-**	**-**	**164.298**	**-**	**-**	**-**	**81.844**	**-**
a) Options	-	-	164.298	-	-	-	81.844	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
3. Currencies and gold	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Commodities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
5. Others	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**-**	**1.147.498**	**-**	**-**	**-**	**577.544**	**-**

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A.2 Financial hedging derivatives: gross positive and negative fair value - breakdown by product

Types of derivatives	Positive and negative fair value								Change in value used to recognise hedge ineffectiveness	
	Total 31.12.2025				Total 31.12.2024					
	Over the counter			Organised markets	Over the counter			Organised markets	Total 31.12.2025	Total 31.12.2024
	Central counterparts	Without central counterparties			Central counterparts	Without central counterparties				
		With offsetting agreements	Without offsetting agreements			With offsetting agreements	Without offsetting agreements			
1. Positive fair value										
a) Options	-	-	9.728	-	-	-	5.972	-	5.947	1.746
b) Interest rate swaps	-	-	13.670	-	-	-	1.432	-	12.695	2.176
c) Cross currency swaps	-	-	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-	-	-
e) Forwards	-	-	-	-	-	-	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**23.398**	**-**	**-**	**-**	**7.404**	**-**	**18.642**	**3.922**
2. Negative fair value										
a) Options	-	-	8.348	-	-	-	1.623	-	2.236	299
b) Interest rate swaps	-	-	8.844	-	-	-	13.245	-	6.140	922
c) Cross currency swaps	-	-	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-	-	-
e) Forwards	-	-	-	-	-	-	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**17.192**	**-**	**-**	**-**	**14.868**	**-**	**8.376**	**1.221**

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A.3 OTC financial hedging derivatives: notional amounts, gross positive and negative fair value by counterparty

Underlying assets	Central counterpar-ties	Banks	Other financial corporations	Other entities
Contracts not included in netting agreements				
1) Debt securities and interest rates				
- notional amount	X	983.200	-	-
- positive fair value	X	13.670	-	-
- negative fair value	X	8.844	-	-
2) Equity securities and share indexes				
- notional amount	X	164.298	-	-
- positive fair value	X	9.728	-	-
- negative fair value	X	8.348	-	-
3) Currencies and gold				
- notional amount	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
4) Commodities				
- notional amount	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
5) Other				
- notional amount	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
Contracts included in netting agreements				
1) Debt securities and interest rates				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
2) Equity securities and share indexes				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
3) Currencies and gold				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
4) Commodities				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
5) Other				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-

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A.4 Residual life of OTC financial hedging derivatives: notional amounts

Underlying assets/Residual life	Up to 1 year	Over 1 to 5 years	Over 5 years	Total
A.1 Financial derivatives on debt securities and interest rates	-	269.700	713.500	**983.200**
A.2 Financial derivatives on equity securities and share indexes	10.519	153.779	-	**164.298**
A.3 Financial derivatives on exchange rates and gold	-	-	-	**-**
A.4 Financial derivatives on commodities	-	-	-	**-**
A.5 Other financial derivatives	-	-	-	**-**
Total 31.12.2025	**10.519**	**423.479**	**713.500**	**1.147.498**
Total 31.12.2024	**41.703**	**190.841**	**345.000**	**577.544**

A. Credit hedging derivatives

B.1 Credit hedging derivatives: year-end notional amounts

The case does not exist.

B.2 Credit hedging derivatives: gross positive and negative fair value - breakdown by product

The case does not exist.

B.3 OTC credit hedging derivatives: notional amounts, gross positive and negative fair value by counterparty

The case does not exist.

B.4 Residual life of OTC credit hedging derivatives: notional amounts

The case does not exist.

C. Non-derivative hedging instruments

C.1 Hedging instruments other than derivatives: breakdown by accounting portfolio and type of hedge

The case does not exist.

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D. Instruments hedged

D.1 Fair value hedges

	Specific hedges: carrying amount	Specific hedges - net positions: carrying amount of assets or liabilities (before netting)	Specific hedges			General hedges: Carrying amount
			Cumulative changes in the fair value of the hedged instrument	Termination of hedging: residual cumulative changes in fair value	Change in value used to recognise hedge ineffective-ness	
A. Assets						
1. Financial assets measured at fair value through other comprehensive income - hedges of:	**571.254**	**-**	**(6.309)**	**-**	**(2.279)**	**-**
1.1 Debt securities and interest rates	451.604	-	(12.837)	-	(10.450)	X
1.2 Equity securities and share indexes	119.650	-	6.528	-	8.171	X
1.3 Currencies and gold	-	-	-	-	-	X
1.4 Loans and receivables	-	-	-	-	-	X
1.5 Other	-	-	-	-	-	X
2. Financial assets measured at amortised cost - hedge of:	**531.126**	**-**	**6.212**	**-**	**(6.395)**	**-**
2.1 Debt securities and interest rates	531.126	-	6.212	-	(6.395)	X
2.2 Equity securities and share indexes	-	-	-	-	-	X
2.3 Currencies and gold	-	-	-	-	-	X
2.4 Loans and receivables	-	-	-	-	-	X
2.5 Other	-	-	-	-	-	X
Total 31.12.2025	**1.102.380**	**-**	**(97)**	**-**	**(8.674)**	**-**
Total 31.12.2024	**564.882**	**-**	**11.319**	**146**	**3.494**	**-**
B. Liabilities						
1. Financial liabilities measured at amortised cost - hedge of:	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities and interest rates	**-**	**-**	**-**	**-**	**-**	X
1.2 Currencies and gold	**-**	**-**	**-**	**-**	**-**	X
1.3 Other	**-**	**-**	**-**	**-**	**-**	X
Total 31.12.2025	**-**	**-**	**-**	**-**	**-**	**-**
Total 31.12.2024	**-**	**-**	**-**	**-**	**-**	**-**

D.2 Cash flow hedges and foreign investment hedges

The case does not exist.

E. Effects of hedging transactions on equity

E.1 Reconciliation of equity components

As at 31 December 2025, Banca Ifis's only hedge with an impact on equity was the micro fair value hedge on equity securities measured at fair value with an impact on comprehensive income, while it did not hedge cash flow hedges or net investment hedges in a foreign entity.

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In addition, the Bank does not hold reserves relating to hedging instruments (non-designated items) for which changes during the year must be disclosed by type of hedge (a transaction or a period) pursuant to IFRS 9 paragraphs 6.5.15 and 6.5.16.

Therefore, the two compulsory tables prescribed by Bank of Italy Circular No. 262/2005 and subsequent updates are not applicable for the Bank, as these tables refer respectively to "cash flow hedges" or "net investment hedges in a foreign entity" and to reserves for hedging instruments (non-designated items).

For the sake of completeness, however, a reconciliation of the equity components for micro fair value hedges on equity securities measured at fair value through other comprehensive income is provided below. In this regard, the opening balances as at 1 January 2025 of the relevant reserves are as follows:

- net valuation reserves to hedge equity securities designated at fair value through other comprehensive income with a negative value of 131 thousand Euro net of the tax effect, comprising negative reserves of 1,1 million Euro on hedged equity securities and positive reserves of 1,0 million Euro on related hedging derivatives (put and call options);
- net revenue reserves totalling a negative value of 22 thousand Euro net of the tax effect, related to hedging strategies that ceased during 2024 following the sale of the related hedged items and subsequent closure of the associated derivatives, with simultaneous reversal to revenue reserves following the realisation of the associated valuation reserves. This value consists of positive reserves of 146 thousand Euro on equity securities that were hedged and negative reserves of 169 thousand Euro on related derivatives that were designated as hedges (put and call options).

As at 31 December 2025, following the movements during the year, the composition was as follows:

- net valuation reserves to hedge equity securities designated at fair value through other comprehensive income with a positive value totalling 4,1 million Euro net of the tax effect, comprising positive reserves of 8,6 million Euro on hedged equity securities and positive reserves of 4,5 million Euro on related hedging derivatives (put and call options);
- net profit reserves for a total negative value of 1,7 million Euro net of the tax effect. This value consists of positive reserves of 8,9 million Euro on equity securities that were hedged and negative reserves of 10,6 million Euro on related derivatives that were designated as hedges (put and call options).

For more details on the movement of these reserves, refer to 'Part D - Statement of comprehensive income' of these Notes.

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3.3 - Other information on derivative instruments for trading and hedging

A. Financial and credit derivatives

A.1 OTC financial and credit derivatives: net fair values for counterparties

	Central counterparties	Banks	Other financial corporations	Other entities
A. Financial derivatives				
1) Debt securities and interest rates				
- notional amount	-	1.945.094	-	2.405
- net positive fair value	-	16.412	-	52
- net negative fair value	-	19.905	-	-
2) Equity securities and share indexes				
- notional amount	-	410.459	-	-
- net positive fair value	-	13.908	-	-
- net negative fair value	-	11.111	-	-
3) Currencies and gold				
- notional amount	-	-	-	-
- net positive fair value	-	-	-	-
- net negative fair value	-	-	-	-
4) Commodities				
- notional amount	-	-	-	-
- net positive fair value	-	-	-	-
- net negative fair value	-	-	-	-
5) Other				
- notional amount	-	-	-	-
- net positive fair value	-	-	-	-
- net negative fair value	-	-	-	-
B. Credit derivatives				
1) Protection purchase				
- notional amount	-	-	-	-
- net positive fair value	-	-	-	-
- net negative fair value	-	-	-	-
2) Protection sale				
- notional amount	-	-	-	-
- net positive fair value	-	-	-	-
- net negative fair value	-	-	-	-

Section 4 - Liquidity risk

Qualitative information

For qualitative information, please refer to Part E in the Notes to the Consolidated Financial Statements in this document.

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Quantitative information

1. Breakdown by residual contractual duration of financial assets and liabilities - Currency: Euro

Items/Duration	On demand	Over 1 to 7 days	Over 7 to 15 days	Over 15 days to 1 month	Over 1 to 3 months	Over 3 to 6 months	Over 6months to 1 year	Over 1 to 5 years	Over 5 years	Indefinite life
A. Cash assets	**1.054.386**	**41.029**	**199.177**	**413.455**	**1.291.177**	**1.274.554**	**918.401**	**3.692.767**	**3.231.236**	**51.653**
A.1 Government bonds	-	-	522	-	12.984	395.566	67.399	705.050	1.570.000	-
A.2 Other debt securities	16.197	28	16.312	15.800	15.214	13.285	43.948	361.110	1.103.983	-
A.3 UCITS units	134.294	-	-	-	-	-	-	-	-	-
A.4 Loans	903.895	41.001	182.343	397.655	1.262.979	865.703	807.054	2.626.607	557.253	51.653
- banks	360.070	24	-	763	2.539	88	49	151	-	50.742
- customers	543.825	40.977	182.343	396.892	1.260.440	865.615	807.005	2.626.456	557.253	911
B. On-balance-sheet liabilities	**1.029.364**	**755.958**	**541.648**	**497.273**	**1.485.250**	**1.164.277**	**2.049.054**	**4.390.792**	**47.693**	**-**
B.1 Deposits and current accounts	1.026.765	103.098	173.599	440.582	976.688	636.274	593.708	1.647.219	-	-
- banks	36.337	-	49.941	50.095	20.076	-	-	-	-	-
- customers	990.428	103.098	123.658	390.487	956.612	636.274	593.708	1.647.219	-	-
B.2 Debt securities	4	-	-	18.338	21.909	9	175.083	1.694.365	-	-
B.3 Other liabilities	2.595	652.860	368.049	38.353	486.653	527.994	1.280.263	1.049.208	47.693	-
C. Off-balance-sheet transactions										
C.1 Financial derivatives with exchange of underlying assets										
- long positions	-	5.269	-	-	17.393	-	1.329	-	-	-
- short positions	-	5.496	-	-	17.393	-	158	-	-	-
C.2 Financial derivatives without exchange of underlying assets										
- long positions	6.974	-	-	-	-	-	-	-	-	-
- short positions	13.824	-	-	-	-	-	-	-	-	-
C.3 Deposits and loans to be received										
- long positions	-	101.132	-	-	-	-	-	-	-	-
- short positions	101.132	-	-	-	-	-	-	-	-	-
C.4 Irrevocable loan commitments										
- long positions	41.570	-	-	612	11.335	14.220	510	493.402	239.784	-
- short positions	241.303	-	-	432	1.044	11.039	500	440.738	106.378	-
C.5 Financial guarantees granted	-	-	-	-	-	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-	-	-	-	-	-
C.7 Credit derivatives with exchange of underlying assets										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.8 Credit derivatives without exchange of underlying assets										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-

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1. Breakdown by residual contractual duration of financial assets and liabilities - Currency: Other currencies

Items/Duration	On demand	Over 1 to 7 days	Over 7 to 15 days	Over 15 days to 1 month	Over 1 to 3 months	Over 3 to 6 months	Over 6months to 1 year	Over 1 to 5 years	Over 5 years	Indefinite life
A. Cash assets	**67.766**	**1.308**	**6.881**	**184.051**	**43.205**	**445**	**-**	**18**	**-**	**-**
A.1 Government bonds	-	-	-	-	-	-	-	-	-	-
A.2 Other debt securities	-	-	-	-	-	-	-	-	-	-
A.3 UCITS units	739	-	-	-	-	-	-	-	-	-
A.4 Loans	67.027	1.308	6.881	184.051	43.205	445	-	18	-	-
- banks	44.862	77	110	168.000	14.543	-	-	-	-	-
- customers	22.165	1.231	6.771	16.051	28.662	445	-	18	-	-
B. On-balance-sheet liabilities	**31.181**	**1.706**	**270.083**	**2.531**	**-**	**-**	**-**	**-**	**-**	**-**
B.1 Deposits and current accounts	31.181	1.706	48.303	2.531	-	-	-	-	-	-
- banks	-	1.706	48.303	2.531	-	-	-	-	-	-
- customers	31.181	-	-	-	-	-	-	-	-	-
B.2 Debt securities	-	-	-	-	-	-	-	-	-	-
B.3 Other liabilities	-	-	221.780	-	-	-	-	-	-	-
C. Off-balance-sheet transactions										
C.1 Financial derivatives with exchange of underlying assets										
- long positions	-	5.013	-	-	-	-	-	-	-	-
- short positions	-	5.055	-	-	-	-	-	-	-	-
C.2 Financial derivatives without exchange of underlying assets										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.3 Deposits and loans to be received										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.4 Irrevocable loan commitments										
- long positions	567	-	-	-	-	-	-	-	-	-
- short positions	567	-	-	-	-	-	-	-	-	-
C.5 financial guarantees granted	-	-	-	-	-	-	-	-	-	-
C.6 financial guarantees received	-	-	-	-	-	-	-	-	-	-
C.7 Credit derivatives with exchange of underlying assets										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.8 Credit derivatives without exchange of underlying assets										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-

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Self-securitisation transactions

Indigo Lease

In December 2016, Banca Ifis, through the merged company, the former Ifis Leasing S.p.A. (originator) finalised a securitisation that involved selling a portfolio of performing loans totalling 489 million Euro to the special purpose vehicle Indigo Lease S.r.l.

The transaction was rated by Moody's and DBRS. The same agencies carry out annual monitoring throughout the transaction.

The initial purchase price of the assigned receivables portfolio, equal to 489 million Euro, was paid by the vehicle to the merged entity, the former Ifis Leasing S.p.A. using funds raised from the issue of senior notes for an amount of 366 million Euro. These received an AA3 (sf) rating from Moody's and an AA (sf) rating from DBRS, and their redemption is connected to the collections realised on the receivables portfolio. The vehicle also issued junior securities purchased by the former Ifis Leasing S.p.A. (now merged into Banca Ifis S.p.A.), which has not been assigned a rating, for a value of 138 million Euro. In addition, the latter received a specific servicing mandate to collect and manage the receivables.

During 2017, following the transaction restructuring, a revolving system was launched involving monthly assignments of new credit to the SPV, until July 2021. At the same time, the maximum nominal amount of the senior and junior notes was increased respectively to 609,5 and 169,7 million Euro. In the same period, Banca Ifis S.p.A. acquired all the senior notes issued by the vehicle. Following the May 2018 merger of the former Ifis Leasing S.p.A., Banca Ifis also became the subscriber of the junior notes.

A second restructuring took place in June 2021, with confirmation of the nominal amount of the securities and simultaneous extension of the revolving period until July 2023.

In July 2023, Banca Ifis finalised the restructuring of the securitisation, which entailed the extension of the revolving period for a further two years and an increase in the principal outstanding amount of the senior securities, as well as the derating and delisting of the same from the Luxembourg Stock Exchange (as of 20 July 2023), in addition to obtaining STS (Securitisation "Simple, Transparent and Standardised") status pursuant to EU Regulation 2017/2402 (Securitisation Regulation).

As part of the transaction, Banca Ifis sold to UniCredit Bank AG the entire amount of senior securities, corresponding to a nominal amount of 609,5 million Euro and a principal amount outstanding of 400 million Euro. The junior securities, with a principal amount outstanding of 147,6 million Euro, were fully retained by Banca Ifis as originator. Therefore, from July 2023 to July 2025 Indigo Lease no longer constituted a self-securitisation.

In July 2025, a new restructuring of the transaction was carried out, following which the securities issued to third parties relating to the senior tranche (which had a carrying amount of 400 million Euro as at 31 December 2024) were underwritten by Banca Ifis, configuring this transaction as a self-securitisation.

The above securitisation transaction does not meet the requirements for derecognition in accordance with IFRS 9, not configuring a substantial transfer of all risks and related benefits. Therefore, the assets transferred and not cancelled with reference to the loans concerned by said securitisation were “restored” to the Bank’s accounts.

At 31 December 2025, the interest expense on the senior notes recognised in profit or loss amounts to 8,2 million Euro.

Securitisation transactions

As for the securitisations outstanding at 31 December 2025 and their purpose, see the comments in the section on credit risks.

Section 5 - Operational risks

Qualitative information

For qualitative information, refer to Part E in the Notes to the Consolidated Financial Statements in this document.

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Quantitative information

For quantitative information, refer to Part E in the Notes to the Consolidated Financial Statements in this document.

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Part F - Information on equity

Section 1 - Equity

A. Qualitative information

Managing equity concerns a set of policies and decisions necessary to establish capital levels that are consistent with the assets and risks taken by the Bank. The Bank is subject to the capital adequacy requirements established by the so-called Basel Committee (CRR/CRD IV).

The Board of Directors constantly monitors that the Bank meets the minimum supervisory requirements, and therefore the capital adequacy ratios, as well as complies with the capital limits set out in the Risk Appetite Framework (RAF).

Furthermore, also in accordance with the European Central Bank (ECB)'s recommendation of 28 January 2015, the Bank ensures compliance with capital adequacy ratios through a pay-out policy linked to the achievement of the above minimum capital requirements, as well as the careful assessment of the potential impact of extraordinary financial operations (share capital increases, convertible loans, etc.).

The Bank's capital adequacy is further assessed and monitored every time an extraordinary operation is planned. In this case, based on available information regarding the operation to be implemented, the Bank estimates the impact on capital adequacy ratios as well as the RAF, and considers any measures necessary to meet the requirements.

Transactions on treasury shares

At 31 December 2024, Banca Ifis held 1.238.886 treasury shares recognised at a market value of 21,0 million Euro and a nominal amount of 1.238.886 Euro.

During the year, Banca Ifis awarded the Top Management:

- as variable pay, under the scope of the Short-Term Incentive (“STI”) system, 121.031 treasury shares at an average price of 16,53 Euro, for a total of 2,0 million Euro and a nominal amount of 121.031 Euro, making losses of 269 thousand Euro that, in compliance with IAS/IFRS standards, were recognised under the premium reserve;
- as variable long-term remuneration, as part of the exercise by the various beneficiaries of the stock options assigned to them as a result of the "2021-2023 Long-Term Incentive Plan" (the "LTI Plan"), 378.600 treasury shares at an average price of 12,92 Euro (the strike price of the stock options), for an equivalent value of 4,9 million Euro and a nominal amount of 378.600 Euro, realising losses of 108 thousand Euro recognised in additional paid-in capital. The related stock option reserve associated with options exercised during 2025 totals 1,1 million Euro.

During the year, there were no further transactions on treasury shares other than those mentioned above.

Considering the above operations, the stock at the end of the year was 739.255 treasury shares, with an equivalent value of 13,7 million Euro and a nominal amount of 739.255 Euro.

It should be noted that Banca Ifis does not hold, directly or indirectly, any shares in the ultimate Parent company Fürstenberg Scogliera Holding S.A. (formerly La Scogliera S.A.).

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B. Quantitative information

B.1 Company's equity: breakdown

Equity items	31.12.2025	31.12.2024
1. Share capital	61.819	53.811
2. Share premiums	229.093	85.391
3. Reserves	1.269.563	1.222.740
- profits	1.232.966	1.218.258
a) legal reserve	10.762	10.762
b) statutory reserve	-	-
c) treasury shares	13.701	20.971
d) other	1.208.503	1.186.525
- other	36.597	4.482
3.5 Interim dividends (-)	(73.296)	(63.084)
4. Equity	-	-
5. (Treasury shares)	(13.701)	(20.971)
6. Valuation reserves:	(12.153)	(22.823)
- Equity securities measured at fair value through other comprehensive income	(5.376)	(6.553)
- Hedging of equity securities measured at fair value through other comprehensive income	4.178	(131)
- Financial assets (other than equity securities) measured at fair value through other comprehensive income	(11.449)	(16.597)
- Property, plant and equipment	-	-
- Intangible assets	-	-
- Foreign investment hedges	-	-
- Cash flow hedges	-	-
- Hedging instruments (non-designated items)	-	-
- Exchange differences	-	-
- Non-current assets and disposal groups	-	-
- Financial liabilities measured at fair value through profit or loss (changes in own credit risk)	-	-
- Actuarial gains (losses) on defined benefit pension plans	494	458
- Share of valuation reserves of equity accounted investments	-	-
- Specific revaluation laws	-	-
7. Profit (loss) for the year	160.899	139.303
Total	**1.622.224**	**1.394.367**

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B.2 Valuation reserves for financial assets measured at fair value through other comprehensive income: breakdown

Assets/Amounts	31.12.2025		31.12.2024	
	Positive reserve	Negative reserve	Positive reserve	Positive reserve
1. Debt securities	13.072	(24.521)	2.713	(19.310)
2. Equity securities	5.393	(10.769)	5.263	(11.816)
3. Loans	-	-	-	-
Total	**18.465**	**(35.290)**	**7.976**	**(31.126)**

B.3 Valuations reserves for financial assets measured at fair value through other comprehensive income: annual changes

	Debt securities	Equity securities	Loans
1. Opening balance	**(16.597)**	**(6.553)**	**-**
2. Increases	**14.838**	**5.194**	**-**
2.1 Fair value gains	12.122	4.942	-
2.2 Credit risk losses	740	-	-
2.3 Reclassification to profit or loss of negative reserves from sale	1.976	-	-
2.4 Transfers to other components of equity (equity securities)	-	241	-
2.5 Other changes	-	11	-
3. Decreases	**(9.690)**	**(4.017)**	**-**
3.1 Fair value losses	(6.026)	(491)	-
3.2 Reversals of credit risk losses	(418)	-	-
3.3 Reclassification to profit or loss of positive reserves from sale	(3.246)	-	-
3.4 Transfers to other components of equity (equity securities)	-	(3.522)	-
3.5 Other changes	-	(4)	-
4. Closing balance	**(11.449)**	**(5.376)**	**-**

B.4 Valuation reserves for defined benefit plans: annual changes

The valuation reserve relative to defined benefit plans has a positive balance at 31 December 2025 of approximately 494 thousand Euro. The increase of 36 thousand Euro in the item, compared to the positive value of 458 thousand Euro at the end of the previous year, was due to an increase in the reserve for staff severance indemnities of about 89 thousand Euro, only partly offset by the reduction in the reserve for the health fund in favour of certain employees of 53 thousand Euro, mainly as a result of the revision of the underlying assumptions (such as the discount rate and annual turnover rate) following the changed macroeconomic context.

Section 2 - Own funds and prudential ratios

Pursuant to the provisions of Bank of Italy Circular 262/2005 and subsequent updates, the section on Own Funds and Capital Ratios is replaced with a reference to the similar information contained in the "Pillar III" public disclosure, i.e. the document "Disclosure to the Public as of 31 December 2025 - Pillar III" prepared at 31 December 2025 by Banca Ifis, available on the website www.bancaifis.it in the "Investor Relations & Corporate Development" section.

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Part G - Business combinations

Section 1 - Transactions carried out during the year

This section provides the information on business combinations required by IFRS 3 in paragraphs 59, letter a), 60 and 63. Moreover, in application of the Bank of Italy provisions set forth in Circular 262/2005 and subsequent updates, this section also conventionally includes any business combination transactions between entities subject to common control (referred to as "business combination between entities under common control").

1.1 Business combinations

Acquisition of illimity Bank by Banca Ifis

In the course of 2025, Banca Ifis carried out an extraordinary transaction aimed at acquiring the entire share capital of illimity Bank S.p.A., through the launch of a voluntary Takeover and Exchange Offer, disclosed to the market on 8 January 2025 by means of a notice circulated pursuant to Article 102, paragraph 1, of Legislative Decree no. 58/98 (the "TUF") and Article 37 of the regulations adopted by Consob Resolution No. 11971/99 (the "Issuers' Regulations").

Based on the analyses conducted and a careful assessment of the existing facts and circumstances, the acquisition date of illimity Bank for the purposes of IFRS 3 was identified as 4 July 2025, as it was only on that date that Banca Ifis acquired effective control of illimity Bank.

The value of the equity investment held by the Bank in illimity Bank totalled 330,5 million Euro, which represents the cumulative acquisition cost of illimity Bank's shares through the various stages of the aforementioned offer. Specifically, 147,0 million Euro was disbursed through cash consideration while 183,5 million Euro was paid through an offer of Banca Ifis shares.

For detailed information on the various stages of the acquisition of illimity Bank, refer to the section "Significant events during the year", paragraph "Voluntary Takeover Bid on illimity Bank" in the Directors' Report.

Acquisition of Euclidea SIM by Banca Ifis

On 28 July 2025, Banca Ifis signed an agreement to acquire 100% of the shares of Euclidea SIM S.p.A. (renamed Fürstenberg SIM as of 26 January 2026). Based on the analyses conducted and a careful assessment of the existing facts and circumstances, the acquisition date of Euclidea SIM for the purposes of IFRS 3 was identified as 21 November 2025, the date on which the consideration for the acquisition of 100% of the company's shares was paid in a lump sum. The closing of the transaction came after the Banca Ifis Group obtained the necessary regulatory approvals from the Bank of Italy and the clearance with respect to Golden Power.

The cost of the acquisition was estimated to be 19,9 million Euro, of which 12,3 million Euro has already been paid through cash and 7,6 million Euro as 'deferred consideration' (contingent consideration under IFRS 3) based on existing contractual agreements.

For detailed information on the various stages of the acquisition of Euclidea SIM (renamed Fürstenberg SIM as of 26 January 2026), refer to the specific paragraph in the section "Significant events during the year" of the Directors' Report.

Section 2 - Transactions carried out after the end of the year

The Bank did not carry out any business combination between the end of the year and the date of preparation of this document.

Section 3 - Retrospective adjustments

In 2025, the Group did not make any retrospective adjustment to business combinations carried out in previous periods.

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Part H - Related-party transactions

In compliance with the provisions of Consob resolution No. 17221 of 12 March 2010 (as subsequently amended by means of Resolution No. 17389 of 23 June 2010) and the provisions of Bank of Italy Circular 263/2006 (Title V, Chapter 5), the “Group Policy covering transactions with related parties, associates and corporate representatives pursuant to Art. 136 of the Consolidated Law on Banking” was prepared. This document is publicly available on Banca Ifis's website, www.bancaifis.it, in the "Corporate Governance" Section.

During FY 2025, there were no transactions with related parties that materially affected the Bank's financial position or results; there were also no major transactions carried out with related parties, as defined by the Group's policies pursuant to Article 4 of the Consob regulation on related party transactions.

As at 31 December 2025, the Banca Ifis Group is controlled by Fürstenberg Scogliera Holding S.A. and consists of the Parent company Banca Ifis S.p.A. and its subsidiaries, including the newly acquired illimity Bank S.p.A. and Euclidea SIM S.p.A.. (now Fürstenberg SIM S.p.A.). For full details of these companies (including companies subject to control by illimity Bank and falling under the so-called "illimity Group" acquired during 2025) refer to the list in "Part A - Accounting Policies", "A.1 - General Part", "Section 3 - Scope and Methods of Consolidation" of the Notes to the Consolidated Financial Statements.

The types of related parties, as defined by IAS 24, that are relevant for Banca Ifis include:

- the ultimate Parent company Fürstenberg Scogliera Holding S.A.;
- the subsidiaries;
- the associated company Edulia S.r.l.;
- joint ventures: Hype S.p.A.[107];
- key management personnel;
- close relatives of key management personnel and the companies controlled by (or associated to) them or their close relatives.

Here below is the information on the remuneration of key management personnel as well as transactions undertaken with the different types of related parties.

1. Information on the remuneration of key management personnel

The definition of key management personnel, as per IAS 24, includes all those persons having authority and responsibility for planning, directing and controlling the activities of Banca Ifis, directly or indirectly, including the Bank's directors (whether executive or otherwise).

In compliance with the provisions of the Bank of Italy's Circular No. 262 of 22 December 2005 as subsequently updated, key management personnel also include the members of the Board of Statutory Auditors.

[107] *It should be noted that Hype S.p.A, was 50% owned by the newly acquired illimity Bank, as of 31 December 2025 and classified in the balance sheet item of the Consolidated Financial Statements "Non-current Assets and Groups of Assets held for sale". Following the obtaining of regulatory authorisations at the beginning of 2026, this equity investment was sold on 6 February 2026 (for further details, see the section 'Subsequent events' of the Directors' Report on the Group).*

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Key management personnel in office at 31 December 2025

Figures in thousands of Euro	Short-term employee benefits	Post-employment benefits	Other long-term benefits	Termination benefits	Share-based payments	
					Stock options	Other share-based payments
Administrative and auditing bodies (1)	4.752	-	175	-	-	343
Other managers (2)	6.452	25	425	343	-	823
Total at 31.12.2025	**11.204**	**25**	**600**	**343**	**-**	**1.166**

(1) These refer to positions on the Board of Directors (or similar bodies) of the Bank.
(2) They refer to managers with the position of Co-General Manager or other Key Manager of the Bank

The above information includes fees paid to Directors (5,1 million Euro, gross amount) and Statutory Auditors (394 thousand Euro, gross amount). Post-employment benefits amounting to 25 thousand Euro refer to the health insurance policy for executives terminating their employment due to retirement.

2. Information on related-party transactions

Here below are the assets, liabilities, guarantees and commitments outstanding at 31 December 2025, broken down by type of related party pursuant to IAS 24.

Related party transactions: balance sheet and off-balance sheet items

Items	Parent company	Subsidia-ries	Joint ventures and associates	Key management personnel	Other related parties	Total	As a % of the item
Cash and cash equivalents	-	91.223	-	-	-	91.223	29,6%
Financial assets measured at fair value through profit or loss	-	-	10.337	-	2.122	12.459	4,6%
Financial assets measured at fair value through other comprehensive income	-	-	303	-	-	303	0,0%
Receivables due from banks measured at amortised cost	-	115.909	-	-	-	115.909	16,2%
Receivables due from customers measured at amortised cost	-	1.937.418	809	2.510	2.435	1.943.172	19,4%
Equity investments	-	1.047.198	1.500	-	-	1.048.698	100,0%
Property, plant and equipment	-	-	-	-	1.189	1.189	0,6%
Other assets	3.372	103.523	-	-	1.137	108.032	29,7%
Total assets	**3.372**	**3.295.271**	**12.949**	**2.510**	**6.883**	**3.320.985**	**23,1%**
Payables due to banks measured at amortised cost	-	36.278	-	-	-	36.278	1,1%
Payables due to customers measured at amortised cost	-	881.343	92.398	1.919	1.315	976.975	14,1%
Other liabilities	9	37.184	-	-	-	37.193	13,2%
Valuation reserves	-	-	(116)	-	-	(116)	1,0%
Total liabilities	**9**	**954.805**	**92.282**	**1.919**	**1.315**	**1.050.330**	**7,3%**
Commitments and guarantees (off-balance sheet)	**-**	**-**	**-**	**615**	**-**	**615**	**n.a.**

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Related party transactions: income statement items

Items	Parent company	Subsidiaries	Joint ventures and associates	Key management personnel	Other related parties	Total	As a % of the item
Interest receivable	-	54.680	2	42	-	54.724	10,7%
Interest expense	-	(3.388)	-	(34)	(55)	(3.477)	0,9%
Commission income	-	634	-	-	-	634	0,7%
Commission expense	-	(209)	-	-	-	(209)	1,8%
Administrative expenses	(2.761)	1.190	-	-	-	(1.571)	0,5%
Other operating income and expenses	-	25.886	-	2	5	25.893	40,7%

Transactions with key management personnel relate almost entirely to mortgages, Rendimax savings and current accounts.

Transactions with other related parties that are part of Banca Ifis's ordinary business are conducted at arm's length. As at 31 December 2025, in particular, 1,2 million Euro is recorded under 'tangible assets' and 1,1 million Euro under 'other assets' as advance payments for the supply of goods and services related to the renovation of certain buildings owned by the Bank by a company controlled by a member of the Bank's Board of Directors.

Other information

With reference to Paragraph 8 of Article 5 "Public disclosure of related-party transactions" of the Consob Regulation containing provisions on related party transactions (adopted by Consob with Resolution No. 17221 of 12 March 2010, as amended), there were no significant transactions concluded in FY 2025.

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Part I - Share-based payments

Qualitative information

1. Description of share-based payment agreements

Below are the equity-based payment arrangements, as defined by IFRS 2, for the Bank's staff. A variable remuneration arrangement is in place for all employees.

Access to the variable portion for all personnel is subject to compliance with the conditions for access (so-called "gate") provided for by the following indicators measured at year-end:

- Return On Risk-Adjusted Capital (RORAC) at Group level, defined as the ratio between consolidated net profit and Capital absorbed by Pillar 1 risks (i.e. 8% of Pillar 1 Risk Weighted Assets), above the tolerance threshold defined annually in the Banca Ifis Group's Risk Appetite Framework (RAF) at consolidated level;
- compliance with the tolerance threshold, higher than the minimum regulatory limit, of the Group's Liquidity Coverage Ratio (LCR) indicator, as defined annually in the Banca Ifis Group's RAF at a consolidated level in compliance with current supervisory regulations;
- compliance with the tolerance threshold, higher than the minimum regulatory limit, of the Group's Net Stable Funding Ratio (NSFR) indicator, as defined annually in the Banca Ifis Group's RAF at a consolidated level in compliance with current supervisory regulations;
- Consolidated Total Capital Ratio above the tolerance threshold defined annually in the Banca Ifis Group RAF at consolidated level, which exceeds the Overall Capital Requirement announced by the Supervisory Body as part of the “Capital Decisions” following the periodic Supervisory Review and Evaluation Process (SREP).

Failure to meet one of these conditions will result in variable pay not being awarded.

Without prejudice to the opening of the gates described above, the variable remuneration of the Chief Executive Officer of the Bank is linked to the achievement of specific qualitative and quantitative performance targets.

In particular, the CEO is the recipient of a Short-Term Incentive System ("STI"). He was also assigned a “2021-2023 Long Term Incentive Plan” (the "LTI Plan"), which vested on 31 December 2023, for which please refer to the disclosure in the specific paragraph in this section.

With reference to the Short-term Incentive (STI) System, the objectives envisaged for 2025 for the CEO represent a combination of quantitative and qualitative criteria, referring to the Banca Ifis Group's results, as well as qualitative aspects relating to strategic action.

The performance scorecard includes the declination of the following KPIs:

- Economic-financial KPIs with a weight of 65%, structured over three specific drivers (profitability, credit cost and efficiency), consistent with the Bank's objectives;
- KPI of strategy and sustainability with a weight of 35%, which aim to assess the achievement of strategic directives, as well as the achievement of corporate objectives in the ESG area.

The short-term variable remuneration cap payable to the CEO is set at 60% of fixed remuneration; variable remuneration will accrue on the basis of the degree of achievement of objectives, with variable remuneration being paid on a linear progression between 60% and 100%.

This variable component is paid in the amount of 40% with a non-deferred payment (up front) and in the amount of 60% with a deferred payment over a period of five years (starting from the year following the year in which the up front portion accrues), in accordance with the provisions of the relevant supervisory regulations for variable remuneration of particularly high amounts.

The deferred portion of variable remuneration (amounting to 60%) shall be paid as follows:

- 55% (i.e. 33% of the total variable remuneration) in Banca Ifis shares, which may be exercised at the end of the further retention period of 1 year;

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- 45% (i.e. 27% of the total variable remuneration) in cash, subject to annual revaluation at the legal rate in force over time.

The portion of variable remuneration up front (40%) and is paid as follows:

- 50% (i.e. 20% of the total variable remuneration) in Banca Ifis shares, which may be exercised at the end of the further retention period of 1 year;
- 50% (i.e. 20% of total variable remuneration) paid in cash.

It is understood that the allocation of Banca Ifis shares will affect, in addition to the Chief Executive Officer and the Co-General Managers, the employees identified as most relevant pursuant to Circular No. 285/2013 and Delegated Regulation No. 923/2021 where the variable component of remuneration is above 50 thousand Euro or represent more than a third of the annual total remuneration.

For the purpose of assigning variable remuneration in financial instruments, or in Banca Ifis shares, the Bank calculates the fair value of the share - at the time of the assignment - based on the average stock market price with reference to the month prior to the date of approval of the Banca Ifis Financial Statements by the Shareholders' Meeting (or, in the case of assignment of variable remuneration for any reason subsequent to the Shareholders' Meeting, from the date of the event, this being understood to mean any dates of signing of agreements or in the absence thereof, the dates of approval by the competent bodies of the related awards). The number of shares is determined by rounding to the nearest integer.

Variable pay is subject to malus/clawback mechanisms that may cause the amount to be as low as zero if certain conditions are met.

Long Term Incentive (LTI) Plan 2021-2023 for the Chief Executive Officer, Co-General Managers and other employees

LTI Plan for the CEO

The Chief Executive Officer of Banca Ifis is the recipient of a Long Term Incentive (LTI) Plan 2021-2023, approved by the Board of Directors on 24 June 2021 and by the Shareholders' Meeting of the Bank on 28 July 2021 and which vested on 31 December 2023. The Plan provided for the assignment to the CEO, free of charge, of a certain number of options that will give the right to purchase, at a unit exercise price (the "strike price") equal to 12,92 Euro, a corresponding number of Banca Ifis shares.

The Plan granted the CEO of the Bank the right to receive up to a maximum of 696.000 options at the end of the vesting period and on achievement of the objectives of the Plan.

Considering the vesting of the Plan on 31 December 2023 at the end of the three-year vesting period (2021-2023), and the options became exercisable after an additional year of retention, subject to the circumstance that the relationship between the Bank and the CEO is still in place, and that pre-determined quantitative and qualitative, financial and non-financial targets, linked to the Bank's long-term strategies, have been achieved.

The final results confirmed the attainment of the minimum level with reference to the TSR objectives and the maximum level with reference to the economic-financial and ESG indicators. Consequently, on the basis of the resolution of the Shareholders' Meeting of Banca Ifis of 18 April 2024, the Chief Executive Officer was assigned 609.000 option rights, which became exercisable after a one-year retention period in accordance with the regulatory time-line.

Also for the 2021-2023 LTI Plan, options are granted to the CEO 40% as up front and 60% as deferred over 5 years.

During 2025, the CEO exercised 243.600 option rights at a strike price of 12,92 Euro, receiving 243.600 Banca Ifis shares as an allotment.

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LTI Plan for Co-General Managers and other Group employees

As envisaged in the Plan approved by the Shareholders' Meeting of 28 July 2021, and in execution of the mandate granted to the Board of Directors on that occasion, on 9 June 2022, the latter resolved to include 13 "additional beneficiaries" in the LTI Plan, apart from the CEO, assigning them the same objectives already envisaged for the Chief Executive Officer and illustrated in the 2022 Remuneration Policy. These additions to the Plan were then approved by the Shareholders' Meeting of Banca Ifis on 28 July 2022.

Also for these additional beneficiaries, represented by high-level managers (including 12 key managers and Co-General Managers), the Plan provides for the assignment of a certain number of options that will entitle them to purchase, free of charge and always at a strike price per share of 12,92 Euro, a corresponding number of Banca Ifis shares.

A further addition to this Plan, proposed by the Board of Directors and approved by the Shareholders' Meeting held on 20 April 2023, concerned operational aspects of the Plan's mechanics (which otherwise remains unchanged in all its essential and structural elements, as already approved at the aforementioned Shareholders' Meetings). In particular, the integration consisted in recognising the possibility for beneficiaries, at the opening of each option exercise window, to postpone the exercise of all or part of any options that may have vested and may already be exercised in that window in the subsequent "exercise windows" provided for by the Plan.

It is also noted that during the first half of 2023, the resignation of an executive with strategic responsibility included in the Plan took place, with the consequent loss of his status as a beneficiary of the Plan.

As a result of the aforementioned changes in 2022 and 2023, the Plan's beneficiaries, apart from the CEO, total 12, including 11 executives with strategic responsibilities, and the maximum amount of options assignable is 300.000.

This Plan also vested on 31 December 2023 at the end of the vesting period, and the options became exercisable after an additional year of retention, subject to the circumstance that the relationship between the Bank and the beneficiaries is still in place, and that pre-determined quantitative and qualitative, financial and non-financial targets, linked to the Group's long-term strategies, have been achieved. The options in question became exercisable upon attainment of the targets under the Plan and for a total number of up to a maximum of 300.000 options (320.000 original) in total that can be allocated to the 12 additional beneficiaries.

The aforementioned options are counted for each of the beneficiaries, for the purpose of calculating the ratio between fixed and variable remuneration, 50% for FY 2022 and the remaining 50% for FY 2023.

For the TSR and gross profit targets, the calculation was carried out for the two-year vesting period, while for the other targets the calculation was based on the results achieved at 31 December 2023 (thus considering the entire duration of the 2021 - 2023 Plan).

The outcome of the Plan's finalisation found that the TSR objectives were not achieved in view of the two-year vesting period instead of the three-year period; the other objectives were achieved at the maximum level. Consequently, by resolution of the Shareholders' Meeting of Banca Ifis of 18 April 2024 for the remaining 12 beneficiaries, a total of 225.000 option rights were assigned, which became exercisable at the end of the one-year retention period.

During 2025, these beneficiaries exercised 135.000 option rights at a strike price of 12,92 Euro, receiving 135.000 Banca Ifis shares as an allotment.

Accounting representation at 31 December 2025

At an accounting level, this stock option plan has been accounted for in accordance with the provisions of IFRS 2 for equity settled transactions. In view of the difficulty of reliably assessing the fair value of the services received as consideration for stock options, reference is made to the initial fair value of the latter.

The fair value of the payments settled by the issuance of these options for the services covered by the LTI Plan is recognised as an expense in the income statement under "Administrative Expenses: a) Personnel Expenses" as

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an offsetting entry to "Reserves" in Equity on an accrual basis in proportion to the vesting period over which the service is provided. For FY 2025, there are no costs recorded in the Income Statement. The shareholders' equity reserve offsetting costs recorded in previous years, associated only with the stock options actually granted by resolution of the shareholders' meeting of 18 April 2024, amounted to a total of 2,2 million Euro at 31 December 2024. During 2025, a total of 378.600 options were exercised at a strike price of 12,92 Euro (of which 243.600 were exercised by the CEO and 135.000 by the other beneficiaries), with an associated stock option reserve totalling 1,1 million Euro. Therefore, the remaining stock option reserve at 31 December 2025 amounts to 1,1 million Euro.

For more details on the Bank's equity-based payment arrangements, refer to the "2025 Report on Remuneration Policy and Remuneration Paid", prepared pursuant to Article 123 ter of the TUF, available in the "Corporate governance" subsection of the "Remuneration" section of the corporate website www.bancaifis.it, where the remuneration policy valid for FY 2025 is illustrated.

Quantitative information

1. Annual changes

Items / Number of options and strike price	Total 31.12.2025			Total 31.12.2024		
	Number of options	Average strike prices	Average maturity	Number of options	Average strike prices	Average maturity
A. Opening balance	**834.000**	**12,92**	**dic-30**	**-**	**-**	**n.a.**
B. Increases	**-**	**-**	**X**	**834.000**	**12,92**	**X**
B.1 New issues	-	-	n.a.	834.000	12,92	Dec-30
B.2 Other changes	-	-	X	-	-	X
C. Decreases	**378.600**	**-**	**X**	**-**	**-**	**X**
C.1 Cancelled	-	-	X	-	-	X
C.2 Exercised(*)	378.600	-	X	-	-	X
C.3 Matured	-	-	X	-	-	X
C.4 Other changes	-	-	X	-	-	X
D. Closing balance	**455.400**	**12,92**	**dic-30**	**834.000**	**12,92**	**Dec-30**
E. Options that can be exercised at the end of the year	**455.400**	**12,92**	**X**	**-**	**-**	**X**

(*) Options exercised during FY 2025 have an average exercise price of 12,92

The above table of annual changes is corroborated only for options related to the 2021-2023 Long Term Incentive (LTI) Plan that expired on 31 December 2023. As instead regards the share-based payment agreements intended by way of short-term incentive ("STI"), these do not fall within the category concerned by said table.

With regard to the stock options related to the LTI Plan, they were granted during 2024 following the Plan's vesting on 31 December 2023, and became exercisable after an additional one-year retention period starting on 31 December 2023 (i.e. from 1 January 2025). During 2025, a total of 378.600 options were exercised at a strike price of 12,92 Euro (of which 243.600 were exercised by the CEO and 135.000 by the other beneficiaries).

2. Other information

If a result is achieved that equals or exceeds 100% of the annual targets assigned, the variable component of Top Management will be considered as accrued in the amount of 100% of its value; the number of shares to be attributed will be in any case calculated as described above.

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Part L - Segment reporting

In accordance with IFRS 8, Banca Ifis S.p.A., Parent company of the Banca Ifis Group, presents the Segment reporting in Part L of the Notes to the Consolidated Financial Statements in this document.

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Part M - Leasing disclosure

Section 1 - Lessee

Qualitative information

As lessee, the Bank has stipulated lease contracts on properties mainly to be used instrumentally. They are therefore leases of properties intended to host internal offices. As the lease business is correlated to the Bank's need to offshore its offices, particularly close attention is paid to identifying the most suitable properties for use, designated in line with the economic criteria established by the company.

At 31 December 2025, there are 51 passive lease contracts for buildings and 11 for car parking spaces, the related right of use booked is 14,1 million Euro, whilst the corresponding lease liabilities come to 14,9 million Euro. The Bank also has a property in Florence, financially leased as described in "Part B - Information on the Statement of Financial Position".

At year end, the Bank holds 341 contracts for motor vehicles. They are mainly long-term hires of structure cars and fringe benefits for employees; the related right of use and corresponding lease liability is 3,1 million Euro at 31 December 2025. In accordance with IFRS 16, the total right of use recognised in the balance sheet under leasing liabilities amounts to 20,1 million Euro at the end of December 2025.

Banca Ifis is not exposed to outgoing cash flows, which are not already reflected in the measurement of the leasing liabilities. In greater detail, exposure deriving from the extension options are included in lease liabilities booked, insofar as the Bank considers the first renewal as certain; the other situations recalled by the standard (variable payments connected with leasing, guarantees of residual value, lease commitments that are not operative) are not present for the contracts stipulated as lessee.

The Bank books the following as costs:

- short-term leases in the event of assets such as properties and technologies (in particular, the mainframe hardware), when the related contracts have a maximum term of twelve months and have no option for extension;
- leases of low-value assets (in accordance with the option granted by paragraph 5 of IFRS 16), i.e. characterised with a value of less than 5 thousand Euro, mainly related to mobile telephony.

Quantitative information

The table below provides indication on the amortisation/depreciation cost for assets consisting of the right of use, broken down by classes of underlying asset.

AMORTISATION/DEPRECIATION COSTS FOR ASSETS COMPRISING THE RIGHT OF USE (in thousands of Euro)	31.12.2025	31.12.2024
a) Land	-	-
b) Buildings	2.357	2.180
c) Furniture	-	-
d) Electronic equipment	-	461
e) Other	1.962	1.690
Total	**4.319**	**4.331**

Section 2 - Lessor

Qualitative information

The Bank operates on the market with fixed or variable-rate financial leasing solutions for vehicles (cars, commercial and industrial vehicles) and instrumental assets (industrial machinery, medical equipment, technological assets) to both private customers and small and medium enterprises through an internal commercial structure and a network of selected agents in financial assets throughout the whole of national

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territory. The leasing of instrumental assets is also distributed through relations with manufacturers, distributors and retailers. With reference to the specific financial leasing segments:

- the automotive sector: in 2025, this sector remained stable compared to 2024 in terms of the number of vehicles (+1%), while in terms of the value financed, it grew (+7,1%). Compared to 2024, the industrial vehicle leasing segment recorded an increase of 3,6% over the previous year (for 3,1 billion Euro), passenger car leasing 0,4% (for 4,57 billion Euro) and finally commercial vehicle leasing increased by 8,9% (for 1,88 billion Euro). In this segment, the Bank has signed contracts for approximately 405 million Euro, namely 7,4% more than the amount disbursed in 2024;
- capital goods sector: in 2025 in Italy capital goods financial leasing grew by 18,1% compared to 2024, totalling 9,1 billion Euro. The Bank recorded a 4,2% growth in the industrial goods segment for a total of 231,5 million Euro.

As lessor, the Bank does not stipulate lease contracts for properties for commercial use or accommodation with third parties or other Group companies.

In referring to the greater detail given in the Directors' Report of the Group in this document, it is there pointed out that the lease agreements stipulated with customers enable the management of risk on the underlying assets in line with the Bank's policy, as there is no provision for buy-back agreements, guarantees on residual value or variable payments. The Bank therefore books the financial lease in accordance with accounting standard IFRS 16 and classifies the transactions amongst financial assets measured at amortised cost.

Quantitative information

1. Information from the statement of financial position and income statement

For information on finance leases, reference is made to the contents of Section 4, Assets, of Part B of these Notes. As regards interest income on lease loans, reference is made to the contents of Section 1 of "Part C - Information on the Income Statement"; for commissions, refer to Section 2 of Part C and, finally, for other income, refer to Section 14, again of Part C of these Notes.

2. Finance leases

2.1 Classification by time frames of payments to be received and reconciliation with the leasing loans entered under assets

Time frames	31.12.2025	31.12.2024
	Payments to be received for leasing	Payments to be received for leasing
Up to 1 year	107.907	99.713
Over 1 to 2 years	228.892	213.905
Over 2 to 3 years	362.083	355.603
Over 3 to 4 years	453.724	441.146
Over 4 to 5 years	439.165	437.348
Over 5 years	59.796	62.171
Total payments to be received for leasing	**1.651.567**	**1.609.886**
RECONCILIATION WITH LOANS		
Financial gains not accrued (-)	(186.488)	(182.898)
Residual value not guaranteed (-)	-	-
Financing for leasing	**1.465.079**	**1.426.988**

The table shows the classification by time frame of payments receivable for leasing and the reconciliation of such payments and lease loans as lessor. Finally, the table does not show impairment losses totalling 29,1 million Euro at 31 December 2025 (29,8 million Euro in 2024).

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2.2 Other information

There is no further information to report than that presented in the preceding paragraphs.

3. Operating leases

3.1 Classification by time frames of payments to be received

The case does not exist.

3.2 Other information

There is no further information to report than that presented in the preceding paragraphs.

Venice - Mestre, 12 March 2026

For the Board of Directors

The CEO

Frederik Herman Geertman

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2025 ANNUAL REPORT

Attestations and reports

Banca Ifis

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Certification of the Annual Financial Statements at 31 December 2025 pursuant to Article 154-bis, paragraph 5, of Italian Legislative Decree no. 58 of 24 February 1998 and Art. 81-ter of Consob Regulation No. 11971 of 14 May 1999 and subsequent amendments and additions

1. We, the undersigned, Frederik Herman Geertman – CEO and Massimo Luigi Zanaboni - Manager charged with preparing the Company's financial reports of Banca Ifis S.p.A., having also taken into account the provisions of Art. 154-bis, paragraphs 3 and 4, of the Italian Legislative Decree No. 58 dated 24 February 1998, hereby certify:

   i. the adequacy in relation to the characteristics of the business;

   ii. the actual application of the administrative and accounting procedures for the preparation of the Annual Financial Statements, during the period 1 January 2025 - 31 December 2025.

2. The adequacy of the administrative and accounting procedures in place for preparing the financial statements has been assessed through a process established by Banca Ifis S.p.A. on the basis of the guidelines set out in the Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (CoSO), an internationally accepted reference framework.

3. The undersigned further confirm that:

   3.1 the Financial statements:

   a) have been prepared in accordance with the Accounting Standards applied recognized by the European Union pursuant to (EC) Regulation No. 1606/2002 of the European Parliament and the Council of 19 July 2002;

   b) correspond to the accounting books and records;

   c) provide a true and correct representation of the financial position of the issuer.

   3.2 The Directors' Report contains a reliable analysis of the business outlook and management result, the financial position of the issuer and a description of the main risks and uncertainties it is exposed to.

Venice - Mestre, 12 March 2026

CEO	Manager charged with preparing the Company's financial reports
Frederik Herman Geertman	Massimo Luigi Zanaboni

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Board of Statutory Auditors' report

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REPORT OF THE BOARD OF STATUTORY AUDITORS TO THE SHAREHOLDERS' MEETING

Pursuant to article 153, of Legislative Decree no. 58/1998 and Article 2429, paragraph 2 of the Italian Civil Code)

(Translation from the original Italian text)

Dear Shareholders,

The Board of Statutory Auditors of Banca Ifis S.p.A. (hereinafter also "Banca Ifis" or the "Bank" or "Ifis"), pursuant to Article 153 of Legislative Decree no. 58/1998 and Article 2429, paragraph 2, of the Italian Civil Code, is required to report to the Shareholders' Meeting called to approve the financial statements for the year ended 31 December 2025 on the supervisory activity performed during the year in compliance with the duties attributed to it by Article 149 of the aforementioned legislative decree.

Background

On 17 April 2025, the Shareholders' Meeting of Banca Ifis, in continuity with the previous term of office, confirmed the composition of the Board of Statutory Auditors (hereinafter also "Board"), by means of the list voting system, for the period specified in Art. 2400(1) Civil Code, i.e., for the three-year period 2025–2027 (and, therefore, expiring on the date of the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2027), as follows: Mr. Andrea Balelli (Chair), Mr. Franco Olivetti (Standing Auditor), Ms Annunziata Melaccio (Standing Auditor), Ms Marinella Monterumisi (Alternate Auditor) and Ms Emanuela Rollino (Alternate Auditor), and determined the remuneration payable for each position. In preparing this report, due consideration was also given to the findings resulting from the activities carried out by the Board of Statutory Auditors in office during the first part of 2025, i.e., prior to the renewal of its mandate.

During FY 2025, the Board in office met 24 times, of which 5 times jointly with the Control and Risk Committee and 1 time jointly with the Boards of Statutory Auditors of the Italian Companies directly and indirectly controlled by Banca Ifis.

During 2026 and up to the date of this Report, 7 meetings of the Board of Statutory Auditors were held, 2 of which were held jointly with the Control and Risks Committee.

1. Activity of the Board of Statutory Auditors

During the financial year ended 31 December 2025, the Board of Statutory Auditors carried out its institutional duties in compliance with the provisions of the Civil Code, Legislative Decree No. 385/1993 (the "Consolidated Law on Banking" or "TUB"), Legislative Decree No. 58/1998 (the "Consolidated Law on Finance" or "TUF"), Law No. 231/2007, the provisions of the Articles of Association, the indications contained in the Code of Corporate Governance, the principles of conduct recommended by the Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili (Italian Professional Order of Tax Advisors), as well as the special laws on the subject and the provisions issued by the Supervisory Authorities (Bank of Italy and Consob).
Moreover, since Banca Ifis has adopted the traditional governance model, the Board of Statutory Auditors is identified with the "Internal Control and Audit Committee", which is responsible for

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further specific control and monitoring functions in the area of financial reporting and auditing provided for by Article 19 of Legislative Decree no. 39 of 27 January 2010, as amended by Legislative Decree 135, dated 17 July 2016.

Where the Board considered it necessary to make recommendations and suggestions, it communicated them both during the meetings held with the internal functions concerned, and directly to the body with management or strategic supervision functions and to the relevant internal board Committees, as minuted over time.

The Board of Statutory Auditors reported periodically to the Board of Directors on the activities carried out and the opinions given. Furthermore, the Board of Statutory Auditors, taking into account the provisions of the new "Rules of Conduct for the Board of Statutory Auditors of Listed Companies" approved by the CNDCEC in December 2024 (and applicable from 1 January 2025) and, in particular in Rule Q.1.7 - Self-Assessment of the Board of Statutory Auditors - conducted, with the assistance of an external consulting firm, a self-assessment process, as a result of which the Board of Statutory Auditors expressed an overall assessment of adequacy in relation to its size and composition, as well as a favourable opinion on the requirements of professionalism, independence and integrity and on the functioning mechanisms of the body.

In this Report, the Board of Statutory Auditors gives an account of the activities carried out during the financial year, separately for each supervisory area provided for by the regulations governing the activities of the Board.

2. Significant events and transactions

2.1 Period events and transactions

In carrying out the activities of supervision and control, the Board of Statutory Auditors obtained periodically from the Directors, including through the participation in meetings of the Board of Directors, information on the activities carried out and on the most important economic, financial and equity operations approved and implemented by the Bank and by the subsidiaries, also pursuant to Article 150, paragraph 1 of the Consolidated Law on Finance.

Reference should be made to the information provided in the Report on Operations regarding significant events during the year and after year-end.

In the context of the Public Takeover Bid (the "OPAS") launched on 8 January 2025 by Banca Ifis for illimity Bank S.p.A. (hereinafter also "illimity" or "illimity Bank"), it should be noted that:

- on 7 January 2025, the Board of Directors of Banca Ifis met in an extraordinary session to resolve on the approval of the promotion of the voluntary all-inclusive takeover and exchange offer on illimity Bank;
- on 8 January 2025, by means of a notice issued pursuant to Art. 102(1) of Italian Legislative Decree No. 58/98 (the 'TUF') and Article 37 of the regulations adopted by CONSOB Resolution No. 11971/99 (the 'Issuers' Regulations'), the offer was disclosed to the market. At the same time, the Extraordinary Shareholders' Meeting was convened for 17 April 2025, in a single call, in order to deliberate on the proposal to grant the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, the power to increase the share capital, in one or more tranches.

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- on 27 January 2025, Banca Ifis filed (i) the application for authorisation to acquire a controlling interest (up to 100%) in the capital of illimity with the Bank of Italy and the European Central Bank, (ii) the Offer Document with the National Commission for Companies and the Stock Exchange (Consob) and (iii) the notice pursuant to antitrust regulations with the Antitrust Authority (AGCM).
- in March 2025, the AGCM issued authorisation for the merger between the Banca Ifis Group and the illimity Bank Group, without imposing any conditions, limitations and prescriptions.
- on 14 March 2025, the Prime Minister's Office forwarded to Banca Ifis the resolution accepting the proposal of the Ministry of Economy and Finance not to exercise the special powers under the "Golden Power" regulation in relation to the acquisition by Banca Ifis, through the Offer, of the entire share capital of illimity Bank;
- on 28 April 2025, Banca Ifis obtained approval from the European Central Bank for the direct and indirect acquisition of a controlling stake in illimity Bank, in accordance with Articles 19 *et seq.* of Legislative Decree 1 September 1993, no. 385;
- on 2 May 2025, following the aforementioned authorisation from the European Central Bank for direct control over illimity, Banca Ifis also received all the necessary authorisations pertaining to the Bank of Italy and specifically: (i) the authorisation of the indirect acquisition of a controlling interest in illimity SGR S.p.A. and the purchase of a qualified shareholding in Hype S.p.A.; (ii) the authorisation of the acquisition of the stake in illimity for a consideration exceeding 10% of the Banca Ifis Group's equity on a consolidated basis; and (iii) the provision to ascertain that the amendments to the Banca Ifis articles of association resulting from the share capital increase to service the Offer ("Capital Increase") do not conflict with the sound and prudent management of Banca Ifis. The Bank of Italy also confirmed the eligibility of the new shares issued as part of the Capital Increase as Common Equity Tier 1;
- on 8 May 2025, the Board of Directors, in exercise of the power conferred by the Extraordinary Shareholders' Meeting pursuant to Article 2443 of the Italian Civil Code on 17 April 2025, resolved to increase the share capital dedicated to the aforementioned offer;
- on 4 July 2025, the transfer to Banca Ifis was completed of ownership of the illimity Bank shares tendered in acceptance of the voluntary all-inclusive takeover and exchange offer promoted by Banca Ifis during the acceptance period (which ended on 27 June 2025). Therefore, Banca Ifis has become the ultimate controlling shareholder of illimity and, as a result, as of 4 July 2025, illimity is subject to the management and coordination of Banca Ifis pursuant to Articles 2497 et seq. of the Civil Code and Article 61 of the Consolidated Law on Banking (TUB). On the same date, the Parent Company, La Scogliera SA, ceased to meet the control requirement pursuant to Article 120 of the TUIR (Consolidated Law on Income Tax), resulting in the termination of the National Tax Consolidation (pursuant to Articles 117 et seq. of Italian Presidential Decree 917/1986, "TUIR") in place between La Scogliera SA (an Italian permanent establishment) and the subsidiaries Banca Ifis S.p.A., Cap.Ital.Fin S.p.A., Ifis NPL Investing S.p.A., Ifis NPL Servicing S.p.A. and Ifis Rental Services S.r.l.;
- on 6 November 2025, in line with the expected timetable, the sale of the entire equity interest held by illimity Bank in Hype S.p.A. was completed for a financial consideration of 85 million

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Euro, with Banca Sella Holding making an irrevocable commitment to purchase the aforementioned equity interest;

- in December 2025, the accounting and financial due diligence activities initiated following the completion of the takeover bid were successfully concluded, with the support of the independent firm PricewaterhouseCoopers Business Service S.r.l., in order to determine the so-called badwill arising from the acquisition of illimity Bank, as requested by the European Central Bank on 29 April 2025.

On 20 March 2025, the Board of Directors of Banca Ifis S.p.A. approved the 2025 Liquidity Funding Plan as well as the 2026 funding forecast, a document that goes into detail on the current and prospective capital structure of the Banca Ifis Banking Group and assesses, also with a view to the sound and prudent management of the Bank, the evolution of the sources of liquidity funding from the point of view of both the quality of funding and the mix of the various technical forms that make it up, as well as the changes in the balances for the time buckets envisaged.

Funding activities also include the bond issuance programme known as the "Euro Medium Term Note Programme" ("EMTN Programme"), originally entered into in September 2017 and, most recently, renewed for 2025 by a board resolution passed on 5 June 2025, which sets a maximum issue ceiling (overall and cumulative) of 5 billion Euro. Therefore, on 7 July 2025, by means of an urgency resolution passed by the Chief Executive Officer in accordance with the Articles of Association, Banca Ifis S.p.A. completed the placement of a 400 million Euro senior preferred debenture loan aimed at institutional investors, as part of the aforementioned 5 billion Euro EMTN issuance programme.

Nevertheless, on 17 July 2025, the Board approved the restructuring of the 'Indigo Lease' and 'Emma' securitisation transactions, which concern, respectively, receivables arising from finance lease contracts referred to as 'transportation' entered into by Banca Ifis with its performing user customers, and receivables arising from land, mortgage or unsecured loan agreements entered into by Banca Credifarma with its performing customers, respectively.

In this regard, on 8 October 2025, Banca Ifis successfully completed an STS securitisation transaction of loans with a total nominal amount of about 610 million Euro for the purpose of funding its subsidiary Banca Credifarma. The transaction, with Banca Ifis acting as Sole Arranger, was finalised with the acquisition of the loans by the special purpose vehicle Emma SPV.

On 17 April 2025, the Banca Ifis Ordinary and Extraordinary Shareholders' Meeting (i) approved the renewal of the Board of Directors, increasing from 13 to 14 the number of Directors who will hold office until the date of the Shareholders' Meeting convened to approve the Annual Financial Statements at 31 December 2027, (ii) renewed the Board of Statutory Auditors for the three-year period 2025–2027, (iii) resolved to approve the assignment to the Board of Directors of the proxy for the capital increase dedicated to the voluntary takeover and exchange offer on all the shares of illimity Bank promoted by Banca Ifis and announced on 8 January 2025, as mentioned above, and (iv) established and appointed the new Scenarios and Sustainability Committee, a sub-committee of the Board of Directors, with the aim of further strengthening oversight of sustainability issues, for which the Bank already holds an AAA rating from MSCI.

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As part of the Banca Ifis Group's framework for managing climate change, on 18 September 2025, the Board of Directors approved the 'Climate Report 2024' (formerly the Task Force on Climate-related Financial Disclosures Report – TCFD Report). The document – now in its third edition and prepared in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (established in 2015 on the initiative of the Financial Stability Board (FSB), the body responsible for monitoring and promoting the stability of the global financial system) – covers the structure of the Banca Ifis Group at 31 December 2024 and, therefore, does not include qualitative or quantitative information relating to illimity Bank or its subsidiaries or investee companies.

On 24 October 2025, the closing took place for the Banca Ifis acquisition of a 20% stake in Edulia S.r.l., a company belonging to the Treccani Group, with the signing of a new shareholders' agreement between the existing shareholders, Treccani Scuola S.p.A. and CDP Venture Capital S.p.A., on the one hand, and Banca Ifis, on the other.

On 10 November 2025, the Board of Directors resolved to distribute an interim dividend for FY 2025 for a total amount of about 73 million Euro, i.e. 1.20 Euro per share outstanding at 30 September 2025 (gross of any withholding taxes).

On 21 November 2025, Banca Ifis successfully completed the acquisition of 100% of Euclidea SIM S.p.A., a securities brokerage firm offering portfolio analysis and management services, which was subsequently renamed Fürstenberg SIM S.p.A. with effect from 26 January 2026.

Finally, it is noted that, on 3 December 2025, the Board resolution of 23 October 2025 became effective, which provided for the co-option, pursuant to Article 2386 of the Italian Civil Code and Article 11 of the Articles of Association, of Mr. Riccardo Preve (non-independent director) and Mr. Moroello Diaz della Vittoria Pallavicini (independent director), in replacement of the resigning Mr. Giovanni Meruzzi and Ms Monica Regazzi. The latter had in turn been appointed on 25 September 2025 to the Board of Directors of illimity Bank in order to ensure oversight by the Parent Company during the integration phase.

2.2 Significant subsequent events

Significant events subsequent to the close of FY 2025 that this Board believes should be recalled are outlined below.

On 13 January 2026, the placement with institutional investors of a ten-year Tier 2 bond issue, maturing in April 2036 and carrying a coupon of 4.546%, for a total amount of 400 million Euro, was successfully completed, with demand exceeding the issued amount by more than twofold.

On 15 January 2026, the Bank of Italy notified Banca Ifis that it had been designated a High-Impact Less Significant Institution, making it subject to intensive direct supervision by the competent Supervisory Authorities and indirect supervision by the ECB, in accordance with the principle of proportionality.

On 23 January 2025, in accordance with the current 'Group Digital Operational Resilience Strategy Policy' and with the Board's powers to define and approve the Digital Operational Resilience Strategy, as set out in the current 'Banca Ifis General Regulations', the Board of Directors approved the implementation of the Banca Ifis Group's Digital Operational Resilience

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Strategy (DORS), as defined pursuant to Regulation (EU) 2022/2554 (DORA Regulation), based on the DORS strategic document held on file and applicable to all Banca Ifis Group Legal Entities (including companies incorporated under foreign law).

On 6 February 2026, following Banca Sella receipt of authorisation from the Bank of Italy to acquire the entire share capital of Hype S.p.A., the closing took place, thereby completing the transaction involving the sale of the equity interest held by illimity Bank in the aforementioned company to Banca Sella.

On 11 February 2026, the Board of Directors approved the decision to pay, in 2026, the extraordinary contribution provided for in paragraph 69 of Article 1 of the 2026 Budget Law, in the amount of 27.5% of the reserve referred to in Article 26, paragraph 5-bis of Decree-Law No. 104 of 10 August 2023, converted with amendments by Law No. 136 of 9 October 2023 (the 'extra-profit reserve'), amounting to 6,573,906 Euro (calculated as 27.5% of the €23,905,112 of the extra-profit reserve already recognised under Shareholders' Equity), as well as the corresponding recognition of this amount under the item 'Other Liabilities', offset against the item 'Other Reserves'. The identification of the Shareholders' Equity reserve to be used to pay this extraordinary contribution will be submitted for approval by the Shareholders' Meeting on 16 April.

On 26 February 2026, the Board of Directors approved the extension of the tax consolidation scope, exercising the option for the National Tax Consolidation scheme, with Banca Ifis S.p.A. – as the Consolidating Company – and the companies illimity Bank S.p.A., Fürstenberg SGR S.p.A., Arecneprix S.p.A., Abilio S.p.A., Quimmo Agency S.r.l., Quimmo Prestige Agency S.r.l. and Fürstenberg SIM S.p.A. – in the role of consolidated companies.

Nevertheless, on 26 February 2026, the Board of Directors expressed its assessments regarding Guideline (EU) 2025/2595 of the European Central Bank on the coverage of non-performing exposures of less significant supervised entities ('ECB Guideline'), which were then submitted to the Bank of Italy on 27 February 2026.

At its meeting scheduled for 26 March this year, the Board of Directors of Banca Ifis S.p.A. will approve the 2026 Liquidity Funding Plan as well as the 2027 funding forecasts, having also taken into account the assessments made today by the Supervisory Body.

Finally, with regard to funding activities, it is noted that in the first quarter of 2026, Banca Ifis launched its first Euro-Commercial Paper (ECP) programme, thereby diversifying its funding sources. The programme, which is intended for the placement of short-term debt exclusively with professional investors, has an expected maturity of three years, a maximum total amount of up to 1 billion Euro, and provides for the possibility of issuing notes denominated in both Euro and US Dollars.

3. Supervisory activities

3.1 Supervisory Activities on compliance with the law and the Articles of Association

The undersigned Board of Statutory Auditors monitored compliance with the law and the Articles of Association, acquiring the information instrumental to the performance of the tasks assigned to it through the articulated system of information flows provided for in the Group, as

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well as through participation, in 2025, as a collegial body or with the presence of at least one member, in all meetings of the Board of Directors (22), of the Control and Risk Committee (21) - of which 5 held jointly with the Board of Statutory Auditors - of the Remuneration Committee (11) and of the Appointments Committee (10) - of which 1 held jointly between the two bodies - and, lastly, the Scenarios and Sustainability Committee (1).

The undersigned Board of Statutory Auditors also participated, as a collegial body, in the Ordinary Shareholders' Meeting held on 17 April 2025 to approve the financial statements at 31 December 2024.

In the course of 2025, the members of the current Board of Statutory Auditors participated in various training and induction courses on topics related to the banking environment, risk scenarios, digital innovation, ESG topics, and regulatory and legislative matters (such as, for example, the introduction of the EBA guidelines). Such refresher training is carried out as part of the training plan prepared in compliance with the provisions of Circular 285/2013 (point e., paragraph 2.1, Section IV, Chapter 1, Title IV), taking into account the individual as well as the collective training needs of the Bank's control body and governing body.

The minutes of the Board of Statutory Auditors, which sometimes contain explicit recommendations to rapidly resolve difficulties that have come to light, are made available, in full, to the CEO and to the Chair of the Board of Directors. The Chairman of the Control and Risk Committee is constantly invited to attend the meetings of the Board, in the belief that this ensures an adequate flow of information within the company.

The Head of Internal Auditing also attends the meetings of the Board of Statutory Auditors, as a permanent invitee for the continuous interaction with the corporate function of third-level control.

During FY 2025, the Board of Statutory Auditors expressed:

- opinions in relation to what are termed "non-audit fees" for non-audit services, as provided for by the regulations in force and by the internal procedure adopted by the Company, verifying in particular their effects on independence, with no exceptions to be noted;
- a reasoned opinion, submitted to the Shareholders' Meeting of Banca Ifis S.p.A., on the supplement to the fees for the statutory audit engagement of the auditing firm PricewaterhouseCoopers S.p.A.

Relations with Supervisory Authorities

Bank of Italy

During 2025, there were various discussions with the Bank of Italy, including for the purpose of periodically reporting on the activities carried out in connection with the Public Takeover Bid launched by Banca Ifis on 8 January 2025 for illimity Bank, encompassing all mandatory and/or informal communications aimed at completing the transaction.

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On 13 February 2026, the Bank of Italy, in a letter addressed to the Company, highlighted the need to "*repeat the collection of funding plans for 2026 as well, in order to have reliable information to promptly identify potential vulnerabilities*", considering the ongoing uncertainty in the geopolitical and macroeconomic context, in which banks remain a priority in order to ensure the effective pursuit of corporate strategies and risk management. In detail, the Bank of Italy requested the Less Significant Institutions (LSI) and, therefore, also the Company, to provide "*updated funding plans for the two-year period 2026-2027, together with comparative data for 2025 and any contingency plans drafted by banks*". The Bank of Italy also requested that this information be submitted to the Board of Directors and the Board of Statutory Auditors for evaluation, based on prior feedback from the Risk Management department. Following this communication, Banca Ifis drew up an updated version of the planning forecasts and this Board of Statutory Auditors expressed its assessments.

In this context, subsequent to the approval of the 2025 Liquidity Funding Plan, the Board of Directors will approve, lastly, on 26 March 2026, the 2026 Liquidity Funding Plan as well as the 2027 funding forecasts.

3.2 - Supervision of compliance with the principles of proper administration, relations with subsidiaries or other related parties

The Board of Statutory Auditors, as part of its supervisory activity on the observance of the principles of proper administration - also in compliance with the obligation set forth in Article 150 of the Consolidated Law on Finance - periodically obtained from the Directors, the Chief Executive Officer (hereinafter also referred to as 'CEO'), the control functions and the management, information on the activities carried out and on the most significant economic, financial and equity transactions carried out by the Company and its subsidiaries, as well as on the Group's strategic guidelines.

The Board of Statutory Auditors held regular meetings with the Manager Charged with preparing the Company's financial reports and the internal control functions. Hearings were scheduled with the Bank's management and periodic meetings were held with the representatives of the independent auditors in order to mutually exchange data and information relevant to the performance of their duties, as required by Article 150, paragraph 3 of the Consolidated Law on Finance.

On the basis of the information made available to the Board of Statutory Auditors, it would appear reasonable to believe that the transactions resolved by the Board of Directors and implemented by the CEO are not in breach of the law, the Articles of Association and the provisions issued by the Supervisory Authorities, as it can also be reasonably excluded that they are manifestly imprudent, or risky, or in conflict of interest, or in contrast with the resolutions passed by the Shareholders' Meeting, or such as to compromise the integrity of the company's assets.

Acknowledging the Directors' Report, the information produced to the Board of Directors by the CEO, the Supervisory Board pursuant to Legislative Decree No. 231/2001, and in light of the findings gathered as part of its supervisory activities, it is possible, on the part of the Board of Statutory Auditors, to reasonably exclude the existence of atypical and/or unusual transactions

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entered into with third parties, with Group companies or with related parties and associated parties.

With specific reference to transactions with related parties, the Board of Statutory Auditors regularly receives periodic information flows on any transactions concluded with such related parties and connected persons and to monitor the performance of exposures attributable to connected persons; where necessary, it has proceeded to request further information and details.

Detailed and exhaustive information is given on related party transactions in the specific section "Related Party Transactions" of the Directors' Report as well as in Part H of the Notes to the Consolidated and Separate Financial Statements.

As far as the Board of Statutory Auditors is aware, these transactions were concluded in the interest of the Bank and do not give rise to any remarks on their fairness, as they are part of Ifis' ordinary operations. It is therefore acknowledged that adequate information was provided to the Board of Statutory Auditors on transactions concluded with related parties and/or connected persons, in accordance with Consob provisions and in compliance with the provisions on connected persons set forth in Bank of Italy Circular 285.

The Board of Statutory Auditors has monitored the adequacy of the instructions issued by the Bank to its subsidiaries, verifying the effectiveness of the exchange of information and information flows between the Parent Company and the subsidiaries. The rules and procedures in place enable the Parent Company to fulfil its public disclosure obligations in a timely manner in accordance with the provisions of Article 114, paragraph 2 of the Consolidated Law on Finance.

Throughout 2025, the Board of Statutory Auditors was kept fully informed and updated on the progress of the public takeover bid launched by Banca Ifis on illimity Bank, as well as on the related financial and accounting due diligence activities carried out on illimity Bank. In particular, it is noted that, from the outset, the Control Body monitored the various phases of the transaction and the underlying rationale through a continuous flow of information with the Chief Executive Officer and the relevant corporate structures, with the primary aim of overseeing the appropriateness of the process from the perspective of sound and prudent corporate management.

The Board of Statutory Auditors, as provided for in Article 151-ter, paragraph 4, of the Consolidated Law on Finance, exchanged information flows with the Boards of Statutory Auditors of the subsidiaries, both on the basis of special joint meetings and through the completion of a questionnaire for the exchange of information prepared on an annual basis. In addition, as part of the process of appointing the statutory auditors for the period 2023-2031, in order to ensure continuity in the application of the Single Auditor principle for the Group, the procedure to identify the Auditor has been put in place by Ifis and the companies belonging to the Group.

In this regard, it should be noted that, during 2025, the Statutory Auditors of the Parent company were also appointed to the Board of Statutory Auditors of illimity Bank and to the Boards of Statutory Auditors of Fürstenberg SIM S.p.A. and Fürstenberg SGR S.p.A., both collectively and individually, respectively, with a view to ensuring maximum synergy and a proper flow of information between the Banca Ifis Group's supervisory bodies.

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In 2025, the Board reviewed the audits conducted by Internal Audit regarding the outsourcing of Essential or Important Operating Functions and agreed with the comments contained therein.

3.3 - Supervisory activities on the implementation of corporate governance

In relation to the provisions of Article 149, paragraph 1, letter c-*bis*, of the Consolidated Law on Financial Intermediation concerning the supervision by the Board of Statutory Auditors '*on the procedures for the concrete implementation of the corporate governance rules set forth in codes of conduct drawn up by management companies of regulated markets or by trade associations, which the company, by means of public disclosures, declares that it complies with*', the Board of Statutory Auditors reports that it performed this activity during the year. Pursuant to Article 123-*bis* of the Consolidated Law on Financial Intermediation, the Company prepared its annual Report on Corporate Governance and Ownership Structures (hereinafter also referred to as the 'Corporate Governance Report') for 2025, which was approved on 12 March 2026, to which reference should be made for further details, which illustrates, *inter alia*, Banca Ifis' administration and control model and provides full information on the manner in which the Bank has adopted and implemented the recommendations made by the Corporate Governance Committee.

The Board of Statutory Auditors also supervised the adoption of the policy for the remuneration of directors and key managers, in line with the provisions of the Corporate Governance Code, as well as the subsequent Remuneration Report pursuant to Article 123-*ter* of the Consolidated Law on Finance, expressing an opinion on the adequacy of the remuneration policy adopted by the Bank with respect to the purposes expressed in this area by Circular 285/2013 and the Remuneration Report itself.

The Board of Statutory Auditors, also through its attendance of all the meetings of the Remuneration Committee, oversaw the application of the remuneration policies and 2025 innovations, examined by the Remuneration Committee on 11 March 2026, and submitted to the Shareholders' Meeting for approval.

At the above-mentioned meeting of the Remuneration Committee, the Board of Statutory Auditors acknowledged the positive opinion expressed by Compliance on the compliance of the Remuneration Report with the applicable regulatory provisions, sharing its conclusions and comments. At the 25 March 2026 meeting of the Remuneration Committee, the Board also acknowledged, and shared the comments contained, the checks conducted by the Internal Audit function and set out in the document "Compliance of remuneration practices with internal policies and reference regulations", checks which led to a substantially favourable opinion.

In general, in light of the provisions of the Supervisory Authorities on the subject of remuneration and incentive systems, the Board of Statutory Auditors monitored, in close connection with the Remuneration Committee, the changes introduced to the 2026 Remuneration Policy, although substantially in line with that of 2025, examined by the Remuneration Committee on 11 March 2026, for details of which reference should be made to the Remuneration Report, on the correct application of the rules relating to the remuneration of the Chief Executive Officer, the heads of the Control Functions and the Manager Charged with preparing the company's financial reports, and on the dissemination of the remuneration policies for FY 2026 to the companies belonging to the Group.

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The Board of Statutory Auditors has no objections to the Remuneration Policy submitted to the Shareholders' Meeting.

3.4 - Supervision of the statutory audit process and the independence of the auditing firm

Pursuant to the Consolidated Law on Auditing (Art. 19 of Legislative Decree No. 39/2010 as amended by Legislative Decree No. 135/2016) the Board of Statutory Auditors (identified by the Consolidated Act as the "Internal Control and Statutory Audit Committee") is in charge of (i) informing the board of directors of the audited entity of the outcome of the statutory audit and transmitting to that body the additional report referred to in Article 11 of the European Regulation, accompanied by any observations, (ii) monitoring the statutory audit of the annual and consolidated accounts (iii) verifying and monitoring the independence of the statutory auditors or statutory audit firms pursuant to Articles 10 and 17 of the aforementioned decree and Art. 6 of European Regulation 537/2014 (the "European Regulation"), in particular with regard to the adequacy of the provision of non-audit services to the audited entity in accordance with Art. 5 of such Regulation and (iv) the responsibility for the procedure to select statutory auditors or audit firms and to recommend statutory auditors or audit firms for appointment pursuant to Art. 16 of the European Regulation.

In this context, the Board of Statutory Auditors currently in office carried out an ongoing monitoring process of the activities performed in 2025 and up to the date of this report by PricewaterhouseCoopers S.p.A. (hereinafter also referred to as 'PwC'), both through meetings at special meetings of the Board of Statutory Auditors and at joint meetings of the Board of Statutory Auditors and the Control and Risks Committee.

Information to the Board of Directors on the outcome of the statutory audit and the Additional Report pursuant to Art. 11 of the European Regulation

In relation to the auditing company, the Board of Statutory Auditors reports that PwC has today issued the Additional Report pursuant to Article 11 of the European Regulation, from which no significant deficiencies emerge in the internal control system for financial reporting and/or in the accounting system.

Supervisory activities on the statutory audit of annual and consolidated accounts

- the accounts were audited in accordance with the regulations by the auditing firm PwC to which the Shareholders' Meeting of 28 April 2022 appointed the auditor for financial years 2023-2031;
- the Board of Statutory Auditors met periodically with the auditing firm PwC, and the meetings did not reveal any significant facts worthy of mention concerning the auditing activity nor any decisive deficiencies in the integrity of the internal control system with regard to the financial reporting process in particular;
- PwC today issued its report containing its opinion on the financial statements and consolidated financial statements prepared in accordance with the IFRS accounting standards issued by the International Accounting Standards Board and adopted by the European Union, as well as the measures issued in implementation of Art. 9 of Legislative Decree No. 38/05 and Article 43 of Legislative Decree No. 136/15. Furthermore, in the same report, PwC issued an opinion on the consistency of the Directors' Report and the

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information in the Corporate Governance Report with the Financial Statements. This report does not contain any remarks or requests for information.

- on the same date, PwC issued an attestation report on the compliance of the Consolidated Sustainability Statement with the European Sustainability Reporting Standards ("ESRS") and Article 8 of Regulation (EU) No. 852/2020 ("Taxonomy Regulation")

Independence of the audit firm, in particular with regard to the provision of non-audit services

With regard to the annual confirmation of independence pursuant to Art. 6, paragraph 2, letter a) of the European Regulation and paragraph 17 of Standard ISA Italia 260, the Board of Statutory Auditors represents that it received written confirmation from the auditing firm on 16 March 2026.

The Board of Statutory Auditors monitored the independence of the auditing firm and, in particular, received periodic evidence of the non-audit assignments to be assigned (or assigned by virtue of specific regulatory provisions) to the statutory auditor.

As can be seen from the consolidated financial statements of the Banca Ifis Group, in 2025, the auditing firm PricewaterhouseCoopers S.p.A. and the other companies of the PwC network performed the following activities in favour of the Group:

Company and reporting period (*Euro/000*)		**PwC**		**Other companies in the PwC network**		
		Independent auditors' fees	**Certification services**	**Independent auditors' fees**	**Other services (*)**	**Total**
Banca Ifis S.p.A.	2025	365,108	553,300	-	553,500	1,471,908
Subsidiaries	2025	1,028,924	101,400	89,900	-	1,220,224
Total		**1,394,032**	**654,700**	**89,900**	**553,500**	**2,692,132**

(*) "Other services" include due diligence for the acquisition of VAT credits.

The Board of Statutory Auditors considers that the aforementioned fees are appropriate to the size, complexity and characteristics of the work performed and also considers that the engagements (and related fees) other than audit services are not such as to affect the statutory auditor's independence. The Board also verified that the tasks entrusted to the auditing firm are not among those prohibited for the auditing company in office under the aforementioned European Regulation.

It is also acknowledged that the Board of Directors and the undersigned Board of Statutory Auditors have shared the view that it is deemed appropriate for the appointed auditing firm to focus on its typical activity and to be involved, either directly or through companies belonging to its network, limited to projects that have already been commissioned and for which the assignment to another firm might be uneconomic.

Appointment as statutory auditor for the period 2023-2031

Please note that the 2025 Annual Report of Banca Ifis represents the third financial statements whose accounts have been audited by PwC, following the audit engagement for FY 2023-2031 on the grounded proposal of the Board of Statutory Auditors, by resolution of the shareholders' meeting of Banca Ifis on 28 April 2022.

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3.5 - Supervisory activities on the administrative-accounting system and on the financial report and non-financial disclosure processes

Referring to the aforementioned Article 19 of Legislative Decree No. 39/2010 as amended by Legislative Decree no. 135/2016, the Board of Statutory Auditors, in monitoring the financial reporting process, interacted with the Control and Risk Committee set up within the Board of Directors, in order to coordinate their respective competences and avoid any overlapping of activities. In this regard, the Board of Statutory Auditors participated, where possible with all its members, in the activities of the Control and Risk Committee, particularly when they referred to issues of specific relevance for the purposes of Legislative Decree No. 39/2010 and the above-mentioned supervisory matters, making relations fluid and facilitating the coordination and exchange of information between the two bodies.

With specific reference to the different areas of supervision, we would point out the following.

Supervision of the financial reporting process

The Board of Statutory Auditors verified the existence of rules and procedures governing the process of the formation and dissemination of financial information. In this regard, the Corporate Governance Report defines the reference guidelines for the establishment and management of the system of administrative and accounting procedures for Ifis and its consolidated companies, regulating the relevant steps and responsibilities.

The Board of Statutory Auditors examined, with the assistance of the Manager Charged with preparing the Company's financial reports, the procedures relating to the preparation of the Company's financial statements and consolidated financial statements, as well as other periodic accounting documents. The Board of Statutory Auditors also had evidence of the process by which the Manager Charged with preparing the Company's financial reports and the director delegated to do so can issue the certifications required by Article 154-*bis* of the Consolidated Law on Finance.

The Board of Statutory Auditors has been informed that the administrative/accounting procedures for the preparation of the financial statements and all other financial disclosures are prepared under the responsibility of the Manager charged with preparing the company's financial reports, who, together with the Chief Executive Officer, certifies the adequacy and effective application of these procedures in the preparation of the separate and consolidated financial statements and the half-year financial report.

The Board of Statutory Auditors acknowledges that it has not received, during the periodic meetings held with the Manager Charged with preparing the company's financial reports, any reports of significant deficiencies in the operational and control processes that could affect the judgement of the adequacy and effective application of the administrative-accounting procedures, for the purpose of the correct representation of the economic, equity and financial situation of management events, in accordance with international accounting standards.

The annual financial statements of the Bank and the consolidated financial statements of the Group, in application of Legislative Decree no. 38/2005 are prepared by applying the IAS/IFRS issued by the International Accounting Standards Board and the related interpretations of the

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International Financial Reporting Interpretations Committee, endorsed by the European Commission, as established by European Community Regulation no. 1606/2002.

European Commission Regulation 815/2019 (the "European Single Electronic Format" or "ESEF" Regulation), issued in order to implement Directive 2004/109/EC (the "Transparency Directive"), introduced the obligation to prepare the annual financial reports of issuers whose securities are listed on regulated markets in the European Union in a single electronic reporting format. For 2025, it is expected that only the Consolidated Financial Statements and the Notes to the Consolidated Financial Statements must be "branded" to the ESEF taxonomy, according to the "Inline XBRL" specifications of the basic taxonomy issued by the ESMA. Since the document "2025 Financial Statements" also includes the separate financial statements of the parent company, the entire document is in XHTML format.

The Bank's separate financial statements and the Group's consolidated financial statements are prepared on the basis of the instructions issued by the Bank of Italy in Circular 262/2005 and subsequent updates. The draft financial statements of Ifis at 31 December 2025 and the consolidated financial statements of the Group at 31 December 2025 were approved by the Board of Directors at its meeting on 12 March 2026. The public disclosure, in accordance with the provisions of the prudential supervisory regulations, was made through the Bank's website within the deadlines set for the publication of financial statements.

The Board of Statutory Auditors also examined declarations, issued on 12 March 2026 by the CEO and by the Manager Charged with preparing the company's financial reports, in accordance with the provisions contained in Article 154 *bis* of the Consolidated Law on Finance and in Article 81 *ter* of Consob Regulation 11971/1999, including the certification of the Sustainability Statement at 31 December 2025, from which no shortcomings emerged that might affect the judgement of adequacy of the administrative-accounting procedures.

PwC, during the periodic meetings and in the light of the Additional Report - provided for by Article 11 of Regulation (EU) no. 537/2014 issued today, did not report any critical situations to the Board of Statutory Auditors that could affect the internal control system relating to the administrative and accounting procedures, nor did it ever highlight facts that were deemed reprehensible or any irregularities that would require reporting pursuant to Article 155, paragraph 2, of the Consolidated Law on Finance.

As already mentioned, the Board of Directors has prepared, in accordance with the law, the Financial Statements and Consolidated Financial Statements as at 31 December 2025 in accordance with International Financial Reporting Standards as adopted by the European Union, as well as the measures issued in implementation of Art. 9 of Legislative Decree No. 38/05, both of which are audited by PwC.

With regard to the above, no elements were revealed that would lead to the conclusion that the activity has not been carried out in accordance with the principles of correct administration or that the organisational structure, the system of internal audit and accounting and administrative systems were not, in their entirety, substantially adequate to the needs and dimensions of the company.

Consolidated Sustainability Statement

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Banca Ifis, as a public interest entity (PIE), is required to publish the Consolidated Sustainability Statement in line with the provisions of Legislative Decree no. 125/24, which must comply with the standards set by the European Financial Reporting Advisory Group (EFRAG) and the requirements of other applicable European regulations, such as EU Regulations 2088/2019 and 852/2020.

This requires a dual approach, considering both the impacts of the company on society and the environment (inside-out perspective) and how sustainability factors affect the company itself (outside-in perspective).

The Board of Statutory Auditors plays a central role in monitoring the adequacy and effective functioning of the internal control and risk management system, with particular reference also to sustainability issues and the new provisions introduced by the Corporate Sustainability Reporting Directive (CSRD).

In this context, the Board of Statutory Auditors, pursuant to Art. 10, paragraph 1, Legislative Decree No. 125/2024, monitored compliance with regulatory requirements governing the Sustainability Statement, verifying the Bank's implementation of appropriate procedures and processes to ensure the reliability and transparency of non-financial information. To this end, the Board interacted with the corporate structures in charge of monitoring ESG topics, the Control and Risk Committee and the Internal Audit Department.

Information was gathered through a centralised process as part of which Banca Ifis's functions consolidated the data received from all subsidiaries under the supervision of the Finance function.

In addition, the Board of Statutory Auditors monitored the integration of ESG factors into the Bank's business models and risk management systems, promoting constant alignment with national and international best practices. Particular attention was also paid to the Bank's involvement in the analysis of the so-called dual materiality required by CSRD, i.e. the assessment of the Bank's impacts on the environment and society, as well as the risks and opportunities that sustainability topics may generate on the business.

The Board of Statutory Auditors actively participated in the processes of verification and assurance of sustainability information, also in cooperation with the statutory auditor. This activity included assessing the reliability of the data, analysing the methodologies adopted to measure ESG impacts and the consistency of the reported information with international sustainability standards.

In addition, the Board of Statutory Auditors promoted an ongoing dialogue with governance bodies and relevant stakeholders to foster a proactive and integrated approach to sustainability, helping to strengthen the transparency and credibility of the company's ESG reporting.

3.6 - Supervisory activities on the adequacy of the internal audit system, of the risk management systems and of the organisational structure

The Group's internal control system is based on:

- control bodies and functions, involving in particular, each for their respective competences, the Board of Directors, the Control and Risk Committee, the Director in charge of the internal

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control and risk management system, the Board of Statutory Auditors, as well as the other corporate functions with specific tasks in this respect;

- information flows and coordination between the parties involved in the internal control and risk management system.

The design of Banca Ifis's system of internal controls, briefly described, has three levels:

- first-level (or line) controls: exercised directly by the operational and back-office structures, which are primarily responsible for the risk management process;
- second-level controls: exercised by the risk management function (identifies the risks to which Banca Ifis and the Group companies are exposed and periodically measures and monitors these risks through specific indicators, planning any mitigation actions), the compliance function (verifies the effectiveness of the organisational measures proposed and implemented for the purpose of non-compliance risk management) and the anti-money laundering function;
- third-level controls: exercised by the internal audit function, through activities aimed at identifying violations of procedures and regulations, as well as periodically assessing the completeness, adequacy, functionality and reliability of the internal control system and the information system.

In carrying out its activities, the Board of Statutory Auditors maintained continuous contact with the various control functions, as well as supervised the adequacy of the systems of internal control and risk management systems through:

- meetings with the management of the Bank;
- regular meetings with the various control departments (i.e., Internal Audit, Compliance, Anti-money laundering (AML) and Risk Management and the Manager Charged with preparing the company's financial reports) in order to evaluate the methodology for the planning of operations, based on the identification and evaluation of the principal risks present in the organisational processes and units;
- examination of the periodical reports from the Audit Functions and the periodical information regarding the results of monitoring activities;
- acquired information from the managers of corporate functions;
- discussion of the results of the work carried out by the independent auditing firm;
- participation in the work of the Risk Management and Control Committee and, when the topics so required, in their joint examination with the Committee.

The Board of Statutory Auditors acknowledges that the annual reports from the Control Departments conclude with a substantially favourable judgement on the internal control system.

Over the course of 2025, the Board of Statutory Auditors supervised the suitability and effects of the entire ICAAP and ILAAP 2025 processes on the requirements set out by the regulations, underscoring the usefulness of appropriate data aggregation, integration, and validation processes to maintain the aforementioned documents.

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Intervention plans were provided with reference to the activities and areas for improvement identified, whose timely implementation is judged by the Board of Statutory Auditors as essential and that require particular attention by the management body.

On the basis of the activities carried out, the Board of Statutory Auditors - also in relation to the continuous evolution of the Bank and the Group - believes that although there are certain areas for possible further improvement, there are no elements that are sufficiently critical as to invalidate the internal control system and risk management.

The Board of Statutory Auditors was today updated about the meetings held by the Supervisory Body and the exchange of information was ensured by the dialogue that took place within the Board of Statutory Auditors with the auditor who is a member of the Supervisory Body, without receiving any reports and/or comments worthy of note. The main information flows between the Supervisory Body and the Board of Statutory Auditors include, inter alia, the ongoing and structured sharing of information relating to the Organisation, Management and Control Model pursuant to Legislative Decree No. 231/2001, with particular reference to the activities involved in updating, revising and adapting said Model. In particular, this information exchange covers significant regulatory changes, the outcomes of supervisory and control activities, and any critical issues that have arisen. This information sharing is carried out in such a way as to ensure effective coordination between the two bodies in the performance of their respective control functions.

* * *

The Board of Statutory Auditors is not aware, in addition to what has already been discussed earlier, of facts or details that need to be communicated to the Shareholders' Meeting.

In the course of the activity performed and on the basis of the information obtained, no omissions, reprehensible facts, irregularities or in any case other significant circumstances were detected that would require reporting to the Supervisory Authorities or mention in this Report.

Concluding remarks

As detailed in this Report, the Board of Statutory Auditors verified the functionality of the internal procedures, which were found to be sufficiently adequate and suitable to ensure compliance with the law, regulations and Articles of Association. The Board of Statutory Auditors ascertained that the decision-making process takes into account the riskiness and effects of the management choices made and that the corporate bodies have a sufficient information flow system, also with reference to any interests of the Directors. The organisational structure, the administrative accounting system and the statutory audit process were found to be adequate and functional for the tasks they are called upon to perform. It was also verified that there were no elements such as to render the internal control system and the governance and risk management process unreliable, even though they presented aspects for improvement that the Board of Statutory Auditors had pointed out in the exercise of its mandate.

Final considerations and proposals to the Shareholders' Meeting

This Report details the control activities carried out and the actions taken by the Board of Statutory Auditors with regard to the information obtained and the supervisory activities performed in fulfilment of its duties.

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In light of the overall supervisory activity performed, in relation to the audits concluded at the date of publication of this Report, the Board of Statutory Auditors of Banca Ifis has no observations to make to the Shareholders' Meeting pursuant to Article 153, paragraph 2, of Legislative Decree no. 58/1998 concerning the financial statements and their approval as well as matters falling within its competence.

In actual fact, taking into account all of the foregoing, considering the content of the opinions issued by the Independent Auditors and having acknowledged the attestations issued jointly by the Chief Executive Officer and the Manager Charged with preparing the company's financial reports, including the internal attestation and the Report by the Independent Auditing Firm on the Sustainability Statement (included in the Directors' Report) - the Board of Statutory Auditors does not deem that there exist - to the extent of its competence - any elements hindering the approval of the financial statements of Banca Ifis S.p.A. as at 31 December 2025 accompanied by the Directors' Report and the Notes to the Financial Statements, as resolved by the Board of Directors on 12 March 2026.

Venice - Mestre, 25 March 2026

THE BOARD OF STATUTORY AUDITORS

Andrea Balelli (Chairman)

Annunziata Melaccio (Standing Auditor)

Franco Olivetti (Standing Auditor)

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Independent auditors' report on the Separate Financial Statements

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Independent auditor's report in accordance with article 14 of Legislative Decree 39/2010 and article 10 of Regulation (EU) 537/2014

To the Shareholders of

Banca Ifis SpA

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Banca Ifis SpA (the "Bank"), which comprise the statement of financial position as of 31 December 2025, the income statement, statement of comprehensive income, statement of changes in equity, the cash flows statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Bank as of 31 December 2025, and of the result of its operations and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005 and article 43 of Legislative Decree 136/2015.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this report. We are independent of Banca Ifis SpA pursuant to the regulations and standards on ethics and independence applicable to audits of financial

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statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	Auditing procedures performed in response to key audit matters
Measurement of receivables due from customers measured at amortised cost Notes to the financial statements: Part A - Accounting policies Part B – Information on the statement of financial position – Assets, Section 4 Part C – Information on the income statement, Section 8 Part E – Information on risks and related hedging policies Receivables due from customers, measured at amortised cost represent as of 31 December 2025 the largest part of the financial position line item 40 b) “Financial assets measured at amortised cost – Receivables due from customers” which shows a balance of Euro 10,042 million corresponding in aggregate to 70 per cent of total assets. Net credit losses recognised during the year for these loans amount to Euro 22.7 million and represent directors’ best estimate of expected credit losses at the reporting date made based on the applicable reporting standards.	In performing our audit procedures, we considered internal control relevant to the financial reporting process. To address this key audit matter, we performed the following relevant procedures, with the support of the experts of the PwC network as needed: • Analysis of the adequacy of the IT environment and testing the operating effectiveness of the applicable relevant controls over the systems and computer applications used by the Bank for the measurement of receivables due from customers. • Understanding and evaluation of the design of relevant controls relevant to monitoring, classification and measurement of receivables due from customers and testing of the operating effectiveness of certain controls. • Understanding and assessing the appropriateness of the policies, procedures and models used for determining

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Key audit matters	Auditing procedures performed in response to key audit matters
The process for classifying loans into different risk categories and measuring expected credit losses are characterized by a high degree of complexity, significant judgement and require the estimation of several variables. The use of significant assumptions is particularly relevant for measuring the significant increase in credit risk ("SICR"), allocating exposures to the different risk stages ("Staging") and determining assumptions and input data used in the expected credit loss ("ECL") calculation models and, for loans assessed on an individual basis (Stage 3), in estimating the future cash flows, recovery times and the recoverable amount of any collateral. For the current year, in addition to the recurring process of updating the input data and risk parameters, the Bank implemented some targeted enhancements to the estimation processes in order to improve their accuracy and predictive capability. Considering the materiality of the amounts, the complexity of the estimation processes and the significant degree of judgement involved, we considered the measurement of these loans to be a key audit matter.	SICR, Staging and ECL, both collectively and individually, also taking into account the enhancements to the estimation processes introduced during the year. • Understanding and analysis of the methods used to define the estimation parameters within the models used to determine the ECL and of the updates introduced during the year. In particular, we verified the reasonableness of the macroeconomic scenarios assumed, also by comparison with external sources, as well as the probabilities of occurrence assigned to those scenarios. • Verification of the correct application of criteria defined for loans classified as not impaired (Stage 1 and 2) and of the completeness and accuracy of the data used for the determination of ECL. • Testing, for a sample of loans, of the reasonableness of the classification as not impaired (Stage 1 and 2) and impaired (Stage 3) on the basis of available information on the borrower's status and other supporting evidences, including external information. • For impaired loans (Stage 3), in order to assess the reasonableness of directors' conclusions, also considering the classification criteria and categories required by the applicable financial and regulatory reporting framework, testing, on a sample basis, the reasonableness of the assumptions used to determine the future cash flows from workout activity, the valuation of collaterals and the estimated recovery times.

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Key audit matters	Auditing procedures performed in response to key audit matters
	• Assessment of the control activities carried out during the year by internal control functions, the related results and any remedial actions undertaken. • Performance comparative and trend analyses of the volumes of receivables due from customers and related coverage ratios, also by comparison with previous years data and publicly available industry information. • Examination of ECL sensitivity analyses to the macroeconomic scenarios that influence the risk parameters of the models used. • Testing of the completeness and adequacy of financial statements disclosures in accordance with International Financial Reporting Standards, the applicable regulatory framework and the communications and recommendations issued by the Supervisory Authorities.

Responsibilities of the directors and the board of statutory auditors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005 and article 43 of Legislative Decree 136/2015 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Bank's ability to continue as a going concern and, in preparing the financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate the Bank or to cease operations or have no realistic alternative but to do so.

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The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Bank's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.

- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- We concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's

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report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

- We evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Additional disclosures required by article 10 of Regulation (EU) 537/2014

On 28 April 2022, the shareholders of Banca Ifis SpA in general meeting engaged us to perform the statutory audit of the Bank's and the consolidated financial statements for the years ending 31 December 2023 to 31 December 2031.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) 537/2014 and that we remained independent of the Bank in conducting the statutory audit.

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We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on compliance with other laws and regulations

Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 815/2019

The directors of Banca Ifis SpA are responsible for the application of the provisions of Commission Delegated Regulation (EU) 815/2019 concerning regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (the "Commission Delegated Regulation") to the financial statements as of 31 December 2025, to be included in the annual report.

We have performed the procedures specified in auditing standard (SA Italia) 700B in order to express an opinion on the compliance of the financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the financial statements as of 31 December 2025 have been prepared in XHTML format and have been marked up, in all significant respects, in compliance with the provisions of the Commission Delegated Regulation.

Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree 39/2010 and with article 123-bis, paragraph 4, of Legislative Decree 58/1998

The directors of Banca Ifis SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of Banca Ifis SpA as of 31 December 2025, including their consistency with the relevant financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) 720B in order to:

- express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998, with the financial statements;

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- express an opinion on the compliance with the law of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998;

- issue a statement on material misstatements, if any, in the report on operations and in the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are consistent with the financial statements of Banca Ifis SpA as of 31 December 2025.

Moreover, in our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree 39/2010, issued on the basis of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have nothing to report.

Milan, 25 March 2026

PricewaterhouseCoopers SpA

Signed by

Pierfrancesco Anglani

(Partner)

As disclosed by the directors the accompanying financial statements of Banca Ifis SpA constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 815/2019. This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

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2025 ANNUAL REPORT

Attachments to the Separate Financial Statements

Banca Ifis

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Reconciliation between reclassified financial statements and individual financial statements

RECONCILIATION BETWEEN ASSETS ITEMS AND RECLASSIFIED ASSETS ITEMS (in thousands of Euro)		31.12.2025	31.12.2024
Cash and cash equivalents		**307.869**	**334.190**
+ *10.*	*Cash and cash equivalents*	*307.869*	*334.190*
Financial assets mandatorily measured at fair value through profit or loss		**273.365**	**230.431**
+ *20.c*	*Financial assets measured at fair value through profit or loss: c) other financial assets mandatorily measured at fair value*	*273.365*	*230.431*
Financial assets measured at fair value through other comprehensive income		**1.115.132**	**701.825**
+ *30.*	*Financial assets measured at fair value through other comprehensive income*	*1.115.132*	*701.825*
Receivables due from banks measured at amortised cost		**715.334**	**760.945**
+ *40.a*	*Financial assets measured at amortised cost: a) receivables due from banks*	*715.334*	*760.945*
Receivables due from customers measured at amortised cost		**10.041.559**	**9.320.250**
+ *40.b*	*Financial assets measured at amortised cost: b) receivables due from customers*	*10.041.559*	*9.320.250*
Equity investments		**1.048.698**	**699.511**
+ *70.*	*Equity investments*	*1.048.698*	*699.511*
Property, plant and equipment and intangible assets		**242.306**	**203.114**
+ *80.*	*Property, plant and equipment*	*197.417*	*163.014*
+ *90.*	*Intangible assets*	*44.889*	*40.100*
Tax assets		**211.290**	**173.774**
+ *100.a*	*Tax assets: a) current*	*75.713*	*21.491*
+ *100.b*	*Tax assets: b) deferred*	*135.577*	*152.283*
Other assets		**402.067**	**343.310**
+ *20.a*	*Financial assets measured at fair value through profit or loss: a) financial assets held for trading*	*7.021*	*3.489*
+ *50.*	*Hedging derivatives*	*23.398*	*7.404*
+ *110.*	*Non-current assets and disposal groups*	*8.030*	*-*
+ *120.*	*Other assets*	*363.618*	*332.417*
Total assets		**14.357.620**	**12.767.350**

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RECONCILIATION BETWEEN ASSETS AND LIABILITIES ITEMS AND RECLASSIFIED ASSETS AND LIABILITIES ITEMS (in thousands of Euro)		31.12.2025	31.12.2024
Payables due to banks		**3.442.350**	**1.327.384**
+	*10.a Financial liabilities measured at amortised cost: a) payables due to banks*	*3.442.350*	*1.327.384*
Payables due to customers		**6.911.659**	**8.199.423**
+	*10.b Financial liabilities measured at amortised cost: b) payables due from customers*	*6.911.659*	*8.199.423*
Debt securities issued		**1.909.740**	**1.507.351**
+	*10.c Financial liabilities measured at amortised cost: c) debt securities issued*	*1.909.740*	*1.507.351*
Tax liabilities		**76.558**	**36.198**
+	*60.a Tax liabilities: a) current*	*52.988*	*9.138*
+	*60.b Tax liabilities: b) deferred*	*23.570*	*27.060*
Provisions for risks and charges		**77.153**	**48.985**
+	*100.a Provisions for risks and charges: a) commitments and guarantees granted*	*5.959*	*5.439*
+	*100.b Provisions for risks and charges: b) pensions and similar obligations*	*336*	*218*
+	*100.c Provisions for risks and charges: c) other provisions for risks and charges*	*70.858*	*43.328*
Other liabilities		**317.936**	**253.642**
+	*20. Financial liabilities held for trading*	*13.824*	*13.765*
+	*40. Hedging derivatives*	*17.192*	*14.868*
+	*80. Other liabilities*	*282.207*	*219.928*
+	*90. Post-employment benefits*	*4.713*	*5.081*
Equity		**1.622.224**	**1.394.367**
+	*110. Valuation reserves*	*(12.153)*	*(22.823)*
+	*140. Reserves*	*1.269.563*	*1.222.740*
+	*145. Interim dividends (-)*	*(73.296)*	*(63.084)*
+	*150. Share premiums*	*229.093*	*85.391*
+	*160. Share capital*	*61.819*	*53.811*
+	*170. Treasury shares (-)*	*(13.701)*	*(20.971)*
+	*180. Profit (loss) for the year (+/-)*	*160.899*	*139.303*
Total liabilities and equity		**14.357.620**	**12.767.350**

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RECONCILIATION BETWEEN THE INCOME STATEMENT AND THE RECLASSIFIED INCOME STATEMENT (in thousands of Euro)			31.12.2025	31.12.2024
Net interest income			**139.251**	**200.393**
+	*30.*	*Net interest income*	*139.251*	*200.393*
		+ 10. Interest receivable and similar income	*512.801*	*613.513*
		+ 20. Interest due and similar expenses	*(373.550)*	*(413.120)*
Net commission income			**85.227**	**84.308**
+	*60.*	*Net commission income*	*85.227*	*84.308*
		+ 40. Commission income	*96.783*	*96.448*
		+ 50. Commission expense	*(11.556)*	*(12.140)*
Other components of net banking income			**255.811**	**144.584**
+	*70.*	*Dividends and similar income*	*213.453*	*94.543*
+	*80.*	*Net profit (loss) from trading*	*5.983*	*1.939*
+	*90.*	*Net result from hedging*	*1.990*	*(1.140)*
+	*100.a*	*Gains (losses) on sale/buyback of: a) financial assets measured at amortised cost*	*13.636*	*16.598*
-	*100.a (partial)*	*Gains (losses) on sale/buyback of loans at amortised cost*	*(151)*	*332*
+	*100.b*	*Gains (losses) on sale/buyback of: b) financial assets measured at fair value through other comprehensive income*	*1.270*	*8.204*
+	*100.c*	*Gains (losses) on sale/buyback of: c) financial liabilities*	*(265)*	*64*
+	*110.b*	*Net result of other financial assets and liabilities measured at fair value through profit or loss: b) other financial assets mandatorily measured at fair value*	*19.895*	*24.044*
Net banking income			**480.289**	**429.285**
+	*120.*	*Net banking income*	*480.440*	*428.953*
-	*100.a (partial)*	*Gains (losses) on sale/buyback of loans at amortised cost*	*(151)*	*332*
Net credit risk losses/reversals			**(24.902)**	**(33.983)**
+	*130.a*	*Net credit risk losses/reversals related to: a) financial assets measured at amortised cost*	*(23.492)*	*(33.877)*
-	*130.a (Partial)*	*Net impairments/reversals of impairments of the Npl Segment to the extent representative of business operations*	-	-
+	*130.b*	*Net credit risk losses/reversals related to: b) financial assets measured at fair value through other comprehensive income*	*(321)*	*483*
+	*100.a (partial)*	*Gains (losses) on sale/buyback of loans at amortised cost*	*151*	*(332)*
+	*170.a (partial)*	*Net allocations for credit risk related to commitments and guarantees granted*	*(1.240)*	*(257)*
Net profit (loss) from financial activities			**455.387**	**395.302**
+	*150.*	*Net profit (loss) from financial activities*	*456.627*	*395.559*
-	*100.a (partial)*	*Gains (losses) on sale/buyback of loans at amortised cost*	*(151)*	*332*
+	*100.a (partial)*	*Gains (losses) on sale/buyback of loans at amortised cost*	*151*	*(332)*
+	*170.a (partial)*	*Net allocations for credit risk related to commitments and guarantees granted*	*(1.240)*	*(257)*

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		RECONCILIATION BETWEEN THE INCOME STATEMENT AND THE RECLASSIFIED INCOME STATEMENT (in thousand Euro)	31.12.2025	31.12.2024
Administrative expenses			**(257.928)**	**(244.635)**
a) personnel expenses			**(134.754)**	**(127.287)**
+	*160.a*	*a) personnel expenses*	*(174.754)*	*(127.287)*
-	*160.a (partial)*	*a) other administrative expenses: non-recurring charges*	*40.000*	*-*
b) other administrative expenses			**(123.174)**	**(117.348)**
+	*160.b*	*b) other administrative expenses*	*(170.882)*	*(125.370)*
-	*160.b (partial)*	*b) other administrative expenses: non-recurring charges*	*47.125*	*77*
-	*160.b (partial)*	*b) other administrative expenses: contributions to resolution and deposit protection funds*	*583*	*7.945*
Net impairment losses/reversals on property, plant and equipment and intangible assets			**(25.286)**	**(20.492)**
+	*180.*	*Net impairment losses/reversals on property, plant and equipment*	*(12.646)*	*(11.110)*
+	*190.*	*Net impairment losses/reversals on intangible assets*	*(12.640)*	*(9.382)*
Other operating income/expenses			**63.642**	**54.614**
+	*200.*	*Other operating income/expenses*	*63.642*	*54.614*
Operating costs			**(219.572)**	**(210.513)**
+	*210.*	*Operating costs*	*(309.731)*	*(221.540)*
-	*160.a (partial)*	*a) other administrative expenses: non-recurring charges*	*40.000*	*-*
-	*160.b (partial)*	*b) other administrative expenses: non-recurring charges*	*47.125*	*77*
-	*160.b (partial)*	*b) other administrative expenses: contributions to resolution and deposit protection funds*	*583*	*7.945*
-	*170.*	*Net allocations to provisions for risks and charges*	*2.451*	*3.005*
Charges related to the banking system			**(583)**	**(7.945)**
+	*160.b (partial)*	*b) other administrative expenses: contributions to resolution and deposit protection funds*	(583)	(7.945)
+	*170.a (partial)*	*Net allocations to provisions on commitments and guarantees issued: contributions to resolution and deposit protection funds*	-	-
Net allocations to provisions for risks and charges			**(1.211)**	**(2.748)**
+	*170.a*	*Net allocations to provisions for risks and charges: a) commitments and guarantees granted*	*(1.240)*	*(257)*
-	*170.a (partial)*	*Net allocations for credit risk related to commitments and guarantees granted*	*1.240*	*257*
-	*170.a (partial)*	*Net allocations to provisions on commitments and guarantees issued: contributions to resolution and deposit protection funds*	-	-
+	*170.b*	*Net allocations to provisions for risks and charges: b) other net allocations*	*(1.211)*	*(2.748)*
Non-recurring expenses and income			**(87.125)**	**(77)**
+	*160.a (partial)*	*a) other administrative expenses: non-recurring charges*	*(40.000)*	*-*
+	*160.b (partial)*	*b) other administrative expenses: non-recurring charges*	*(47.125)*	*(77)*

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RECONCILIATION BETWEEN THE INCOME STATEMENT AND THE RECLASSIFIED INCOME STATEMENT (in thousand Euro)	31.12.2025	31.12.2024
Profit (loss) on equity investments	**(2.862)**	**(3.017)**
+ *220. Profit (loss) on equity investments*	(2.862)	(3.017)
Value adjustments of goodwill	**-**	**-**
+ *240. Value adjustments of goodwill*	-	-
Gains (Losses) on disposal of investments	**-**	**-**
+ *250. Gains (Losses) on disposal of investments*	-	-
Pre-tax profit (Loss) from continuing operations	**144.034**	**171.002**
+ *260. Pre-tax profit (Loss) from continuing operations*	144.034	171.002
Income taxes for the year relating to current operations	**16.865**	**(31.699)**
+ *270. Income taxes for the year relating to current operations*	16.865	(31.699)
Profit (Loss) for the year	**160.899**	**139.303**
+ *300. Profit (Loss) for the year*	160.899	139.303

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List of fees and services provided by the independent auditing firm and entities belonging to the independent auditing firm's network

Information provided pursuant to Art. 149-duodecies of the Consob Issuers' Regulation.

For FY 2025, the auditing firm PricewaterhouseCoopers S.p.A. and the other companies in the PwC network performed the services detailed below on behalf of our Group. The summary table includes the fees for audit and non-audit services for FY 2025 as set out in the existing contractual terms and conditions.

Type of services (units of Euro)	PricewaterhouseCoopers S.p.A.		Other companies in the PricewaterhouseCoopers S.p.A. network		Total
	Banca Ifis	Subsidiaries	Banca Ifis	Subsidiaries	
Independent auditors' fees (*)	365.108	1.028.924	-	89.900	**1.483.932**
Certification services	553.300	101.400	-	-	**654.700**
Other services	-	-	553.500	-	**553.500**
Total	**918.408**	**1.130.324**	**553.500**	**89.900**	**2.692.132**

(*) *Auditing services do not include fees for the audit of funds managed by the subsidiary Fürstenberg SGR.*

The fees indicated are net of VAT and Consob contribution.

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