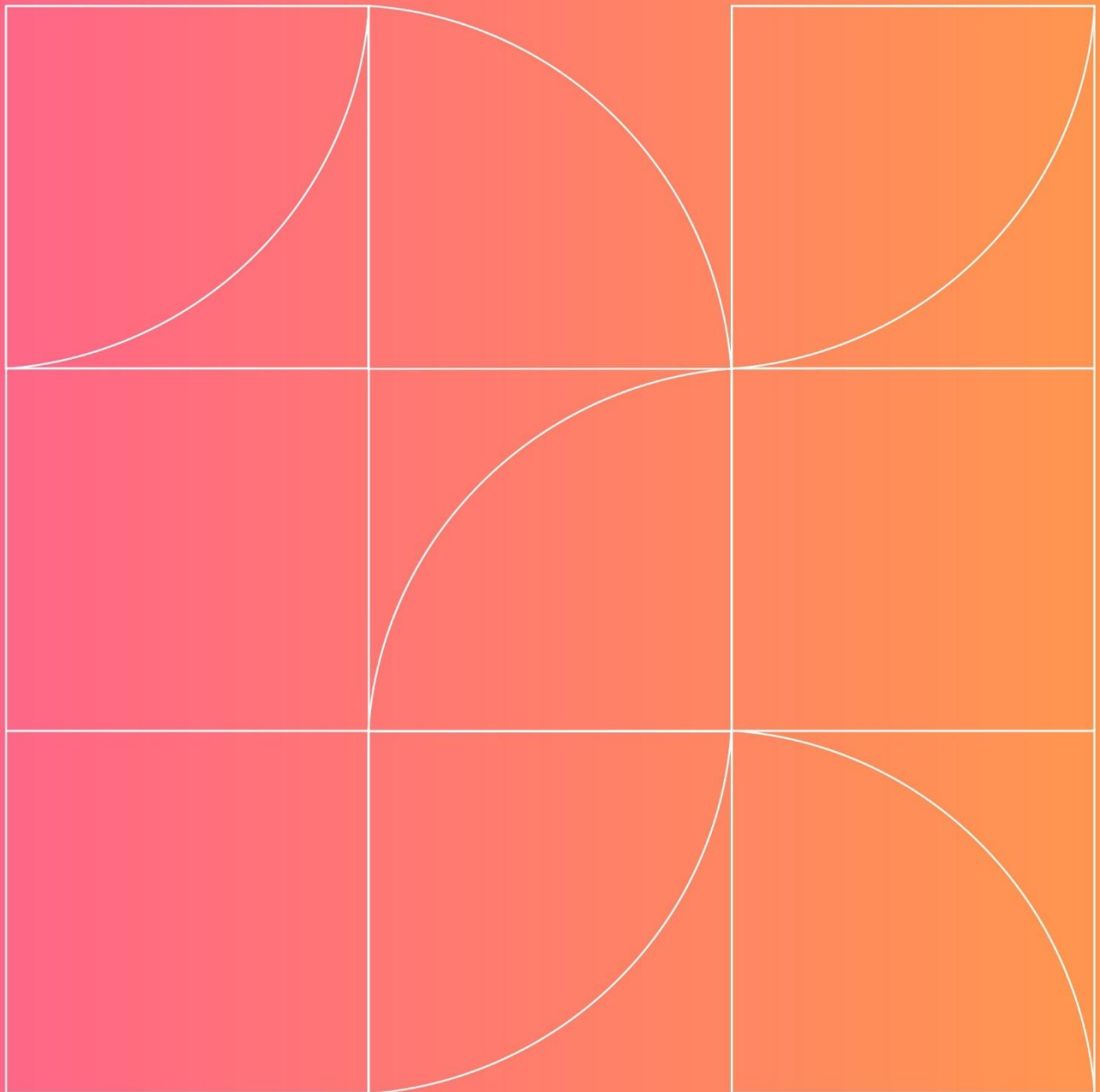


# 2025 Integrated Report



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## Report and Financial Statements for illimity Bank

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## Composition of Corporate Bodies

illimity Bank S.p.A., a wholly-owned subsidiary of Banca Ifis S.p.A., belongs to the Banca Ifis Group and is subject to the management and coordination of Banca Ifis S.p.A. as of 4 July 2025.

The Shareholders' Meeting held on 25 September 2025 resolved to adopt the traditional management and control system, already adopted in Banca Ifis S.p.A. and in the Ifis Group, suitable for ensuring efficiency of management and effectiveness of the controls, and providing satisfactory results in terms of value creation for Shareholders, capital enhancement and financial balance.

Our constant goal is to ensure the adequate allocation of responsibilities and powers, through a correct balance between management and control functions.

The management and control system is "traditional" and assigns strategic management to the Board of Directors and supervisory and control functions to the Board of Statutory Auditors, both appointed by the Shareholders' Meeting. The official audit is entrusted to independent auditors enrolled in the appropriate register, appointed by the Shareholders' Meeting upon a reasoned proposal from the management body.

illimity is also subject to the provisions contained in the Supervisory Instructions issued by the Bank of Italy and, in particular, to those concerning corporate governance for banks, remuneration policies and the system of internal controls (Circular No. 285/2013).

The governance system has also been implemented with the adoption of highly integrated internal rules (Regulations, Policies and Procedures), also with that of the Parent Company Banca Ifis S.p.A., which characterise the activities of all the organisational components of the Bank and which are constantly subject to verification and updating in order to respond effectively to the evolution of the regulatory context and the circumstances of the Company and the Group to which it belongs.

### Board of Directors

|                                   |                         |
|-----------------------------------|-------------------------|
| <b>Ernesto Fürstenberg Fassio</b> | Chair                   |
| <b>Rosalba Benedetto</b>          | Vice Chair              |
| <b>Luca Lo Giudice</b>            | Vice Chair              |
| <b>Raffaele Zingone</b>           | Chief Executive Officer |
| <b>Frederik Geertman</b>          | Director                |
| <b>Clelia Leonello</b>            | Independent Director    |
| <b>Simona Heidempergher</b>       | Independent Director*   |
| <b>Cesare Stefano Ranieri</b>     | Independent Director**  |
| <b>Monica Regazzi</b>             | Independent Director    |
| <b>Francesca Di Dedda</b>         | Director                |
| <b>Giulia Ghione</b>              | Director                |
| <b>Giovanni Meruzzi</b>           | Independent Director    |
| <b>Raffaele Fiorella</b>          | Independent Director    |

\*resigned effective March 4, 2026

\*\*resigned effective March 5, 2026

The Board of Directors has a central role in the Company's organisation. The units all report to the Board and the Board is responsible for strategic and organisational guidelines as well as for ensuring the existence of the controls required to monitor the Company's operations. The Board of Directors is vested with all the powers for the ordinary and extraordinary management, with the exception of the matters expressly reserved by law and the Bylaws for the Shareholders' Meeting.

The Board of Directors must be made up of between 5 and 15 members.

The Directors fall from office on the date of the Shareholders' Meeting called to approve the financial statements for the last year of their office.

The current Board of Directors was appointed by the ordinary Shareholders' Meeting on 25 September 2025 for the financial years 2025, 2026 and 2027 and will fall from office upon approval of the financial statements for the 2027 financial year. It should also be noted that the Board of Directors of illimity Bank, which met in Milan on Monday 9 February 2026, approved the appointment of Raffaele Zingone as the new Chief Executive Officer of the company (a position previously held by Frederik Geertman).

This Board envisages a wide representation of high standing profiles with significant and complementary expertise and experience.

### Board of Statutory Auditors

|                              |                   |
|------------------------------|-------------------|
| <b>Andrea Balelli</b>        | Chair             |
| <b>Annunziata Melaccio</b>   | Standing Auditor  |
| <b>Franco Olivetti</b>       | Standing Auditor  |
| <b>Marinella Monterumisi</b> | Alternate Auditor |
| <b>Lenardo Ferruccio</b>     | Alternate Auditor |

The Board of Statutory Auditors performs the duties and exercises the control functions envisaged by the legislative, supervisory and regulatory provisions in force at the time and reports to the Supervisory Authorities in accordance with the regulations in force at the time.

The Board of Statutory Auditors is therefore responsible for monitoring and ensuring the adequate coordination of all units and structures involved in the internal control system, furthering appropriate corrective measures where necessary.

The Board of Statutory Auditors is made up of 3 standing members and 2 alternate members. Members of the Board shall remain in office for three financial years and fall from office on the date of the Shareholders' Meeting called to approve the financial statements for the last year of their office.

The current Board of Statutory Auditors was appointed by the ordinary Shareholders' Meeting on 25 September 2025 for the financial years 2025, 2026 and 2027 and will fall from office upon approval of the financial statements for the 2027 financial year.

### Financial Reporting Officer

**Massimo Luigi Zanaboni**

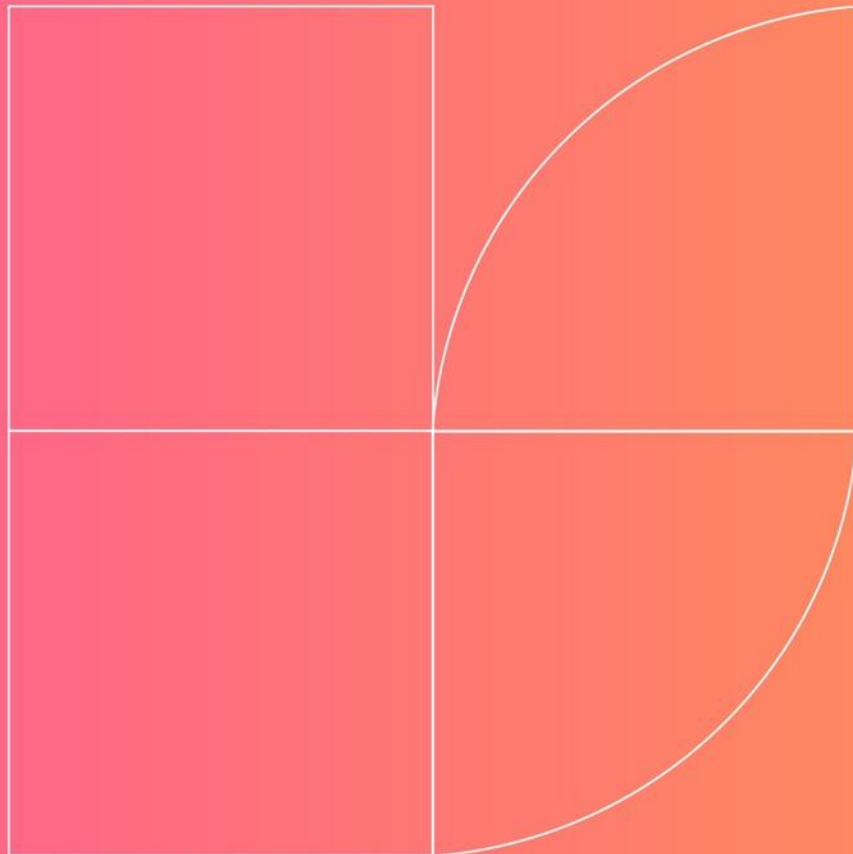
### Independent Auditors

**PricewaterhouseCoopers S.p.A.**



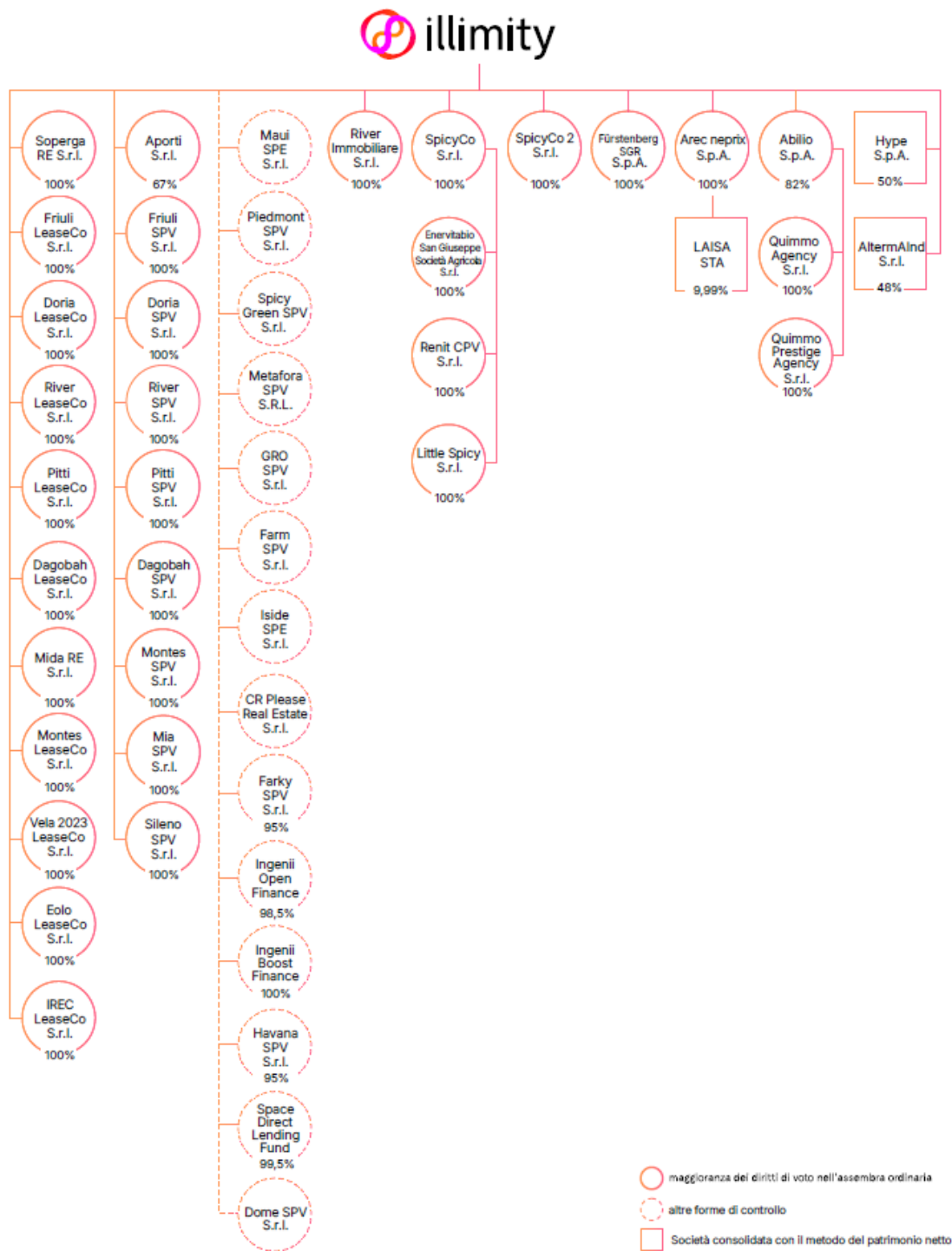
# Consolidated Report on Operations

as of 31 December 2025



The illimity Group

This Consolidated Report on Operations illustrates the performance and the related data and results for the 2025 financial year of illimity Bank S.p.A. (“illimity” or the “Bank”), with registered offices at Via Soperga 9, Milan, Italy, and of the entities included in the scope of consolidation (together with the Bank, the “illimity Group” or the “Group”). As from 4 July 2025, the settlement date of the public purchase and exchange offer for illimity shares, the Bank and the entities of the Group related to it are subject to management and coordination activities by Banca IFIS S.p.A.



The illimity Group is engaged in the disbursement and management of credit through its business functions, especially thanks to its operations in Corporate Banking, Turnaround, Investment Banking and Asset-Based Financing. Specifically, illimity provides credit to high-potential SMEs, purchases and manages credit through its own platform – Arecneprix S.p.A. – and offers direct digital banking services through [illimitybank.com](https://illimitybank.com). Moreover, it is part of the Fürstenberg SGR Group, which sets up and manages Alternative Investment Funds.

Illimity Bank's business also makes use of the operations of the other Group companies. The scope of the Group includes the LeaseCos, which support the bank in the management of lease operations, the ReoCos, which are active in the management of the properties linked to the acquired portfolios, and the Special Purpose Vehicles (SPVs) established to undertake securitisation transactions.

## Alternative performance measures as of 31 December 2025

The Group's main consolidated measures are set out below.

Although not covered by IAS/IFRS, the figures presented are provided in compliance with the indications in CONSOB Communication No. 0092543 of 3 December 2015, and of the ESMA Recommendations on alternative performance measures (ESMA/2015/1415 Guidance).

(amounts in thousands of euros)

| PERFORMANCE MEASURES                                          | 31/12/2025 | 31/12/2024 | Chg.      | Chg. % |
|---------------------------------------------------------------|------------|------------|-----------|--------|
| Total net operating income                                    | 201,522    | 335,068    | (133,546) | (40%)  |
| Operating expenses                                            | (197,720)  | (199,729)  | 2,009     | (1%)   |
| Operating profit (loss)                                       | 3,802      | 135,339    | (131,537) | (97%)  |
| Total net value adjustments                                   | (210,636)  | (134,281)  | (76,355)  | 57%    |
| Profit (loss) before tax                                      | (296,599)  | (64,952)   | (231,647) | >100%  |
| Profit (Loss) for the year attributable to the parent company | (305,053)  | (38,400)   | (266,653) | >100%  |

(amounts in thousands of euros)

| BALANCE SHEET MEASURES                                                         | 31/12/2025       | 31/12/2024       | Chg.               | Chg. %          |
|--------------------------------------------------------------------------------|------------------|------------------|--------------------|-----------------|
| <b>Net - organic non-performing loans and investments<sup>2</sup></b>          | <b>871,175</b>   | <b>256,313</b>   | <b>614,862</b>     | <b>&gt;100%</b> |
| of which: Bad loans                                                            | 92,060           | 35,445           | 56,615             | >100%           |
| of which: Unlikely-to-pay                                                      | 709,453          | 196,563          | 512,890            | >100%           |
| of which: Past-due positions                                                   | 69,662           | 24,305           | 45,357             | >100%           |
| <b>Net - inorganic non-performing loans and investments (POCI)<sup>3</sup></b> | <b>330,202</b>   | <b>605,811</b>   | <b>(275,609)</b>   | <b>(45%)</b>    |
| of which: Bad loans                                                            | 93,372           | 129,159          | (35,787)           | (28%)           |
| of which: Unlikely-to-pay                                                      | 230,362          | 468,593          | (238,231)          | (51%)           |
| of which: Past-due positions                                                   | 6,468            | 8,059            | (1,591)            | (20%)           |
| <b>Performing loans – inorganic (Public Procurement Claims)</b>                | <b>520</b>       | <b>324</b>       | <b>196</b>         | <b>60%</b>      |
| <b>Net performing HTC securities - Government Bonds</b>                        | <b>989,398</b>   | <b>942,250</b>   | <b>47,148</b>      | <b>5%</b>       |
| <b>Net performing securities and loans to customers</b>                        | <b>2,810,190</b> | <b>3,864,291</b> | <b>(1,054,101)</b> | <b>(27%)</b>    |
| <b>Financial instruments (HTCS + FV)</b>                                       | <b>1,058,051</b> | <b>1,311,249</b> | <b>(253,198)</b>   | <b>(19%)</b>    |
| <b>Direct customer funding</b>                                                 | <b>5,510,445</b> | <b>6,359,287</b> | <b>(848,842)</b>   | <b>(13%)</b>    |
| <b>Total Assets</b>                                                            | <b>7,056,197</b> | <b>8,402,526</b> | <b>(1,346,329)</b> | <b>(16%)</b>    |
| <b>Consolidated Shareholders' Equity</b>                                       | <b>590,457</b>   | <b>899,490</b>   | <b>(309,033)</b>   | <b>(34%)</b>    |

<sup>1</sup> The definition of organic receivables and securities (performing and non-performing) includes organic loans to customers on the factoring, structured finance and turnaround segments and receivables acquired in investing in portfolios of distressed loans, which underwent a change in accounting status following the purchase or disbursement (excluding receivables acquired as bad loans), the loan portfolio of the former Banca Interprovinciale and senior financing to non-financial investors in distressed loans and loans deriving from operations of b-ilty.

<sup>2</sup> POCI = Purchased or Originated Credit Impaired.

| RISK RATIOS                                                                  | 31/12/2025 | 31/12/2024 |
|------------------------------------------------------------------------------|------------|------------|
| Gross Organic NPE Ratio <sup>4</sup>                                         | 29.2%      | 7.1%       |
| Net Organic NPE Ratio <sup>5</sup>                                           | 23.7%      | 6.2%       |
| Coverage ratio for organic non-performing loans and investments <sup>6</sup> | 25.9%      | 15.6%      |
| Coverage ratio - performing loans <sup>7</sup>                               | 1.56%      | 0.77%      |
| Cost of organic credit risk (BPS) <sup>8</sup>                               | 511        | 325        |

| STRUCTURAL RATIOS                                  | 31/12/2025 | 31/12/2024 |
|----------------------------------------------------|------------|------------|
| Shareholders' Equity/Total Liability               | 8.4%       | 10.7%      |
| Interbank Funding/Total Funding                    | 11.6%      | 12.0%      |
| Liquidity Coverage Ratio                           | ~285%      | ~252%      |
| Net Stable Funding Ratio                           | >100%      | >100%      |
| Net loans with Customers/Total Assets <sup>9</sup> | 70.9%      | 67.5%      |
| Direct customer funding/Total Liability            | 78.1%      | 75.7%      |

| PROFITABILITY INDICATORS                                                       | 31/12/2025 | 31/12/2024 |
|--------------------------------------------------------------------------------|------------|------------|
| Cost/Income ratio (Operating expenses/Total net operating income)              | 98.1%      | 59.6%      |
| ROAE <sup>10</sup> [Profit (Loss) for the period/Average Shareholders' equity] | (41.23%)   | (4.16%)    |

<sup>3</sup> Ratio of the gross value of organic non-performing exposures and the gross value of organic loans to customers on the factoring, structured finance and turnaround segments and receivables acquired in investing in portfolios of distressed loans, which underwent a change in accounting status following the purchase or disbursement (excluding receivables acquired as bad loans), the loan portfolio of the former Banca Interprovinciale and senior financing to non-financial investors in distressed loans, asset-based financing of the SC division and loans deriving from operations of b-ilty.

<sup>4</sup> Ratio of the net value of organic non-performing exposures and the net value of organic loans to customers on the Factoring, Structured Finance and Turnaround segments and receivables acquired in investing in portfolios of distressed loans, which underwent a change in accounting status following the purchase or disbursement (excluding receivables acquired as bad loans), the loan portfolio of the former Banca Interprovinciale and Senior Financing to non-financial investors in distressed loans, asset-based financing of the SC division and receivables deriving from operations of b-ilty.

<sup>5</sup> Ratio of value adjustments on organic non-performing loans and securities to gross exposure of organic non-performing loans and securities.

<sup>6</sup> Ratio between value adjustments on performing client loans and gross exposure of performing client loans.

<sup>7</sup> Ratio of the sum of annualised write-downs on performing customer loans (net of investments with financial entities and government bonds), organic non-performing loans and HTC securities to net exposures of same at the end of the period.

<sup>8</sup> Ratio of customer loan, government bonds and Specialised Credit, Corporate Banking, Investment Banking and b-ilty securities at amortised cost to total assets.

<sup>9</sup> The average shareholders' equity is calculated as the arithmetic average of the opening balance and the closing balance of the shareholders' equity attributable to the parent company.

## Composition and organisational structure

illimity Bank operates in the banking sector and is authorised to provide private banking, offer investment services and conduct trading activities. In the third quarter of 2025, illimity's Board of Directors approved an update of the Organisation Structure aimed at aligning it, where possible, with the organisational model of the parent company Banca Ifis. This evolution is an important step in fostering maximum synergy between the two entities and ensuring an effective and consistent integration path with shared strategies. Therefore, illimity has appointed a Chief Commercial Officer (CCO) to oversee the business, to whom the structures responsible for origination report:

- Corporate Banking, with its two structures, Structured Finance and Factoring;
- Turnaround & Credit Opportunities;
- Investment Banking;
- ABF (Asset-Based Finance) - Investments;
- Management, Portfolio & Business Transformation.

The CCO is also responsible for the Digital Banking unit, in charge of Direct Banking management, and the Strategy, Projects & Business Monitoring unit, responsible for coordinating and supporting business activities, as well as the M&A Advisory & Syndication area.

Finally, the CCO also oversees the Lending Competence Line, with responsibility for credit analysis and resolution activities, in support of the business.

The business of illimity Bank is also supported by a number of Subsidiaries, such as:

- Fürstenberg SGR (formerly illimity SGR), an Asset Management Company, whose purpose is the management of the assets of closed-end reserved collective alternative investment funds (AIFs) set up with its own funds and those of third-party institutional investors. illimity SGR, renamed Fürstenberg SGR in December, was set up with the aim of operating and developing activities in the strategic areas indicated by its parent company illimity Bank S.p.A. The SGR shall be a professional operator in establishing, administering, managing, organising, promoting and selling AIFs;
- ARECneprix S.p.A., created through the merger by incorporation of Arec S.p.A. (acquired on 30 June 2022) by neprix S.r.l. with legal effect from 1 January 2023, for the direct management of distressed loans or their indirect management through commercial agreements with servicers selected from time to time on the basis of the characteristics of the assets acquired. Specifically, ARECneprix is an Asset Manager and Special Servicer, operating in the real estate sector, of distressed loans, whether UTP or NPL, in an advisory role and in all associated activities across the entire value chain, from origination to supporting investors during the underwriting and structuring stages of transactions, through to the management of loans and real estate assets;
- Abilio S.p.A., a company incorporated through the proportional partial spin-off of neprix S.r.l. that became operational on 1 April 2022. The company manages and sells property and capital goods originating from insolvency proceedings and foreclosure, through its own network of platforms/online auctions and a network of professionals operating nationwide.

The Bank's organisational structure is also comprised of "HQ Functions", i.e., transversal structures supporting the business and monitoring risks. In particular, it should be noted that the Chief Operating Officer (COO) also oversees the Portfolio & Business Transformation Division, responsible for managing specific assets considered "non core" and for which no origination is envisaged.

## Corporate Banking Division

The Corporate Banking Division consists of two organisational units:

- Structured Finance, which is responsible for financing to high-potential businesses with a suboptimal financial structure and/or with a low rating or no rating; the crossover segment also includes financing solutions dedicated to acquisition activities (acquisition finance);
- Factoring, which is responsible for financing the supply chain of the operators of Italian chains and industrial districts through the activity of recourse and non-recourse purchasing of customers' trade receivables, through a dedicated digital channel.

Each unit is tasked with analysing the customers and sector within its portfolio to design the optimal financing solution, assess the risk level of each position, define product pricing or transaction specifications, interface with customers to monitor the risk profiles of counterparties and intervene promptly, where necessary, in the event of problems, in coordination with the Bank unit responsible for monitoring loans.

The objective of the Corporate Banking Division - which reports to the CCO - is to serve businesses, usually medium-sized, with a credit standing that is not necessarily high, but that have a good industrial potential and which, due to the complex nature of transactions to be financed, or their financial difficulties, require a specialist approach to supporting business development programmes or plans to rebalance and relaunch industrial activities.

Therefore the Division mainly focuses on structuring detailed financing transactions that meet the complex needs of its counterparties, directly supporting customer companies.

### Turnaround & Credit Opportunities Division

The Turnaround & Credit Opportunities Division - which reports to the CCO - identifies business opportunities for companies in financial distress or facing situations of discontinuity, assessing the credit rating and defining strategies for restructuring, revitalisation or growth.

Specifically, the Division carries out transactions through various instruments (such as the purchase of loans) on Non-Performing positions, Special Situations, and Turnarounds, with the aim of implementing their rehabilitation and return to performing status. This is achieved through the identification of optimal financial solutions, which may include the disbursement of new loans or the takeover of existing ones. Additionally, the Division manages relations with shareholders, companies, creditors and other investors, thereby creating profit plans and continuously monitoring customers' risk.

### Investment Banking Division

The Investment Banking Division - which reports to the CCO - is responsible for defining and executing capital markets operations (both in the equity segment and the debt segment for corporate customers), for derivatives trading on own behalf and for third parties, for structuring structured finance transactions for funding and capital optimisation purposes to support the other units of the Bank.

The Division's Value Proposition provides for:

- alternative solutions for businesses, to provide new "finance" and/or improve their financial position, in addition to those already offered by the Bank, exploiting the synergies with the other Group divisions (i.e. Basket Bonds, Basket Loans, securitisations of trade receivables and inventories, securitisations of loans (secured and unsecured), single-tranche structures, IPOs, derivative instruments to provide solutions for interest rate and exchange rate risk, etc.);
- structuring funding transactions and capital optimisation (i.e. SRTs), also supporting other Company Divisions and Functions.

The Division is divided into four organisational units, described below:

- Capital Markets, which provides strategic development solutions for businesses, also through access to capital markets;
- Investment & Hedging Solutions, which manages the "Corporate Bonds" and "Alternative Debt Securities" portfolio and offers solutions to SMEs and Mid Caps to hedge market risks;
- Securitisations & Funding Solutions, which is responsible for structuring financial optimisation solutions for corporate clients, as well as structuring funding solutions for the Bank and financial customers.

- Structured Products & Client Solutions, which scouts for customers in areas related to Investment Banking, leveraging existing relationships and collaborating with other business units within the Bank to ensure comprehensive customer coverage and identify cross-selling opportunities.

For the conduct its Investment Banking business, illimity also avails itself of the vehicles Piedmont SPV and Mia SPV.

### ABF Investments Division

The ABF Investments Division, which reports to the CCO, operates in the area of asset-backed loans with the objective of returning value to the asset and maximising its production capacity. The Division is particularly focused on the investment/financing opportunities in so-called single name loans with underlying real estate, as well as senior financing opportunities aimed at single name third-party investors or the subscription of notes issued by SPVs that acquire asset-based NPEs.

### Digital Banking Division

illimity, through its Digital Banking Division, offers digital banking products and services to retail customers and to business customers or to small- and medium-sized enterprises with turnover of EUR 2 million to EUR 10 million.

The Digital Banking Division, which reports to the CCO, is responsible for the management of the funding platform, i.e., the web and app channel for retail customers.

The Value Proposition for the Division's customers currently extends to the following categories of products and services:

- Current accounts, offered through an innovative, digital user experience, with associated credit, debit and prepaid cards managed in collaboration with nexi;
- Deposit accounts with competitive rates and a simple, customisable product structure;
- Spending Projects, to simply and automatically save to achieve one's goals – offered only to retail customers;
- Account Aggregator and Payment Initiation Service, i.e. features that enable the aggregation in each customer's home banking of accounts held with other banks, making it possible to perform transactions;
- Offer of a complete range of products (i.e. personal loans, American Express credit cards and insurance products) – offered only to retail customers.

### Portfolio & Business Transformation Division

The Portfolio & Business Transformation Division manages the portfolio of positions related to the Distressed Credit business. In particular it manages the portfolio management & asset optimisation activities, for positions derived from businesses in the distressed/specialised credit sector.

To carry out its activities pertaining to the non-core ex-Specialised Credit perimeter, the Portfolio & Business Transformation Division uses the vehicles Aporti, Friuli SPV, Doria SPV, River SPV, Pitti SPV, Maui SPE, Dagobah SPV, Spicy Green SPV, Sileno SPV, Montes SPV, Iside SPE, CR Please Real Estate and the companies Soperga RE, Friuli LeaseCo, Doria LeaseCo, River LeaseCo, Pitti LeaseCo, Dagobah LeaseCo, Montes LeaseCo, Vela 2023 LeaseCo, Eolo LeaseCo, River Immobiliare, Mida RE, SpicyCo, SpicyCo 2, Enervitabio San Giuseppe Società Agricola, Renit CPV and Little Spicy.

To carry out the activities of the b-ilty business, the Division uses the funds INGENII Open Finance, Ingenii Boost Finance and Space Direct Lending Fund as well as the vehicles GRO SPV, Farky SPV, Farm SPV, Dome SPV and Havana SPV.

### Transversal Structures – HQ Functions

Transversal operations and support activities are supervised by the following units reporting directly to the Chief Executive Officer:



- Financial, Administration & ALM, responsible for coordinating the overall strategic planning process, relations with the financial community, developing the Corporate Social Responsibility plan as well as the administrative, accounting and control activities;
- Human Resources, responsible for human resource management;
- Legal, responsible for legal support and relations with the Authorities;
- Corporate Affairs, responsible for managing the corporate secretariat as well as general affairs and corporate support;
- COO, who oversees the areas of privacy & security, the group's ICT, banking operations, the management of ICT third parties, procurement, as well as the management of the organisational activities for transversal supervision and coordination for the Bank;

In turn, the following units also fall within the scope of the HQ Functions, reporting directly to the Chief Executive Officer:

- Risk, responsible for guaranteeing the strategic oversight and definition of risk management policies;
- Compliance & AFC, responsible for non-compliance risk management and oversight of money laundering and terrorist financing risk.

### Bank branches and offices

The Bank's branches and offices are as follows:

- Milan - Via Soperga, 9 (registered office);
- Modena – Via F. Lamborghini 88/90.

## Macroeconomic scenario

The most recent assessments indicate that the global economy continues to expand, albeit in a context characterised by high uncertainty which weighs down on medium-term prospects. Global growth remained at moderate rates during 2025, supported mainly by the dynamics of the US economy.

Strengthening global trade has supported economic activity in China, despite the persistent weakness of domestic demand, still conditioned by the difficulties of the real estate sector.

According to OECD assessments, global growth could weaken slightly in 2026; the risks remain related to heightened trade and geopolitical tensions, as well as the possibility of corrections in financial markets, particularly in the technology sector.

Monetary policy in the main advanced economies remained cautious in 2025. In the United States, the Federal Reserve left key rates unchanged, confirming a prudent stance in view of the slow decline in inflation and the persistent soundness of the labour market. The Bank of England and the Bank of Japan also kept official rates unchanged. In China, however, monetary policy continued to be expansionary, accompanied by measures to support domestic consumption. Energy commodity prices showed an overall moderate trend, albeit characterised by still high volatility, especially in the natural gas market.

In the Euro Zone, GDP growth remains moderate. In the Summer of 2025, economic activity showed a slight strengthening, with heterogeneous trends among the main countries; according to the most recent evaluations, also in the Autumn months, GDP continued to grow to a limited extent, supported mainly by the services sector. Manufacturing remains weak, while the contribution of services, although positive, has gradually weakened.

In Italy, economic activities have expanded at a moderate pace. In the third quarter of 2025, GDP increased slightly, supported by the marked increase in exports and the expansion of investments, which benefited from tax incentives and NRRP-related measures. Household consumption has grown moderately, suffering from a still prudent climate of confidence. Employment has once again started to increase and inflation remains at low levels and below the Euro Zone average. Based on the most recent information, in 2025 net borrowing in relation to GDP allegedly decreased, while the national debt would have increased.

The macroeconomic projections drawn up by the Eurosystem experts in December 2025 indicate GDP growth of the area of 1.4% in 2025, 1.2% in 2026 and 1.4% in the two-year period 2027-28. Consumer inflation, which averaged 2.1% in 2025, is expected to drop slightly in the following two years, before rising to 2% in 2028, in line with the ECB's target.

At its most recent meetings, the Governing Council of the ECB kept official interest rates unchanged, reaffirming a data-driven monetary policy approach. Overall, credit dynamics in the Euro Zone remain moderate: demand for loans from businesses is still weak, while there is a strengthening in loans to households, particularly for home purchases.

The ongoing war involving Iran has escalated from a regional crisis into geopolitical uncertainty, with potential macroeconomic implications that are currently unforeseeable. The conflict has driven up oil and gas prices and, should it persist for several months, could fuel inflationary pressures and curb global growth.

Overall, the macroeconomic conditions projected for 2026 are considered consistent with maintaining stability for the Italian banking system and continuing the sustainable growth path undertaken by the illimity Group.

## Significant events in 2025

### The impact of external factors on the strategic and operational context of illimity and its subsidiaries

The global economic environment in 2025 remains uncertain due to international tensions from a commercial and geopolitical standpoint.

The war in Ukraine remains unresolved, affecting both European energy policy and security within the European Union, which, as a result, revised its military strategy by increasing its spending. Meanwhile, regional tensions persist in the Middle East, increasing the risk associated with trade routes and contributing to volatility in oil and gas prices.

The United States is currently facing economic, energy and military challenges from different regions of the world simultaneously: Asia-Pacific, Eastern Europe, Middle East and Africa. The interventionist policies adopted by the United States vis-à-vis other countries in order to impose its leadership role have generated uncertainties in international relations.

Of particular importance and interest is the relationship with China, which continues to fluctuate between tensions, trade wars, technological restrictions and attempts at truce. Despite the Chinese Government defining the tariff policies as discriminatory, it has nevertheless attempted to reach an initial agreement on tariffs in order to maintain stable relations between the two powers, which are also interdependent from a commercial standpoint. It should be noted that a crucial component in the US containment strategy concerns technology and innovation, with the aim of defending its global leadership in this field. These strategic choices also have impacts on other geographical regions that face choices on their positioning. Many European companies are in fact embedded in global supply chains that pass through China.

The agreements entered into by the United States with the European Union and other partners have therefore begun to define a new structure of trade relations. However, the picture is changing and uncertainty about trade policies is still weighing in on the outlook for the global economy over the mid-term. The impact of higher tariffs has already contributed to reducing international trade, as expected by leading observers.

During 2025, the European Central Bank recorded a slight acceleration in GDP growth in the Euro Zone countries. However, due to global uncertainty, the outlook for consumption and investment is moderately down. In September, inflation stood at just over 2% and is stable.

In particular, GDP growth was up slightly in the third quarter also for Italy, due to the marked increase in exports and the expansion of investments, which benefited from tax incentives and other NRRP-related measures. Household consumption has grown to a limited extent, suffering from still unfavourable expectations regarding the evolution of the international economic situation.

During its meetings in October and December 2025, the Governing Council of the ECB left official rates unchanged. Between August and November, the cost of borrowing remained steady. The dynamics of loans to the manufacturing sector reflected continued weak demand and remained stable; on the other hand, the growth in loans to households strengthened, especially for the purchase of real estate properties. In the Autumn, the cost of bank borrowing and lending rates remained largely unchanged. Loans to households and businesses has gained momentum. Among the sectors of economic activity, credit expansion to service companies strengthened and lending trends in construction returned to positive territory; the decline in manufacturing slowed down. According to the survey carried out among Italian intermediaries between the end of September and the beginning of October as part of the Euro Zone bank lending survey, both lending standards and conditions applied to loans to businesses remained unchanged in the third quarter.

Climate change, artificial intelligence, automation and digitalisation remain further challenges worldwide. COP29 has already confirmed how serious the damage caused by pollution and global warming is with extreme weather events that are and will become increasingly more frequent. Without adequate mitigating measures, there would be greater potential exposure to credit risk (recessive scenario), operational risks (extensive use of artificial intelligence in banking processes), and legal risks (cybersecurity and sensitive data breaches).

In light of the above-mentioned contextual elements, it should be noted how illimity and its subsidiaries have defined their business model and developed and applied their risk management policies, ensuring that they are resilient in a context still characterised by significant risks, based on the following key elements:

- contained exposure to direct risks and a business mix in which lines of activity have limited correlation;
- a commercial and technological proposal that can intercept and meet the growing demand for remote

- financial services that has characterised key markets and continues to do so;
- a highly conservative approach to pricing investments and providing funding;
- a continuous monitoring and tight governance over exposure to the riskiest economic sectors or asset classes, through the definition of the Risk Appetite Framework and related risk limits;
- climatic-environmental risk analyses and assessments of the related impact in relation to risk factors related to sustainability, the transition to an economy less dependent on hydrocarbons, and the intensification of physical risk linked to climate change;
- a governance structure that relies on the managerial committees and governing boards of the Group to carry out assessments at regular intervals on the actual and potential economic, financial and operational impacts of the current context on the strategic and operational choices of the various business lines;
- an impact assessment of macro scenarios that also take into account the evolution of the context and the responses of the Authorities, markets, companies and consumers. That assessment is also formalised in the prospective capital adequacy (ICAAP) and liquidity (ILAAP) assessments and in the preparation of the Recovery Plan, and used for the update of the Risk Appetite Framework and the sustainability assessment of the Strategic Plan.
- a strong focus on the various sustainability issues, which is reflected in strategic and business choices.

On 4 July 2025, Banca IFIS successfully completed its public tender and exchange offer for illimity and its subsidiaries. Therefore, the risks associated with the evolution of its business model will be considered in the context of the contribution that illimity bank and its subsidiaries will be able to make to the new Group, following the corporate consolidation phase.

To date, the business decisions made by illimity and its subsidiaries have focused on aspects relating to the state and evolution of the credit market. In particular, with regard to the Real Estate sector, within the scope of the application of the Risk Appetite Framework, illimity's real estate categories of exposure were identified, both in terms of direct risk (e.g. repossessed assets) and indirect risk (e.g. assets used as collateral for the loans acquired), to assess the risk factors characterising those categories and monitor their various risk exposure levels.

### Corporate transactions

On 7 January 2025, the Board of Directors of Banca Ifis approved the promotion of a voluntary public tender and exchange offer (OPAS) on all the shares of illimity Bank. The offer was communicated to the market on 8 January 2025 by means of a announcement disclosed pursuant to and for the purposes of Article 102(1) of Italian Legislative Decree No. 58/98 (the "TUF") and Article 37 of the regulation adopted by Consob Resolution No. 11971/99 (the "Issuers' Regulations"). The offer envisaged the acquisition by Banca Ifis of ownership of 100% of the shares of illimity Bank listed on Euronext Milan, the Euronext STAR Milan segment.

On 27 June 2025, the period for participating in the OPAS (public tender and exchange offer) came to an end. Based on the results of the subscriptions at that date, which reached 84.092%, in order to reach the 90% threshold - the threshold relevant for the residual takeover bid and subsequent squeeze-out procedures - Banca Ifis announced at the end of the participation period that it intended to reopen the deadlines pursuant to and for the purposes of Article 40 *bis*, paragraph 1, letter a) of the Issuers' Regulations; as a result, the participation period was reopened for 5 trading days, specifically for the sessions from 7 July to 11 July 2025.

On 11 July 2025, the period for the reopening of the deadlines of the Public Tender and Exchange Offer came to an end. At the end of the reopening period, total subscriptions to the offer reached 92.488% (taking into account treasury shares). Therefore, based on the results of the reopening of the deadlines and taking into account the 70,694,489 illimity shares already tendered during the participation period, on the payment date following the reopening of the deadlines (18 July 2025), Banca Ifis held 77,752,504 illimity shares, representing 92.488% of its share capital (taking into account treasury shares).

Based on the final results of the reopening of the deadlines, the legal requirements for the fulfilment of the purchase obligation pursuant to Article 108(2) of the Italian Consolidated Law on Finance (TUF) were met, as Banca Ifis came to hold a total ownership interest of more than 90%, but less than 95%, of the share capital of illimity Bank, calculated by counting the 76,754,322 shares tendered in response to the offer and the 998,182 treasury shares held by illimity Bank, which, for the purposes of calculating the threshold

envisaged by Article 108(2) of the TUF, must be included in the total ownership interest held by Banca Ifis (numerator) without being deducted from the share capital of illimity Bank (denominator).

Therefore, as stated in the Offer Document, Banca Ifis has not expressed any intention to restore a free float sufficient to ensure the regular trading of illimity shares and has undertaken to fulfil its purchase obligation pursuant to Article 108(2) of the Italian Consolidated Law on Finance (TUF) in relation to the remaining 7,313,486 illimity shares, representing 8.700% of the share capital of illimity Bank (including treasury shares).

The sell-out procedure was successfully completed on 29 August 2025, as at the end of the period for submitting sale requests, requests had been submitted for a total of 2,446,348 remaining shares. These residual shares represent 2.910% of the share capital of illimity Bank and 33.447% of the total remaining shares subject to the procedure for fulfilling the purchase obligation pursuant to Article 108(2) of the TUF (including treasury shares). Therefore, based on these provisional results and taking into account the 2,446,348 remaining shares subject to sale requests, 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 be the owner of 80,198,852 illimity Bank shares, representing 95.398% of the share capital of illimity Bank (taking into account treasury shares).

In view of the above, the legal requirements for the fulfilment of the purchase obligation pursuant to Article 108(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 illimity Bank shares, representing 4.602% of the share capital (so-called "squeeze out"), were met, as Banca Ifis came to hold a total ownership interest of more than 95% of illimity Bank's share capital.

As a result of the completion of the squeeze out procedure, on 19 September 2025 Banca Ifis had 100% of illimity Bank's share capital.

On 25 September 2025, the ordinary and extraordinary Shareholders' Meeting of illimity Bank met, called to resolve, *inter alia*, on the renewal of the corporate bodies.

It is noted that, as of December 31, 2025, the Bank is an issuer of debt securities listed on the Luxembourg Stock Exchange, the Euronext Dublin market, and the EuroTLX market of Borsa Italiana. Having elected Italy as its Member State of origin, the Bank is subject to the requirements applicable to Issuers as set forth in Legislative Decree 58/1998 (Consolidated Law on Finance) and Consob Regulation no. 11971/1999 (Issuers' Regulation).

## Main business transactions

In January 2025, ARECneprix acted as Originator in a real estate acquisition transaction in Rome, for a value of EUR 9.2 million. As part of this transaction, ARECneprix also undertook the roles of First Corporate Servicer and Calculation Agent.

In May 2025, illimity Bank S.p.A. acted as Euronext Growth Advisor (EGA) and Global Coordinator in the process of admission to and subsequent listing in the Euronext Growth Milan market of an AI Data Company that develops B2B Service as a Software solutions enhanced by artificial intelligence and advanced data analysis.

In June 2025 ARECneprix, as asset manager, and FASC Immobiliare concluded the sale of two floors for office use in Palazzo del Toro in Milan. The commercial transaction, worth Euro 51.5 million, concerns a total surface area of 4,000 square meters located in a strategic position in the heart of the city.

In June, ARECneprix, as asset manager, concluded the sale of the Talenti Village shopping centre, located in the Talenti district of Rome, in a transaction with a total value of more than EUR 30 million.

In December 2025, Banca Ifis entered into an agreement to sell the entire ownership interest held by illimity Bank in Hype in favour of Banca Sella. The offer, which was then finalised in February 2026, envisages an economic consideration of EUR 85 million.

### Other significant information

During 2025, analysis continued regarding the valuation of certain loan portfolios, securitisation notes, and AIF units recorded as a result of asset transformation transactions carried out in previous years. This process began in 2024 following recommendations issued by the Bank of Italy after the inspection to which the Bank was subjected during the previous year.

These analyses are part of a verification process aimed at ensuring, at each reporting date, that estimates are updated accurately and promptly, with a view to including the best information available – at any given time – in determining the expected cash flows and related effects on the financial statements for these instruments.

In particular, with reference to the Expected Credit Loss (ECL) estimate for certain credit exposures, AIFs, and securitisation notes underlying the aforementioned asset transformation transactions, model refinements were introduced and the most up-to-date information regarding the actual recoverability of the credit positions in the portfolio was factored in, also in relation to the results of the Due Diligence activities carried out by the new Parent Company, which were concluded in December.

These derive primarily from the natural process of effective and continuous management of the positions over time, also following the communications from the servicers last received in December. This information formed the basis for the review, refinement, and update work performed by the business functions, as well as the activities carried out by Risk Management and the CLO, with the timely involvement of the Corporate Bodies.

Furthermore, Internal Audit carried out a third update of the assessment concerning the verification of the classification and measurement, for accounting and prudent purposes, of these financial instruments, which was completed in December and also factored in for the purpose of these Financial Statements.

The inclusion of these elements, with regard to the best estimates of the recoverability of the instruments, also for certain specific securitisation notes, led to the reclassification in terms of credit status, resulting in a change in their classification to Stage 3 among Impaired Financial Assets.

With specific reference to the loan portfolio, a comprehensive analysis was also conducted, which factored in the results of the aforementioned Due Diligence. This led to an increase in impairment losses, also in view of the progressive deterioration of the portfolio that occurred during the financial year.

Overall, considering all the instruments subject to verification and analysis, the above resulted in the recognition at the end of 2025 of higher charges in the item “Net value adjustments for credit risk relating to financial assets measured at amortised cost” for a value of approximately EUR 135.2 million.



## Reclassified Consolidated Financial Statements as of 31 December 2025

These Consolidated Financial Statements have been prepared on the basis of tables envisaged by Bank of Italy Circular no. 262 of 22 December 2005, as amended.

In this document, the mandatory financial statements have been reclassified according to a managerial approach better suited to representing the Group's financial situation, in view of the typical characteristics of the financial statements of a banking group. The goal has been to simplify the use of these financial statements through the specific aggregations of line items and reclassifications detailed below. This consolidated interim report therefore includes a reconciliation between the financial statements presented and the mandatory financial reporting format laid down in Bank of Italy Circular no. 262, the values from which have been included in the items of the reclassified financial statements.

Reconciliation with the items of the mandatory financial statements aids in reclassification of the items in question, but above all facilitates the understanding of the criteria adopted in constructing the consolidated interim report. Additional details useful to this end are provided below:

- recoveries of taxes recognised among other operating expenses/income are deducted directly from the indirect taxes included among other administrative expenses and therefore their amount has been set off against the relevant item of the mandatory financial statements;
- the cost components related to Raisin's operations are deducted from the net interest margin;
- dividends received from financial assets measured at fair value through profit or loss were included in the Net profit (loss) on financial assets trading;
- personnel expenses also include documented, itemised reimbursements of room, board and travel expenses incurred by employees on business trips and the costs of mandatory examinations;
- contributions and membership fees are excluded from other administrative expenses and recognised in a separate item, named "Contributions and other non-recurring expenses". Value adjustments and one-off components related to the merger of illimity in Banca Ifis were also classified in that item;
- interest expense resulting from the lease liability (IFRS 16) is recognised under other administrative expenses;
- net profit (loss) on closed positions include profits and losses generated from the sale of investment property and *datio in solutum* transactions;
- write-backs and write-downs linked to transformations of capital assets, which are not loans, are reclassified to Other operating expenses and income (excluding taxes);
- net profit of credit exposures to customers on closed positions is shown separately from net value adjustments for credit risk;
- the profit from discontinued operations after tax was disaggregated and reallocated to its revenue and cost items in the financial statements. The gain generated in 2024 from the sale of 52% of AltermAInd's share capital was classified as other operating income and expenses before tax.

Some assets and liabilities in the balance sheet were grouped together, concerning:

- the inclusion of hedging derivative assets, property and equipment, tax assets and assets held for sale in the residual item other assets;
- the aggregation of Loan and securities at amortised cost from banks and financial entities;
- the separate indication of government bonds at amortised cost and loans to customers and investments at amortised cost;
- the separate indication of goodwill and other intangible assets;
- the reclassification of Lease agreement liabilities, recognised under payables to customers and payables to banks, based on IFRS 16, to other liabilities for operational purposes;
- the inclusion of hedging derivative liabilities, the Allowance for Risks and Charges and employee severance pay in residual items of other liabilities;
- the aggregate indication of items comprising shareholders' equity.

## RECLASSIFIED CONSOLIDATED BALANCE SHEET

| (amounts in thousands of euros)                   |                                                           |                  |                  |                    |              |
|---------------------------------------------------|-----------------------------------------------------------|------------------|------------------|--------------------|--------------|
| Components of official items of the Balance Sheet | Assets                                                    | 31/12/2025       | 31/12/2024       | Chg.               | Chg. %       |
| <b>10</b>                                         | Cash and cash equivalents                                 | 229,715          | 387,264          | (157,549)          | (41%)        |
| <b>40 a) + 40 b)</b>                              | Loans to banks, financial entities and other institutions | 118,033          | 292,188          | (174,155)          | (60%)        |
| <b>40 b)</b>                                      | Loans to customers and investments                        | 4,012,087        | 4,726,739        | (714,652)          | (15%)        |
| <b>40 b)</b>                                      | Government Bonds HTC                                      | 989,398          | 942,250          | 47,148             | 5%           |
| <b>30</b>                                         | HTCS Financial assets                                     | 544,166          | 748,027          | (203,861)          | (27%)        |
| <b>20 a) + 20 c)</b>                              | FVTPL Financial assets                                    | 513,885          | 563,222          | (49,337)           | (9%)         |
| <b>70</b>                                         | Equity investments                                        | 32,056           | 140,159          | (108,103)          | (77%)        |
| <b>100</b>                                        | Goodwill                                                  | 21,971           | 33,731           | (11,760)           | (35%)        |
| <b>100</b>                                        | Other intangible Assets                                   | 22,623           | 30,550           | (7,927)            | (26%)        |
| <b>50 + 90 + 110 + 120 + 130</b>                  | Other assets                                              | 572,263          | 538,396          | 33,867             | 6%           |
|                                                   | <b>Total assets</b>                                       | <b>7,056,197</b> | <b>8,402,526</b> | <b>(1,346,329)</b> | <b>(16%)</b> |

| (amounts in thousands of euros)                   |                                                   |                  |                  |                    |              |
|---------------------------------------------------|---------------------------------------------------|------------------|------------------|--------------------|--------------|
| Components of official items of the Balance Sheet | Liabilities                                       | 31/12/2025       | 31/12/2024       | Chg.               | Chg. %       |
| <b>10 a)</b>                                      | Due to banks                                      | 726,472          | 864,958          | (138,486)          | (16%)        |
| <b>10 b)</b>                                      | Due to customers                                  | 4,935,968        | 5,307,420        | (371,452)          | (7%)         |
| <b>10 c)</b>                                      | Securities issued                                 | 574,477          | 1,051,867        | (477,390)          | (45%)        |
| <b>20 + 40 + 60 + 80 + 90 + 100</b>               | Other liabilities                                 | 228,823          | 278,791          | (49,968)           | (18%)        |
| <b>(*)</b>                                        | Shareholders' equity                              | <b>590,457</b>   | <b>899,490</b>   | <b>(309,033)</b>   | <b>(34%)</b> |
|                                                   | <b>Total liabilities and shareholders' equity</b> | <b>7,056,197</b> | <b>8,402,526</b> | <b>(1,346,329)</b> | <b>(16%)</b> |

(\*) 120 + 150 + 160 + 170 + 180 + 190 + 200

## Summary of consolidated balance sheet data

The Group's total assets amounted to EUR 7,056.2 million as of 31 December 2025, up by 16% on 31 December 2024, when they amounted to EUR 8,402.5 million. The decrease recorded during the year, amounting to EUR 1,346.3 million, is mainly linked to the reduction in loans to customers, as a result of repayments on loans in the various business divisions, which were not offset by new business origination during the year, which remained at modest levels. Furthermore, loans to customers reflect both the aforementioned impairment losses recorded during the year and the reclassification of certain significant positions to Other assets (specifically, to assets held for sale)

Loans to banks, financial entities and other institutions amounted to EUR 118 million, down compared to 31 December 2024, when they amounted to EUR 292.2 million, following the decrease in loans to banks for EUR 171.8 million and the decrease in the component to financial entities and other institutions for EUR 2.4 million.

As at 31 December 2025, the Group's assets mainly consisted of financial assets measured at amortised cost deriving from loans to customers and investments totalling EUR 4,012.1 million, down from EUR 4,726.7 million as at 31 December 2024.



Government bonds HTC, whose book value as of 31 December 2025 was to EUR 989.4 million, were up by EUR 47.1 million compared to 31 December 2024.

HTCS financial assets are mainly represented by government bonds, Collateralised Loan Obligations ("CLOs") and equity instruments. The total amount of this item is EUR 544.2 million, down EUR 203.9 million compared to 31 December 2024 due to sales made by the Treasury and the Investment Banking division of government securities and corporate bonds, aimed at optimising RWAs in line with the strategy agreed with the parent company Banca IFIS during the second half of the year.

As of 31 December 2025, the Group had a total negative net valuation reserve of EUR 12.6 million, due primarily to the negative contribution of the reserve on securities managed through the HTCS business model. The reserve showed an improvement of around EUR 5.7 million compared with the closing balance for the 2024 financial year.

FVTPL financial assets amount to EUR 513.9 million and consist of loans measured at fair value for EUR 35.6 million, which relate to the Turnaround division, financial assets held for trading for EUR 12.5 million and financial instruments for EUR 465.8 million (primarily relating to AIF units subscribed as part of contribution-in-kind transactions).

The latter are substantially in line with the EUR 472.3 million recorded as of December 31, 2024.

The item equity investments, which amounted to EUR 32.1 million as of 30 December 2025, consists predominantly of the value of the ownership interest in the company AltermaInd, arising from the agreement with Apax Partners and subject to significant influence by illimity. The balance of the equity investments decreased compared to the December 2024 figure, due to the reclassification under the item Assets held for sale of the ownership interest in Hype following the binding purchase offer, received from Banca Sella, which was finalised in February 2026.

As at 31 December 2025, intangible assets amounted to EUR 44.6 million, a decrease of about EUR 19.7 million compared to 31 December 2024. The reduction is mainly attributable to the partial write-down carried out on the goodwill recognised at the time of the acquisition of the Arec business (now merged by incorporation into Arecneprix S.p.A.). Amortisation of intangible assets as well as write-offs on software recorded following a specific review during the year also contribute to the downward trend.

As of 31 December 2025, the item relating to goodwill amounted to EUR 22 million, down compared to 31 December 2024 due to the aforementioned adjustment. The item includes the remaining value of the goodwill of Arecneprix S.p.A. for EUR 17.4 million, as well as the goodwill recognised after the acquisition of Quimmo Prestige Agency, amounting to EUR 4.6 million.

Other asset items, which as of 31 December 2025 amounted to EUR 572.3 million, were up compared to 31 December of the previous year for EUR 33.9 million. This increase is the result of the combined effect of the reclassification under this item of the equity investment in Hype for EUR 81.3 million, as well as certain credit positions held for disposal (for a total carrying amount of Euro 65.5 million), net of disposals made during the year of non-core assets (including the Bufalotta shopping centre property, sold in the first half of the year).

Total consolidated liabilities and shareholders' equity as of 31 December 2025 amounted to EUR 7,056.2 million. Financial liabilities to customers measured at amortised cost, net of the lease liabilities related to IFRS 16, amounted to EUR 4,936 million and decreased compared to 31 December 2024, mainly due to funding from retail counterparties.

Amounts due to banks item – including the central banks component, and also net of the lease liabilities to banks relating to IFRS 16 – stood at EUR 726.5 million, down by EUR 138.5 million compared to 31 December 2024.

Securities issued amounted to EUR 574.5 million, down from the value at the end of 2024, mainly due to the maturity of one of the Bank's EUR 300 million bond tranches and the unwinding of the Farky and Gro securitisation senior notes previously underwritten by JP Morgan.

Consolidated shareholders' equity amounted to EUR 590.5 million, down from EUR 899.5 million at 31 December 2024, mainly as a result of the negative result for the year, amounting to EUR 305.1 million.

## RECLASSIFIED CONSOLIDATED INCOME STATEMENT

|                                                                      |                                                                                     | (amounts in thousands of euros) |                  |                  |                 |
|----------------------------------------------------------------------|-------------------------------------------------------------------------------------|---------------------------------|------------------|------------------|-----------------|
| Components of official items of the Income Statement                 | Income Statement items                                                              | 31/12/2025                      | 31/12/2024       | Chg.             | Chg. %          |
| <b>10 + 20 + 320</b>                                                 | Net interest margin                                                                 | 109,599                         | 157,163          | (47,564)         | (30%)           |
| <b>40 + 50 + 320</b>                                                 | Net fees and commissions                                                            | 64,154                          | 83,350           | (19,196)         | (23%)           |
| <b>70 + 80 + 90 + 100 + 110</b>                                      | Net profit of trading, hedge accounting and financial assets trading                | 6,052                           | 16,750           | (10,698)         | (64%)           |
| <b>130 a) + 130 b) + 200 a) + 280</b>                                | Net profit (loss) on closed positions                                               | 15,046                          | 13,861           | 1,185            | 9%              |
| <b>140 + 110 + 230 + 320</b>                                         | Other operating expenses and income (excluding taxes)                               | 6,671                           | 63,944           | (57,273)         | (90%)           |
| <b>Total net operating income</b>                                    |                                                                                     | <b>201,522</b>                  | <b>335,068</b>   | <b>(133,546)</b> | <b>(40%)</b>    |
| <b>190 a) + 320</b>                                                  | Personnel expenses                                                                  | (73,203)                        | (79,745)         | 6,542            | (8%)            |
| <b>190 b) + 320</b>                                                  | Other administrative expenses                                                       | (106,021)                       | (91,284)         | (14,737)         | 16%             |
| <b>210 + 220 + 320</b>                                               | Net value adjustments on property and equipment and intangible assets               | (18,496)                        | (28,700)         | (10,204)         | (36%)           |
| <b>Operating expenses</b>                                            |                                                                                     | <b>(197,720)</b>                | <b>(199,729)</b> | <b>(2,009)</b>   | <b>(1%)</b>     |
| <b>Operating profit (loss)</b>                                       |                                                                                     | <b>3,802</b>                    | <b>135,339</b>   | <b>(131,537)</b> | <b>(97%)</b>    |
| <b>130 a)</b>                                                        | Net value adjustments for credit risk - HTC Banks, Financial entities and Customers | 209,233                         | (134,543)        | (74,690)         | 56%             |
| <b>130 b)</b>                                                        | Net value adjustments for credit risk - HTCS                                        | (1,208)                         | 385              | (1,593)          | N/A             |
| <b>200 a)</b>                                                        | Net value adjustments for commitments and guarantees                                | (195)                           | (123)            | (72)             | 59%             |
| <b>Total net value adjustments</b>                                   |                                                                                     | <b>(210,636)</b>                | <b>(134,281)</b> | <b>(76,355)</b>  | <b>57%</b>      |
| <b>200 b)</b>                                                        | Other net provisions                                                                | (4,347)                         | (169)            | (4,178)          | >100%           |
| <b>250</b>                                                           | Other income (expenses) on equity investments                                       | (2,270)                         | 807              | (3,077)          | N/A             |
| <b>190 b) + 230</b>                                                  | Contributions and other non-recurring expenses                                      | (83,148)                        | (66,648)         | (16,500)         | 25%             |
| <b>Profit (Loss) from operations before taxes</b>                    |                                                                                     | <b>(296,599)</b>                | <b>(64,952)</b>  | <b>(231,647)</b> | <b>&gt;100%</b> |
| <b>300 + 320</b>                                                     | Income taxes for the year on continuing operations                                  | (9,666)                         | 24,197           | (33,863)         | N/A             |
| <b>Profit (loss) for the year</b>                                    |                                                                                     | <b>(306,265)</b>                | <b>(40,755)</b>  | <b>(265,510)</b> | <b>&gt;100%</b> |
| <b>340</b>                                                           | Profit (loss) for the financial year attributable to minority interests             | 1,212                           | 2,355            | (1,143)          | (49%)           |
| <b>Profit (Loss) for the year attributable to the Parent Company</b> |                                                                                     | <b>(305,053)</b>                | <b>(38,400)</b>  | <b>(266,653)</b> | <b>&gt;100%</b> |

## Consolidated financial performance highlights

The Group's total net operating income for the period ended 31 December 2025 amounted to EUR 201.5 million, down on the previous year, when it amounted to EUR 335.1 million.

In particular, net interest income decreased by EUR 47.6 million, closely linked to the sharp decline in lending, as well as the reduction in market reference interest rates, which contributed more rapidly to the reduction in interest income with respect to the change in interest expense..

Net fees and commission, amounting to EUR 64.2 million as at 31 December 2025, decreased by EUR 19.2 million compared to the comparative figure, mainly due to the decrease in revenues related to both the servicing activities related to securitisation transactions and the loan transactions. That item also includes the revenue of Abilio and its subsidiaries Quimmo Agency and Quimmo Prestige Agency, which contribute to the commission margin through the commission accrued for the use of the proprietary real estate portals.

Net profit (loss) on financial asset trading decreased by EUR 10.7 million compared to the comparative figure, mainly due to impairment losses recorded on AIFs in the portfolio.

Total net operating income includes net profit on positions closed as of 31 December 2025 for a total of EUR 15 million (EUR 13.9 million as of 31 December 2025). Finally, the balance of other operating expenses and income decreased compared to the comparative period by EUR 57.3 million. The balance for the 2024 financial year included the capital gain realised by the Group from the sale of the Digital

Competence Line for EUR 52.5 million. For further information on this transaction, please refer to the disclosures in the illimity consolidated financial statements as of December 31, 2024.

Operating expenses amounted to EUR 197.7 million as of 31 December 2025, down by around EUR 2 million compared to the previous financial year.

In particular, personnel expenses amounted to approximately EUR 73.2 million and consist mainly of employee wages and salaries and the related social security contributions. The amount decreased compared to the same period in the previous year, mainly due to the high turnover as well as the sale of the Digital business line in AltermAInd completed last year.

The decrease in this item, as well as that recorded in the item Net value adjustments on intangible assets, should in fact be read in conjunction with the increase in Other administrative expenses. In fact, services that were previously rendered “in-house” directly by the personnel of the former Digital division in the current year are instead reflected in the cost that the Bank incurs in respect of its service agreement with AltermAInd, which as such is fully recognised under Other administrative expenses.

Net value adjustments on property and equipment and intangible assets amounted to approximately EUR 18.5 million, down by EUR 10.2 million compared to 31 December 2025. As mentioned in the preceding sections, this reduction is a consequence of the sale of software within the Digital business unit in the context of the deal with AltermAInd in the fourth quarter of 2024, resulting in a lower impact in the current year in terms of amortisation of intangible assets.

Overall net value adjustments/recoveries on portfolio positions deteriorated by EUR 76.4 million, related to analytical and collective assessments of loans to customers, as well as for value adjustments recorded on securitisation notes relating to transformed POCI assets described above.

The item other net provisions for risks and charges increased by approximately EUR 4.2 million, mainly as a result of the recognition of provisions for risks on specific positions in the Specialised Credit and Corporate Banking divisions.

Moreover, expenses on equity investments, related to the period results of the companies consolidated with the equity method, amounted to EUR 2.3 million, a worse figure compared to the previous year due to Hype's results.

In addition, contributions and other non-recurring expenses and net provisions of approximately EUR 83.1 million were recognised, mainly related to Public Tender and Exchange Offer costs and integration charges, value adjustments on equity investments and goodwill value adjustments.

Based on the above, as of 31 December 2025, a loss before taxes was recorded for the year for EUR 296.6 million.

Net of income taxes of the current operations, equal to approximately EUR 9.7 million, the net loss attributable to the parent company as at 31 December 2025 was EUR 305.1 thousand – down compared to the loss of EUR 38.4 million recorded as at 31 December 2024. It is specified that the consolidated net loss includes the net loss attributable to minority interests of EUR 1.2 million.

It should be noted that, as described in more detail in the Explanatory Notes, deferred tax assets of Euro 76.8 million were not recognised on the loss for the year.

## Key data on capital

### Financial assets measured at amortised cost

The table below provides an overview of the Group's main financing transactions at amortised cost, compared with the relevant values as at 31 December 2024.

(amounts in thousands of euros)

| FINANCIAL ASSETS AT AMORTISED COST                        | 31/12/2025       |              |                   |                  |               |                    | 31/12/2024       |              |                   |                  |              |                    |
|-----------------------------------------------------------|------------------|--------------|-------------------|------------------|---------------|--------------------|------------------|--------------|-------------------|------------------|--------------|--------------------|
|                                                           | Gross Exposure   | Inc. %       | Value adjustments | Book Value       | Inc. %        | Coverage ratio (*) | Gross Exposure   | Inc. %       | Value adjustments | Book Value       | Inc. %       | Coverage ratio (*) |
| <b>Loans to banks</b>                                     | <b>98,106</b>    | <b>1.7%</b>  | <b>(83)</b>       | <b>98,023</b>    | <b>1.9%</b>   | <b>0.08%</b>       | <b>270,017</b>   | <b>4.3%</b>  | <b>(204)</b>      | <b>269,813</b>   | <b>4.5%</b>  | <b>0.08%</b>       |
| - Loans                                                   | 98,106           | 1.7%         | (83)              | 98,023           | 1.9%          | 0.08%              | 270,017          | 4.3%         | (204)             | 269,813          | 4.5%         | 0.08%              |
| - Stage 1-2                                               | 98,106           | 1.7%         | (83)              | 98,023           | 1.9%          | 0.08%              | 270,017          | 4.3%         | (204)             | 269,813          | 4.5%         | 0.08%              |
| <b>Loans to financial entities and other institutions</b> | <b>20,010</b>    | <b>0.4%</b>  | <b>-</b>          | <b>20,010</b>    | <b>0.4%</b>   | <b>0.00%</b>       | <b>22,375</b>    | <b>0.4%</b>  | <b>-</b>          | <b>22,375</b>    | <b>0.4%</b>  | <b>0.00%</b>       |
| - Loans                                                   | 20,010           | 0.4%         | -                 | 20,010           | 0.4%          | 0.00%              | 22,375           | 0.4%         | -                 | 22,375           | 0.4%         | 0.00%              |
| - Stage 1-2                                               | 20,010           | 0.4%         | -                 | 20,010           | 0.4%          | 0.00%              | 22,375           | 0.4%         | -                 | 22,375           | 0.4%         | 0.00%              |
| <b>Government Bonds</b>                                   | <b>990,540</b>   | <b>17.5%</b> | <b>(1,142)</b>    | <b>989,398</b>   | <b>19.3%</b>  | <b>0.12%</b>       | <b>943,328</b>   | <b>14.9%</b> | <b>(1,078)</b>    | <b>942,250</b>   | <b>15.8%</b> | <b>0.11%</b>       |
| - Stage 1-2                                               | 990,540          | 17.5%        | (1,142)           | 989,398          | 19.3%         | 0.12%              | 943,328          | 14.9%        | (1,078)           | 942,250          | 15.8%        | 0.11%              |
| <b>Loans to customers and Investments</b>                 | <b>4,553,072</b> | <b>80.4%</b> | <b>(540,985)</b>  | <b>4,012,087</b> | <b>78.4%</b>  | <b>11.88%</b>      | <b>5,092,839</b> | <b>80.5%</b> | <b>(366,100)</b>  | <b>4,726,739</b> | <b>79.3%</b> | <b>7.19%</b>       |
| - Loans                                                   | 3,211,136        | 56.7%        | (135,326)         | 3,075,810        | 60.1%         | 4.21%              | 3,602,751        | 56.9%        | (68,469)          | 3,534,282        | 59.3%        | 1.90%              |
| - Stage 1-2                                               | 2,430,428        | 42.9%        | (37,876)          | 2,392,552        | 46.7%         | 1.56%              | 2,828,405        | 44.7%        | (21,647)          | 2,806,758        | 47.1%        | 0.77%              |
| - Stage 3                                                 | 780,708          | 13.8%        | (97,450)          | 683,258          | 13.3%         | N/A                | 774,346          | 12.2%        | (46,822)          | 727,524          | 12.2%        | N/A                |
| - Securities                                              | 1,145,360        | 20.2%        | (209,603)         | 935,757          | 18.3%         | 18.30%             | 1,293,512        | 20.4%        | (101,379)         | 1,192,133        | 20.0%        | 7.84%              |
| - Stage 1-2                                               | 419,692          | 7.4%         | (2,054)           | 417,638          | 8.2%          | 0.49%              | 1,158,458        | 18.3%        | (100,925)         | 1,057,533        | 17.7%        | 8.71%              |
| - Stage 3                                                 | 725,668          | 12.8%        | (207,549)         | 518,119          | 10.1%         | 28.60%             | 135,054          | 2.1%         | (454)             | 134,600          | 2.3%         | 0.34%              |
| - Public Procurement Claims                               | 196,576          | 3.5%         | (196,056)         | 520              | 0.0%          | N/A                | 196,576          | 3.1%         | (196,252)         | 324              | 0.0%         | N/A                |
| <b>Total</b>                                              | <b>5,661,728</b> | <b>100%</b>  | <b>(542,210)</b>  | <b>5,119,518</b> | <b>100.0%</b> | <b>N/A</b>         | <b>6,328,559</b> | <b>100%</b>  | <b>(367,382)</b>  | <b>5,961,177</b> | <b>100%</b>  | <b>N/A</b>         |

(\*) In the column "Coverage ratio", the value "n/a" was inserted as it refers to net value adjustments and therefore is not correlated to the gross exposure in terms of coverage representation.

Financial assets at amortised cost, equal to EUR 5,661.7 million as of 31 December 2025, were mainly composed of loans to customers and investments, which comprise 78.4% of the item total, in addition to loans to banks, which comprise 1.9% of the total, government bonds, which comprise 19.3% of the total, and loans to financial entities, which comprise 0.4% of the total.

A breakdown of the quality of organic customer credit (loans and securities, net of loans to financial entities and other institutions) and a comparison to the previous year is provided below. For a definition of the organic loan perimeter, reference is made to the disclosures in the Alternative Performance Measures section as of 31 December 2025.

(amounts in thousands of euros)

| LOANS TO CUSTOMERS - ORGANIC               | 31/12/2025       |               |                   |                  |               |                    | 31/12/2024       |               |                   |                  |               |                    |
|--------------------------------------------|------------------|---------------|-------------------|------------------|---------------|--------------------|------------------|---------------|-------------------|------------------|---------------|--------------------|
|                                            | Gross Exposure   | Inc. %        | Value adjustments | Book Value       | Inc. %        | Coverage ratio (*) | Gross Exposure   | Inc. %        | Value adjustments | Book Value       | Inc. %        | Coverage ratio (*) |
| <b>Non-performing loans – Organic</b>      | <b>504,375</b>   | <b>12.5%</b>  | <b>(97,450)</b>   | <b>406,925</b>   | <b>11.1%</b>  | <b>19.32%</b>      | <b>298,889</b>   | <b>7.0%</b>   | <b>(46,822)</b>   | <b>252,067</b>   | <b>6.1%</b>   | <b>15.67%</b>      |
| - Bad loans                                | 135,977          | 3.4%          | (46,377)          | 89,600           | 2.4%          | 34.11%             | 58,687           | 1.4%          | (25,822)          | 32,865           | 0.8%          | 44.00%             |
| - Unlikely-to-pay positions                | 292,150          | 7.3%          | (44,487)          | 247,663          | 6.7%          | 15.23%             | 212,814          | 5.0%          | (17,917)          | 194,897          | 4.7%          | 8.42%              |
| - Past-due positions                       | 76,248           | 1.9%          | (6,586)           | 69,662           | 1.9%          | 8.64%              | 27,388           | 0.6%          | (3,083)           | 24,305           | 0.6%          | 11.26%             |
| <b>Non-performing securities - Organic</b> | <b>671,528</b>   | <b>16.7%</b>  | <b>(207,278)</b>  | <b>464,250</b>   | <b>12.61%</b> | <b>30.87%</b>      | <b>4,700</b>     | <b>0.1%</b>   | <b>(454)</b>      | <b>4,246</b>     | <b>0.10%</b>  | <b>9.66%</b>       |
| - Bad loans                                | 3,000            | 0.1%          | (540)             | 2,460            | 0.1%          | 18.00%             | 3,000            | 0.1%          | (420)             | 2,580            | 0.1%          | 14.00%             |
| - Unlikely-to-pay positions                | 668,528          | 16.6%         | (206,738)         | 461,790          | 12.5%         | 30.92%             | 1,700            | 0.0%          | (34)              | 1,666            | 0.0%          | 2.00%              |
| <b>Performing loans</b>                    | <b>2,850,120</b> | <b>70.8%</b>  | <b>(39,930)</b>   | <b>2,810,190</b> | <b>76.34%</b> | <b>1.40%</b>       | <b>3,986,863</b> | <b>92.9%</b>  | <b>(122,572)</b>  | <b>3,864,291</b> | <b>93.78%</b> | <b>3.07%</b>       |
| - Loans                                    | 2,430,428        | 60.4%         | (37,876)          | 2,392,552        | 65.0%         | 1.56%              | 2,828,405        | 65.9%         | (21,647)          | 2,806,758        | 68.1%         | 0.77%              |
| - Securities                               | 419,692          | 10.4%         | (2,054)           | 417,638          | 11.3%         | 0.49%              | 1,158,458        | 27.0%         | (100,925)         | 1,057,533        | 25.7%         | 8.71%              |
| <b>Total</b>                               | <b>4,026,023</b> | <b>100.0%</b> | <b>(344,658)</b>  | <b>3,681,365</b> | <b>100.0%</b> | <b>8.56%</b>       | <b>4,290,452</b> | <b>100.0%</b> | <b>(169,848)</b>  | <b>4,120,604</b> | <b>100.0%</b> | <b>3.96%</b>       |

Organic non-performing loans amounted to EUR 406.9 million, an increase compared to 31 December 2024, mainly due to the deterioration of certain counterparties falling within the non-core and b-ilty business perimeter. As regards the coverage ratio of organic non-performing loans as of 31 December 2025, this stood at 19.3%, up from the figure as of 31 December 2024. This rise is attributable to the progressive deterioration of the loan portfolio, as well as the higher value adjustments recognized following the due diligence performed by the Parent Company, Banca Ifis.

As of 31 December 2025, performing loans amounted to EUR 2,392.6 million, while performing securities amounted to EUR 417.6 million, both down from 31 December 2024 mainly due to collections made in the Factoring and Structured Finance segments, as well as non-core distressed assets due to the reclassification in stage 3 of the major distressed credit asset transformation transactions carried out in previous years (Velas transactions).

The coverage ratio for the performing loans as of 31 December 2025 was equal to 1.6%, up compared to the figure as of 31 December 2024.

Below is a breakdown of the inorganic component of the portfolio, which comprises loans, securities and Public Procurement Claims.

(amounts in thousands of euros)

| LOANS TO CUSTOMERS - INORGANIC & PPCS        | 31/12/2025     |               |                   |                |               |                    | 31/12/2024     |              |                   |                |               |                    |
|----------------------------------------------|----------------|---------------|-------------------|----------------|---------------|--------------------|----------------|--------------|-------------------|----------------|---------------|--------------------|
|                                              | Gross Exposure | Inc. %        | Value adjustments | Book Value     | Inc. %        | Coverage ratio (*) | Gross Exposure | Inc. %       | Value adjustments | Book Value     | Inc. %        | Coverage ratio (*) |
| <b>Non-performing loans - inorganic</b>      | <b>276,333</b> | <b>52.4%</b>  | <b>-</b>          | <b>276,333</b> | <b>83.6%</b>  | <b>N/A</b>         | <b>475,457</b> | <b>59.3%</b> | <b>-</b>          | <b>475,457</b> | <b>78.4%</b>  | <b>N/A</b>         |
| - Bad loans                                  | 93,372         | 17.7%         | -                 | 93,372         | 28.2%         | N/A                | 129,159        | 16.1%        | -                 | 129,159        | 21.3%         | N/A                |
| - Unlikely-to-pay positions                  | 176,493        | 33.5%         | -                 | 176,493        | 53.4%         | N/A                | 338,239        | 42.2%        | -                 | 338,239        | 55.8%         | N/A                |
| - Past-due positions                         | 6,468          | 1.2%          | -                 | 6,468          | 2.0%          | N/A                | 8,059          | 1.0%         | -                 | 8,059          | 1.3%          | N/A                |
| <b>Non-performing securities - Inorganic</b> | <b>54,140</b>  | <b>10.3%</b>  | <b>(271)</b>      | <b>53,869</b>  | <b>16.3%</b>  | <b>N/A</b>         | <b>130,354</b> | <b>16.2%</b> | <b>-</b>          | <b>130,354</b> | <b>21.5%</b>  | <b>N/A</b>         |
| - Unlikely-to-pay positions                  | 54,140         | 10.3%         | (271)             | 53,869         | 16.3%         | N/A                | 130,354        | 16.2%        | -                 | 130,354        | 21.5%         | N/A                |
| <b>PPC</b>                                   | <b>196,576</b> | <b>37.3%</b>  | <b>(196,056)</b>  | <b>520</b>     | <b>0.2%</b>   | <b>N/A</b>         | <b>196,576</b> | <b>24.5%</b> | <b>(196,252)</b>  | <b>324</b>     | <b>0.1%</b>   | <b>N/A</b>         |
| <b>Total</b>                                 | <b>527,049</b> | <b>100.0%</b> | <b>(196,327)</b>  | <b>330,722</b> | <b>100.0%</b> | <b>N/A</b>         | <b>802,387</b> | <b>100%</b>  | <b>(196,252)</b>  | <b>606,135</b> | <b>100.0%</b> | <b>N/A</b>         |

(\*) In the column "Coverage ratio", the value "n/a" was inserted as it refers to net value adjustments and therefore is not correlated to the gross exposure in terms of coverage representation.

Inorganic non-performing loans amounted to EUR 276.3 million, of which:

- EUR 93.4 million related to transactions classified as Bad loans mainly referring to the Non-Core segment, down from EUR 129.2 million as of 31 December 2024;
- EUR 176.5 million related to transactions classified as unlikely-to-pay positions mainly related to

Turnaround, Non-Core and Asset-Based Financing segments, down from EUR 338.2 million as at 31 December 2024;

- EUR 6.5 million related to transactions classified as past due referring to the Non-Core segment, down from EUR 8.1 million as at 31 December 2024.

On the other hand, with regard to inorganic non-performing securities, amounting to EUR 53.9 million as at 31 March 2025, these decreased with respect to the comparative figure as at 31 December 2024 mainly due to the repayments referring to the Convivio transaction, in JV with Apollo Global Management.

In addition to inorganic loans and securities, new investments in loans for Public Procurement Claims amounted to EUR 0.5 million.

## Funding

| CUSTOMER FUNDING BY TECHNICAL FORM             | 31/12/2025       |               | 31/12/2024       |             | Change           |                |
|------------------------------------------------|------------------|---------------|------------------|-------------|------------------|----------------|
|                                                | Book value       | Inc. %        | Book value       | Inc. %      | Absolute         | Chg. %         |
| Amounts due to customers (A)                   | 4,935,968        | 79.1%         | 5,307,420        | 73.5%       | (371,452)        | (7.0%)         |
| Securities issued (B)                          | 574,477          | 9.2%          | 1,051,867        | 14.6%       | (477,390)        | (45.4%)        |
| <b>Total direct customer funding (A) + (B)</b> | <b>5,510,445</b> | <b>88.4%</b>  | <b>6,359,287</b> | <b>88%</b>  | <b>(848,842)</b> | <b>(13.3%)</b> |
| Due to banks (C)                               | 726,472          | 11.6%         | 864,958          | 12.0%       | (138,486)        | (16.0%)        |
| <b>Total debt (A) + (B) + (C)</b>              | <b>6,236,917</b> | <b>100.0%</b> | <b>7,224,245</b> | <b>100%</b> | <b>(987,328)</b> | <b>(13.7%)</b> |

The Group's liabilities present total "direct funding" of EUR 6,236.9 million, broken down between customers for EUR 5,510.4 million and banks for EUR 726.5 million.

The reduction in amounts due to customers for EUR 371.5 million mainly refers to the retail term component.

Amounts due to banks, including the central bank component, showed a decrease compared to the comparative figure as at 31 December 2024.

Securities issued amounted to EUR 574.5 million, down from the value at the end of 2024, mainly due to the maturity of one of the Bank's EUR 300 million bond tranches and the unwinding of the Gro and Farky securitisation senior notes, previously underwritten by JP Morgan.

## Property and equipment and intangible assets

Property and equipment amounted to approximately EUR 50.9 million as of 31 December 2025, down compared to EUR 89.4 million as of 31 December 2024. The reduction is mainly related to the sale of the Bufalotta real estate asset, finalised in June 2025.

In accordance with IFRS 16, the item includes the Right of Use of assets acquired through lease agreements, of approximately EUR 28.4 million, net of accumulated depreciation. This balance also includes the values of Right of Use assets relating to photovoltaic plants recognised following the consolidation of SpicyCo and its subsidiaries as of 9 July 2024.

As of 31 December 2025, intangible assets, other than goodwill, amounted to EUR 22.6 million, a decrease of about EUR 8 million compared to 31 December 2024. The reduction is mainly attributable to amortisation and write-offs on intangible assets recognised in the year.

As of 31 December 2025, the goodwill item amounted to EUR 22 million, down compared to 31 December 2024 following the partial write-down carried out on the goodwill recognised at the time of the acquisition of the Arec business (now merged by incorporation into Arecneprix S.p.A.). The item includes the remaining value of the goodwill of Arecneprix S.p.A. for EUR 17.4 million, as well as the goodwill recognised after the acquisition of Quimmo Prestige Agency, amounting to EUR 4.6 million.

## Tax assets and tax liabilities

Tax assets amounted to approximately EUR 95.1 million as of 31 December 2025, down from the EUR 102.8 million recognised as of 31 December 2024. Details of the breakdown of tax assets are shown below.

| <i>(amounts in thousands of euros)</i> |                   |                   |                |               |
|----------------------------------------|-------------------|-------------------|----------------|---------------|
| <b>TAX ASSETS</b>                      | <b>31/12/2025</b> | <b>31/12/2024</b> | <b>Chg.</b>    | <b>Chg. %</b> |
| Current                                | 29,234            | 24,455            | 4,779          | 20%           |
| Deferred                               | 65,871            | 78,346            | (12,475)       | (16%)         |
| <b>Total</b>                           | <b>95,105</b>     | <b>102,801</b>    | <b>(7,696)</b> | <b>(7%)</b>   |

Deferred tax assets other than those convertible into tax credits (Article 2, paragraph 55 et seq. of Italian Legislative Decree no. 225/2010) are recognised on the basis of the likelihood of earning taxable income in future years able to reabsorb the temporary differences. In this regard, it should be noted that no new deferred tax assets were recognised on the tax loss accrued for the 2025 tax period, amounting to approximately EUR 76.8 million. For further details, please refer to the Explanatory Notes.

Deferred tax assets primarily include the effects of the exercise of the tax relief option on goodwill and other intangible assets recognised in the financial statements following extraordinary transactions and purchases of equity investments, the tax misalignments relating to the financial assets measured at fair value through other comprehensive income, and tax losses recognised with reference to the 2024 tax period.

The main changes compared with the previous year refer to the reduction in the write-downs recorded on the securities portfolio measured at fair value through other comprehensive income and the progressive reversal of fiscally recognised portions relating to goodwill and other intangible assets.

With regard to tax liabilities as of 31 December 2025, these amounted to EUR 3.3 million, down from EUR 5.8 million as of 31 December 2024 due to the reversal of part of deferred taxes during the year.

| <i>(amounts in thousands of euros)</i> |                   |                   |                |               |
|----------------------------------------|-------------------|-------------------|----------------|---------------|
| <b>TAX LIABILITIES</b>                 | <b>31/12/2025</b> | <b>31/12/2024</b> | <b>Chg.</b>    | <b>Chg. %</b> |
| Current                                | 472               | 1                 | 471            | >100%         |
| Deferred                               | 2,824             | 5,820             | (2,996)        | (51%)         |
| <b>Total</b>                           | <b>3,296</b>      | <b>5,821</b>      | <b>(2,525)</b> | <b>(43%)</b>  |



## Capital adequacy

### Changes in shareholders' equity

Consolidated shareholders' equity amounted to EUR 590.5 million, a decrease compared to 2024 mainly due to the effect of the loss for the year as well as for the recognition of the extraordinary contribution of 27.5% on the extra profit reserve established pursuant to Article 1, paragraph 69, of Law No. 199 of 30 December 2005. For further details, please 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 Explanatory Notes.

| (amounts in thousands of euros)                                  |                |                |
|------------------------------------------------------------------|----------------|----------------|
| Items/Technical Forms                                            | 31/12/2025     | 31/12/2024     |
| 1. Share capital                                                 | 54,789         | 54,789         |
| 2. Share premium reserve                                         | 624,922        | 624,937        |
| 3. Reserves                                                      | 228,569        | 276,527        |
| 4. Equity instruments                                            | -              | -              |
| 5. (Treasury shares)                                             | (5,070)        | (5,354)        |
| 6. Valuation reserves                                            | (12,627)       | (18,298)       |
| 7. Profit (Loss) for the year attributable to the parent company | (305,053)      | (38,400)       |
| <b>Total shareholders' equity attributable to the Group</b>      | <b>585,530</b> | <b>894,201</b> |
| Shareholders' equity attributable to minority interests          | 4,927          | 5,289          |
| <b>Total shareholders' equity</b>                                | <b>590,457</b> | <b>899,490</b> |

### Share capital and ownership structure

As of 31 December 2025, the Bank's share capital amounted to EUR 54,789,379.31, fully subscribed and paid up, divided into 84,067,808 Ordinary Shares, without indication of the par value, wholly owned by the shareholder Banca IFIS S.p.A.

### Treasury shares

As of 31 December 2025, the Bank held 998,182 treasury shares for an equivalent value of EUR 5.1 million, down from the amount recorded as of 31 December 2024, following the assignment of some of the same (56,009 shares, with a value of Euro 285 thousand) within the sphere of the Group's incentive schemes. The Bank's subsidiaries do not hold any of its shares. Similarly, illimity Bank does not hold any shares in the parent company, Banca IFIS.

### Parent company reconciliation - consolidated

The table below gives a reconciliation of the shareholders' equity and the result of illimity Bank S.p.A. with the respective data for the Group as of 31 December 2025:

| (amounts in thousands of euros)                                           |                      |                  |
|---------------------------------------------------------------------------|----------------------|------------------|
|                                                                           | Shareholders' equity | Profit/loss      |
| <b>illimity Bank S.p.A.</b>                                               | <b>575,402</b>       | <b>(257,593)</b> |
| Effect of consolidation of subsidiaries                                   | 49,146               | -                |
| Result of subsidiaries                                                    | (30,724)             | (30,724)         |
| Consolidation adjustments                                                 | (6,463)              | (3,120)          |
| Dividends                                                                 | (11,344)             | (11,344)         |
| Effect of measuring associates and joint ventures using the equity method | (3,413)              | (2,272)          |
| <b>Group</b>                                                              | <b>585,530</b>       | <b>(305,053)</b> |



## Financial performance

### Net interest margin

| (amounts in thousands of euros)                                   |                  |                 |                    |                  |                  |                  |              |
|-------------------------------------------------------------------|------------------|-----------------|--------------------|------------------|------------------|------------------|--------------|
| Items/Technical Forms                                             | Loans/Payables   | Debt securities | Other transactions | 31/12/2025       | 31/12/2024       | Absolute changes | Change %     |
| <b>Interest income</b>                                            |                  |                 |                    |                  |                  |                  |              |
| 1. Financial assets measured at fair value through profit or loss | -                | 2,858           | -                  | <b>2,858</b>     | 2,906            | (48)             | (2%)         |
| <i>Held for trading</i>                                           |                  | 1               |                    | <b>1</b>         | -                | 1                | N/A          |
| <i>Designated at FV</i>                                           |                  |                 |                    | <b>-</b>         | -                | -                | N/A          |
| <i>Mandatorily measured at fair value:</i>                        | -                | 2,857           |                    | <b>2,857</b>     | 2,906            | (49)             | (2%)         |
| 2. Financial assets at FV through other comprehensive income      |                  | 16,222          |                    | <b>16,222</b>    | 21,246           | (5,024)          | (24%)        |
| 3. Financial assets at amortised cost                             | 216,402          | 110,775         | -                  | <b>327,177</b>   | 391,539          | (64,362)         | (16%)        |
| <i>Loans to banks</i>                                             | 8,364            | 967             |                    | <b>9,331</b>     | 15,765           | (6,434)          | (41%)        |
| <i>Customer loans</i>                                             | 208,038          | 109,808         |                    | <b>317,846</b>   | 375,774          | (57,928)         | (15%)        |
| 4. Hedging derivatives                                            |                  |                 | (256)              | <b>(256)</b>     | 13,944           | (14,200)         | N/A          |
| 5. Other assets                                                   |                  |                 | 3,462              | <b>3,462</b>     | 4,527            | (1,065)          | (24%)        |
| 6. Financial liabilities                                          |                  |                 |                    | <b>1,068</b>     | 1,141            | (73)             | (6%)         |
| <b>Total interest income</b>                                      | <b>216,402</b>   | <b>129,855</b>  | <b>3,206</b>       | <b>350,531</b>   | <b>435,303</b>   | <b>(84,772)</b>  | <b>(19%)</b> |
| <b>Interest expenses</b>                                          |                  |                 |                    |                  |                  |                  |              |
| 1. Financial liabilities at amortised cost                        | (177,555)        | (54,160)        |                    | <b>(231,715)</b> | (260,284)        | 28,569           | (11%)        |
| <i>Due to central banks</i>                                       | (44)             |                 |                    | <b>(44)</b>      | (37)             | (7)              | 19%          |
| <i>Due to banks</i>                                               | (20,540)         |                 |                    | <b>(20,540)</b>  | (45,757)         | 25,217           | (55%)        |
| <i>Due to customers</i>                                           | (156,971)        |                 |                    | <b>(156,971)</b> | (165,827)        | 8,856            | (5%)         |
| <i>Securities issued</i>                                          |                  | (54,160)        |                    | <b>(54,160)</b>  | (48,663)         | (5,497)          | 11%          |
| 2. Financial liabilities held for trading                         |                  |                 |                    | <b>-</b>         | -                | -                | N/A          |
| 3. Financial liabilities designated at FV                         |                  |                 |                    | <b>-</b>         | -                | -                | N/A          |
| 4. Other liabilities and provisions                               |                  |                 | (5,176)            | <b>(5,176)</b>   | (3,695)          | (1,481)          | 40%          |
| 5. Hedging derivatives                                            |                  |                 | (3,843)            | <b>(3,843)</b>   | (13,701)         | 9,858            | (72%)        |
| 6. Financial assets                                               |                  |                 |                    | <b>(198)</b>     | (460)            | 262              | (57%)        |
| <b>Total interest expenses</b>                                    | <b>(177,555)</b> | <b>(54,160)</b> | <b>(9,019)</b>     | <b>(240,932)</b> | <b>(278,140)</b> | <b>37,208</b>    | <b>(13%)</b> |
| <b>Net interest margin</b>                                        | <b>38,847</b>    | <b>75,695</b>   | <b>(5,813)</b>     | <b>109,599</b>   | <b>157,163</b>   | <b>(47,564)</b>  | <b>(30%)</b> |

As of 31 December 2025, the net interest margin amounted to approximately EUR 109.6 million, down on the previous year, when it amounted to approximately EUR 157.2 million.

The change described above is essentially attributable to the drop in lending volumes observed during the year as well as the reduction in market reference interest rates, which contributed more rapidly to the reduction in interest income with respect to the change in interest expense.

Interest on loans to customers decreased by EUR 57.9 million compared to the previous year.

Interest income on financial assets mandatorily measured at fair value was in line with 31 December 2024.

The interest expenses component decreased by EUR 37.2 million compared to 2024, mainly due to the optimisation of funding to be interpreted in conjunction with the drop in loans as well as the decrease in market interest rates.

In detail, interest expenses due to banks and customers decreased by EUR 25.2 million and EUR 8.9 million, respectively.

Interest on bonds increased by EUR 5.5 million, but it should be noted that a bond tranche of EUR 300 million expired in December, so a positive trend for the item is expected as early as 2026.

The negative contribution made by hedging differentials as at 31 December 2025 amounted to EUR 4.1 million.

## Net fees and commissions

| (amounts in thousands of euros)                       |                 |                |                  |              |
|-------------------------------------------------------|-----------------|----------------|------------------|--------------|
| Items/Technical Forms                                 | 31/12/2025      | 31/12/2024     | Absolute changes | Change %     |
| <b>Fees and commission income</b>                     |                 |                |                  |              |
| b) Corporate Finance                                  | 2,988           | 3,909          | (921)            | (24%)        |
| e) Collective portfolio management                    | 7,840           | 6,403          | 1,437            | 22%          |
| i) Payment services                                   | 3,711           | 3,510          | 201              | 6%           |
| j) Distribution of third party services               | 72              | 178            | (106)            | (60%)        |
| l) Servicing activities for securitisation operations | 18,018          | 23,166         | (5,148)          | (22%)        |
| n) Financial guarantees issued                        | 1,166           | 1,260          | (94)             | (7%)         |
| o) Loan transactions                                  | 29,135          | 41,119         | (11,984)         | (29%)        |
| p) Currency trading                                   | 28              | 62             | (34)             | (55%)        |
| r) Other fees and commission income                   | 13,166          | 12,550         | 616              | 5%           |
| <b>Total</b>                                          | <b>76,124</b>   | <b>92,157</b>  | <b>(16,033)</b>  | <b>(17%)</b> |
| <b>Fees and commission expense</b>                    |                 |                |                  |              |
| d) Custody and administration                         | (954)           | (945)          | (9)              | 1%           |
| e) Collection and payment services                    | (2,569)         | (2,468)        | (101)            | 4%           |
| f) Servicing activities for securitisation operations | (124)           | (95)           | (29)             | 31%          |
| h) Financial guarantees received                      | (179)           | (210)          | 31               | (15%)        |
| k) Other fees and commission expense                  | (8,144)         | (5,089)        | (3,055)          | 60%          |
| <b>Total</b>                                          | <b>(11,970)</b> | <b>(8,807)</b> | <b>(3,163)</b>   | <b>36%</b>   |
| <b>Net fees and commissions</b>                       | <b>64,154</b>   | <b>83,350</b>  | <b>(19,196)</b>  | <b>(23%)</b> |

Net fees and commission amounted to EUR 64.2 million as of 31 December 2025, down compared to the period ended 31 December 2024, when it amounted to EUR 83.4 million.

The reduction in fees and commission income is mainly explained by the decrease in revenue deriving from the servicing activity for securitisation transactions and loan transactions, down by EUR 5.1 million and EUR 12 million respectively compared to the previous year.

Fees and commission expense includes the unwinding fee of the senior notes of the Gro securitisation, previously subscribed by JP Morgan, which amounts to EUR 1.5 million.

## Other operating expenses and income

| Items/Technical Forms                                           | (amounts in thousands of euros) |                |                  |                 |
|-----------------------------------------------------------------|---------------------------------|----------------|------------------|-----------------|
|                                                                 | 31/12/2025                      | 31/12/2024     | Absolute changes | Change %        |
| <b>Other operating expenses</b>                                 |                                 |                |                  |                 |
| Amortisation of expenses for improvements on third party assets | (290)                           | (190)          | (100)            | 53%             |
| Other operating expenses                                        | (7,674)                         | (1,791)        | (5,883)          | >100%           |
| <b>Total</b>                                                    | <b>(7,964)</b>                  | <b>(1,981)</b> | <b>(5,983)</b>   | <b>&gt;100%</b> |
| <b>Other operating income</b>                                   |                                 |                |                  |                 |
| Recoveries of expenses from other customers                     | 8,621                           | 8,839          | (218)            | (2%)            |
| Other income                                                    | 4,419                           | 54,817         | (50,398)         | (92%)           |
| Rental income                                                   | 1,595                           | 2,269          | (674)            | (30%)           |
| <b>Total</b>                                                    | <b>14,635</b>                   | <b>65,925</b>  | <b>(51,290)</b>  | <b>(78%)</b>    |
| <b>Other operating income/expenses</b>                          | <b>6,671</b>                    | <b>63,944</b>  | <b>(57,273)</b>  | <b>(90%)</b>    |

Other operating expenses and income decreased by EUR 57.3 million with respect to the comparative figure. The balance for the 2024 financial year includes the capital gain realised by the Group from the sale of the Digital Competence Line for EUR 52.5 million.

The increase in operating expenses compared to the previous year is attributable to the write-down of tax assets acquired in previous years and recognised among other assets, as well as value adjustments on trade receivables recognised in the year.

## Personnel expenses

| Items/Technical Forms               | (amounts in thousands of euros) |                 |                  |             |
|-------------------------------------|---------------------------------|-----------------|------------------|-------------|
|                                     | 31/12/2025                      | 31/12/2024      | Absolute changes | Change %    |
| 1. Employees                        | (67,451)                        | (73,739)        | 6,288            | (9%)        |
| 2. Other personnel in service       | (3,378)                         | (2,810)         | (568)            | 20%         |
| 3. Directors and statutory auditors | (2,374)                         | (3,196)         | 822              | (26%)       |
| <b>Personnel expenses</b>           | <b>(73,203)</b>                 | <b>(79,745)</b> | <b>6,542</b>     | <b>(8%)</b> |

Personnel expenses amounted to approximately EUR 73.2 million and consist mainly of employee wages and salaries and the related social security contributions. Group personnel expenses decreased by EUR 6.5 million, mainly due to the reduction in wage and salary costs attributable to higher turnover.

The Group headcount as of 31 December 2025 stood at 672 units, a decrease compared to the corresponding figure as of 31 December 2024, which amounted to 779 units.

## Other administrative expenses

| Items/Technical Forms                      | (amounts in thousands of euros) |                 |                  |            |
|--------------------------------------------|---------------------------------|-----------------|------------------|------------|
|                                            | 31/12/2025                      | 31/12/2024      | Absolute changes | Change %   |
| Insurance                                  | (5,020)                         | (4,385)         | (635)            | 14%        |
| Various consulting services                | (9,445)                         | (10,822)        | 1,377            | (13%)      |
| Cost of services                           | (5,026)                         | (6,510)         | 1,484            | (23%)      |
| Financial information                      | (4,947)                         | (5,504)         | 557              | (10%)      |
| Adverts and advertising                    | (1,598)                         | (2,820)         | 1,222            | (43%)      |
| Financial statement audit                  | (1,293)                         | (1,248)         | (45)             | 4%         |
| IT and software expenses                   | (54,482)                        | (27,872)        | (26,610)         | 95%        |
| Legal and notary's fees                    | (5,487)                         | (7,056)         | 1,569            | (22%)      |
| Property management expenses               | (6,162)                         | (6,196)         | 34               | (1%)       |
| Expenses for professional services         | (6,583)                         | (9,263)         | 2,680            | (29%)      |
| Utilities and services                     | (259)                           | (911)           | 652              | (72%)      |
| Other indirect taxes and duties            | (3,110)                         | (4,568)         | 1,458            | (32%)      |
| Others                                     | (2,609)                         | (4,129)         | 1,520            | (37%)      |
| <b>Total other administrative expenses</b> | <b>(106,021)</b>                | <b>(91,284)</b> | <b>(14,737)</b>  | <b>16%</b> |

Other administrative expenses amounted to approximately EUR 106 million, up by EUR 14.7 million compared to the figure recorded at the end of the previous year, and refer primarily to IT and software expenses, expenses for professional services and consultancy fees.

This change is mainly due to the fact that in 2025, the Bank records the fee payable to AltermAInd (fully recognised in administrative expenses), whereas in 2024 the services covered by AltermAInd were reflected in the accounts under Other administrative expenses, personnel expenses and amortisation of intangible assets.

## Net value adjustments on property and equipment and intangible assets

| Items/Technical Forms                                                        | (amounts in thousands of euros) |                 |                  |              |
|------------------------------------------------------------------------------|---------------------------------|-----------------|------------------|--------------|
|                                                                              | 31/12/2025                      | 31/12/2024      | Absolute changes | Change %     |
| <b>Net value adjustments on property and equipment</b>                       |                                 |                 |                  |              |
| Property and equipment with functional use                                   |                                 |                 |                  |              |
| <i>of which: Own property and equipment</i>                                  | (1,844)                         | (585)           | (1,259)          | >100%        |
| <i>of which: Inventories</i>                                                 | (1,072)                         | (1,819)         | 747              | (41%)        |
| <i>of which: Rights of use acquired through lease agreements</i>             | (5,454)                         | (4,382)         | (1,072)          | 24%          |
| <b>Total</b>                                                                 | <b>(8,370)</b>                  | <b>(6,786)</b>  | <b>(1,584)</b>   | <b>23%</b>   |
| <b>Net value adjustments on intangible assets</b>                            |                                 |                 |                  |              |
| Finite useful life                                                           | (10,126)                        | (21,914)        | 11,788           | (54%)        |
| Indefinite useful life                                                       |                                 |                 |                  |              |
| <b>Total</b>                                                                 | <b>(10,126)</b>                 | <b>(21,914)</b> | <b>11,788</b>    | <b>(54%)</b> |
| <b>Net value adjustments on property and equipment and intangible assets</b> | <b>(18,496)</b>                 | <b>(28,700)</b> | <b>10,204</b>    | <b>(36%)</b> |

Net value adjustments on property and equipment and intangible assets amounted to approximately EUR 18.5 million, up compared to EUR 28.7 million as of 31 December of the previous year.

This effect is explained by the reduction in adjustments on intangible assets following the sale of the software of the Digital business unit contributed to AltermAInd.

The increase in depreciation compared to 2024 is largely attributable to the depreciation of right-of-use assets in the energy business, which were consolidated from July 2024 following the acquisition of 100% of Spicyco's capital and the write-down of a number of photovoltaic plants referring to the Energy business.

## Net value adjustments and profits on closed positions

(amounts in thousands of euros)

| Transaction/Income items                                       | Value adjustments (1)   |             |          | Recoveries (2)          |             |          | Total (1)+(2) | of which Closed Positions (3) | LLPs (1)+(2)-(3) |
|----------------------------------------------------------------|-------------------------|-------------|----------|-------------------------|-------------|----------|---------------|-------------------------------|------------------|
|                                                                | Stage one and Stage two | Stage three | Impaired | Stage one and stage two | Stage three | Impaired |               |                               |                  |
| Assets measured at Amortised Cost                              |                         |             |          |                         |             |          |               |                               |                  |
| - Loans                                                        | (14,220)                | (31,005)    | (29,117) | 7,451                   | 6,335       | 26,231   | (34,325)      | 9,360                         | (43,685)         |
| - Debt securities                                              | (85,335)                | (10,992)    | -        | 19,561                  | -           | -        | (76,766)      | -                             | (76,766)         |
| Amortised Cost Subtotal                                        | (99,555)                | (41,997)    | (29,117) | 27,012                  | 6,335       | 26,231   | (111,091)     | 9,360                         | (120,451)        |
| HTCS Assets                                                    |                         |             |          |                         |             |          |               |                               |                  |
| - Loans                                                        | -                       | -           | -        | -                       | -           | -        | -             | -                             | -                |
| - Debt securities                                              | (901)                   | (1,929)     | -        | 1,182                   | -           | -        | (1,648)       | -                             | (1,648)          |
| HTCS Subtotal                                                  | (901)                   | (1,929)     | -        | 1,182                   | -           | -        | (1,648)       | -                             | (1,648)          |
| Guarantees given and Irrevocable commitments to disburse funds | (388)                   | 4           | (353)    | 440                     | -           | 648      | 350           | 67                            | 283              |
| Total                                                          | (100,844)               | (43,922)    | (29,470) | 28,634                  | 6,335       | 26,879   | (112,389)     | 9,427                         | (121,816)        |

Of the negative EUR 121.8 million of net write-downs as of 31 December 2025, EUR 195.2 million related to value adjustments on organic exposures, and therefore contributed towards determining the Cost of risk – equal to 511 bps – as presented in the section “Alternative Performance Measures as of 31 December 2025”.

Impairment losses recorded in the 2025 financial year were largely affected by non-recurring write-downs; for further information, please refer to the 'Other relevant information' section of this Management Report.

The profits generated during the year on closed positions, which amounted to EUR 10 million, are detailed below.

(amounts in thousands of euros)

| Recap Closed Positions                                                   | 31/12/2025    |
|--------------------------------------------------------------------------|---------------|
| <i>On HTC financial assets - POCI</i>                                    | 9,360         |
| <i>On HTC financial assets - Other</i>                                   | -             |
| <i>On Guarantees given and Irrevocable commitments to disburse funds</i> | -             |
| <b>Closed Positions Loan Portfolios Subtotal</b>                         | <b>9,427</b>  |
| <i>On disposal of Repossessed Assets</i>                                 | 622           |
| <b>Closed Positions Real Estate Subtotal</b>                             | <b>622</b>    |
| <b>Total</b>                                                             | <b>10,049</b> |

Regarding the positive contribution from closed positions, it is noted that this stems from the disposal of POCI positions for EUR 9.4 million and from the net capital gains generated from the disposal of repossessed assets for EUR 0.6 million.

## Quarterly trend

The quarterly trend of the reclassified consolidated balance sheet and consolidated income statement is presented below.

### Reclassified Balance Sheet

| (amounts in thousands of euros)                           |                  |                  |                  |                  |                  |
|-----------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|
| Assets                                                    | 31/12/2025       | 30/09/2025       | 30/06/2025       | 31/03/2025       | 31/12/2024       |
| Cash and cash equivalents                                 | 229,715          | 243,992          | 355,932          | 424,670          | 387,264          |
| Loans to banks, financial entities and other institutions | 118,033          | 212,078          | 129,982          | 151,538          | 292,188          |
| Loans to customers and investments                        | 4,012,087        | 4,228,151        | 4,418,930        | 4,604,775        | 4,726,739        |
| Government Bonds                                          | 989,398          | 978,919          | 989,157          | 969,726          | 942,250          |
| HTCS Financial assets                                     | 544,166          | 629,125          | 760,189          | 719,766          | 748,027          |
| FVTPL Financial assets                                    | 513,885          | 555,849          | 566,950          | 554,088          | 563,222          |
| Equity investments                                        | 32,056           | 58,576           | 139,632          | 138,302          | 140,159          |
| Goodwill                                                  | 21,971           | 33,731           | 33,731           | 33,731           | 33,731           |
| Other intangible Assets                                   | 22,623           | 25,750           | 27,390           | 29,148           | 30,550           |
| Other assets                                              | 572,263          | 487,517          | 432,939          | 501,927          | 538,396          |
| <b>Total assets</b>                                       | <b>7,056,197</b> | <b>7,453,688</b> | <b>7,854,832</b> | <b>8,127,671</b> | <b>8,402,526</b> |

| (amounts in thousands of euros)                   |                  |                  |                  |                  |                  |
|---------------------------------------------------|------------------|------------------|------------------|------------------|------------------|
| Liabilities                                       | 31/12/2025       | 30/09/2025       | 30/06/2025       | 31/03/2025       | 31/12/2024       |
| Due to banks                                      | 726,472          | 547,114          | 640,355          | 705,435          | 864,958          |
| Due to customers                                  | 4,935,968        | 4,963,888        | 5,200,347        | 5,239,922        | 5,307,420        |
| Securities issued                                 | 574,477          | 967,536          | 961,459          | 1,059,990        | 1,051,867        |
| Other liabilities                                 | 228,823          | 230,216          | 268,178          | 223,000          | 278,791          |
| Shareholders' equity                              | 590,457          | 744,934          | 784,493          | 899,324          | 899,490          |
| <b>Total liabilities and shareholders' equity</b> | <b>7,056,197</b> | <b>7,453,688</b> | <b>7,854,832</b> | <b>8,127,671</b> | <b>8,402,526</b> |



## Reclassified Income Statement

| (amounts in thousands of euros)                                                     |                  |                 |                  |                 |                  |
|-------------------------------------------------------------------------------------|------------------|-----------------|------------------|-----------------|------------------|
| Income Statement items                                                              | Q42025           | Q32025          | Q22025           | 1Q2025          | 4Q2024           |
| Net interest margin                                                                 | 26,138           | 25,197          | 26,152           | 32,112          | 40,770           |
| Net fees and commissions                                                            | 16,341           | 16,876          | 14,960           | 15,977          | 20,265           |
| Net profits (loss) on financial assets trading                                      | (10,770)         | (3,711)         | 3,823            | 16,710          | (7,157)          |
| Net profit (loss) on closed positions                                               | 1,025            | 3,972           | 9,170            | 879             | 3,182            |
| Other operating expenses and income (excluding taxes)                               | 456              | 2,117           | 1,575            | 2,523           | 55,699           |
| <b>Total net operating income</b>                                                   | <b>33,190</b>    | <b>44,451</b>   | <b>55,680</b>    | <b>68,201</b>   | <b>112,759</b>   |
| Personnel expenses                                                                  | (15,022)         | (17,641)        | (20,074)         | (20,466)        | (9,340)          |
| Other administrative expenses                                                       | (27,449)         | (25,190)        | (27,745)         | (25,637)        | (26,747)         |
| Net value adjustments on property and equipment and intangible assets               | (7,099)          | (3,298)         | (4,762)          | (3,337)         | (9,234)          |
| <b>Operating expenses</b>                                                           | <b>(49,570)</b>  | <b>(46,129)</b> | <b>(52,581)</b>  | <b>(49,440)</b> | <b>(45,321)</b>  |
| <b>Operating profit (loss)</b>                                                      | <b>(16,380)</b>  | <b>(1,678)</b>  | <b>3,099</b>     | <b>18,761</b>   | <b>67,438</b>    |
| Net value adjustments for credit risk - HTC Banks, financial entities and customers | (73,155)         | (15,627)        | (107,436)        | (13,015)        | (113,867)        |
| Net value adjustments for credit risk - HTCS                                        | (1,789)          | 2,229           | (1,682)          | 34              | 186              |
| Net value adjustments for commitments and guarantees                                | (579)            | 101             | 695              | (412)           | 566              |
| <b>Total net value adjustments</b>                                                  | <b>(75,523)</b>  | <b>(13,297)</b> | <b>(108,423)</b> | <b>(13,393)</b> | <b>(113,115)</b> |
| Other net provisions                                                                | (596)            | (3,165)         | (355)            | (231)           | 4                |
| Other income (expenses) on equity investments                                       | 670              | (408)           | (669)            | (1,863)         | 282              |
| Contributions and other non-recurring expenses                                      | (59,207)         | (9,893)         | (12,185)         | (1,863)         | (59,243)         |
| <b>Profit (Loss) from operations before taxes</b>                                   | <b>(151,036)</b> | <b>(28,441)</b> | <b>(118,533)</b> | <b>1,411</b>    | <b>(104,634)</b> |
| Income taxes for the year on continuing operations                                  | 1,727            | (10,063)        | 2                | (1,332)         | 33,278           |
| <b>Profit (Loss) for the year</b>                                                   | <b>(149,309)</b> | <b>(38,504)</b> | <b>(118,531)</b> | <b>79</b>       | <b>(71,356)</b>  |
| Profit (Loss) for the financial year attributable to minority interests             | 473              | 72              | 485              | 182             | 1,993            |
| <b>Profit (Loss) for the year attributable to the Parent Company</b>                | <b>(148,836)</b> | <b>(38,432)</b> | <b>(118,046)</b> | <b>261</b>      | <b>(69,363)</b>  |

The net interest margin in the fourth quarter of 2025 amounted to approximately EUR 26.1 million, up on the previous quarter but down on the corresponding quarter of 2024, in line with the sharp drop in lending volumes, as well as further to the reduction in market reference interest rates, which contributed more rapidly to the reduction in interest income with respect to the change in interest expense.

Total net operating income for the fourth quarter of 2025 amounted to EUR 33.2 million. In addition to the net interest margin, revenues for the quarter include net fees and commission of EUR 16.3 million, net profit on positions closed in the quarter of approximately EUR 1 million, other net income of EUR 0.5 million and a net loss of EUR 10.8 million from trading activities mainly linked to the measurement of the AIFs.

Operating expenses in the fourth quarter of 2025, equal to approximately EUR 49.6 million, show an increase on the previous quarter.

Personnel expenses decreased compared to the figure in the third quarter of 2025, mainly due to the lower number of resources in the workforce as well as for the releases that occurred during the quarter of variable components of employee remuneration.

The increase in operating expenses compared to the third quarter of 2025 is mainly attributable to the growth in net value adjustments for property and equipment and intangible assets following the write-downs of photovoltaic plants related to the energy business, as well as repossessed assets following the recovery process carried out in the last quarter. In addition, with regard to software, the useful life of some software was aligned with that of the parent company Banca IFIS, which led to an acceleration of the cost in the fourth quarter of the year.

Other administrative expenses of EUR 27.5 million in the fourth quarter of 2025 decreased by EUR 2.3 million compared to that recorded in the third quarter of 2025 mainly due to seasonality factors related to IT consumption.

Net value adjustments on loans, negative for EUR 75.2 million, are mainly related to value adjustments recorded in the securitisation notes relating to POCI assets as well as to the loans of the b-ilty business.

In addition, contributions and other non-recurring expenses for approximately EUR 59.2 million were recognised, up from the previous quarter as a result of extraordinary integration charges, value adjustments on equity investments and goodwill value adjustments.

Income on equity investments, related to the results for the period of companies consolidated using the equity method, amounted to a positive EUR 0.7 million, an improvement with respect to the previous quarter mainly due to the result of AltermAInd and Hype.

Net, therefore, of income taxes on current operations, presenting a positive balance of around EUR 1.7 million, and the portion attributable to minorities, amounting to EUR 473 thousand, the consolidated net profit attributable to the parent company as at 31 December 2025 presented a negative balance of EUR 148.8 thousand - down with respect to the loss recorded in the previous period as well as with respect to the negative balance of EUR 69.4 million recorded in the fourth quarter of 2024.

## Contribution of operating segments to the Group's results

Following the changes that occurred during the year, the illimity Group operates through an organizational structure divided into an Operating Segment named 'Business', supported by the 'Corporate Center' Central Functions (hereinafter also referred to as 'HQ Functions').

The Business operating segment is composed of the following divisions/products:

- Corporate Banking;
- Turnaround & Credit Opportunities;
- Investment Banking;
- ABF-Investments;
- Digital Banking;
- B-ilty;
- Non-Core business;

to which are added the following legal entities:

- Fürstenberg SGR, focused on the management of reserved alternative investment funds;
- AREC neprix, engaged in the management and enhancement of distressed loans and real estate assets;
- Abilio S.p.A., which operates in the management and sale of assets from insolvency proceedings through online auctions and a nationwide network of professionals.

The 'Central Functions' instead comprise cross-functional structures that support the business and manage risks. The results of the Bank's equity investments in Hype and AltermAInd, consolidated using the equity method, are also allocated to the HQ Functions.

The segment reporting is based on elements that management uses to make its operating decisions ("*management approach*"), in line with the reporting requirements of IFRS 8.

During 2025, a change was made to the operating segment reporting following a reorganization that also impacted the way operating results are periodically reviewed by the Bank's Chief Operating Decision Maker.

Indeed, it should be noted that on 19 January 2025, the Bank announced the approval of a new internal organizational structure, appointing a Deputy CEO responsible for all business areas of the Bank and the illimity Group, and a Deputy CEO to oversee and coordinate the Group's central functions.

Consequently, the illimity Group's segment disclosure has been redefined by identifying the operating areas described above.

The following table reports the key data summarizing the evolution of the illimity Group's business segments in 2025. The data for the previous financial year have been restated in accordance with the segments and criteria applied in 2025, in order to allow for a comparison on a like-for-like basis.

| Economic performance                                                                                    | Business       | HQ Functions   | Eliminations and effects from consolidation | 31/12/2025     |
|---------------------------------------------------------------------------------------------------------|----------------|----------------|---------------------------------------------|----------------|
| Net interest margin                                                                                     | 109.6          | -              | -                                           | 109.6          |
| Net fees and commissions                                                                                | 64.2           | -              | -                                           | 64.2           |
| Other income                                                                                            | 25.9           | 2.5            | (0.6)                                       | 27.8           |
| <b>Total net operating income</b>                                                                       | <b>199.6</b>   | <b>2.5</b>     | <b>(0.6)</b>                                | <b>201.5</b>   |
| Personnel expenses                                                                                      | (51.3)         | (22.0)         | 0.1                                         | (73.2)         |
| Other administrative expenses and net value adjustments on property and equipment and intangible assets | (64.2)         | (60.9)         | 0.6                                         | (124.5)        |
| <b>Operating expenses</b>                                                                               | <b>(115.5)</b> | <b>(82.9)</b>  | <b>0.7</b>                                  | <b>(197.7)</b> |
| <b>Operating profit (loss)</b>                                                                          | <b>84.1</b>    | <b>(80.4)</b>  | <b>0.1</b>                                  | <b>3.8</b>     |
| Total net value adjustments and other provisions                                                        | (214.6)        | (0.3)          | -                                           | (214.9)        |
| Contributions and other non-recurring expenses                                                          | (11.9)         | (71.2)         | -                                           | (83.1)         |
| Other income (expenses) on equity investments                                                           | (0.1)          | (2.2)          | -                                           | (2.3)          |
| <b>Profit (Loss) from operations before taxes</b>                                                       | <b>(142.5)</b> | <b>(154.1)</b> | <b>0.1</b>                                  | <b>(296.6)</b> |

Amounts in millions of euros. Any discrepancy between the figures shown is due exclusively to rounding.

The following are the main comparative economic data for the 2024 financial year, restated as illustrated above.

| Economic performance                                        | Business       | HQ Functions  | Eliminations and Consolidation Adjustments | 31/12/2024     |
|-------------------------------------------------------------|----------------|---------------|--------------------------------------------|----------------|
| Net interest income                                         | 157.1          | -             | 0.1                                        | 157.2          |
| Net fee and commission income                               | 83.4           | -             | -                                          | 83.4           |
| Other income                                                | 40.2           | 55.1          | (0.8)                                      | 94.6           |
| <b>Operating income</b>                                     | <b>280.7</b>   | <b>55.1</b>   | <b>(0.7)</b>                               | <b>335.1</b>   |
| Staff costs                                                 | (53.9)         | (25.7)        | (0.1)                                      | (79.7)         |
| Other operating expenses and D&A                            | (70.0)         | (50.9)        | 0.9                                        | (120.0)        |
| <b>Operating costs</b>                                      | <b>(123.9)</b> | <b>(76.6)</b> | <b>0.8</b>                                 | <b>(199.7)</b> |
| <b>Operating profit</b>                                     | <b>156.7</b>   | <b>(21.5)</b> | <b>0.1</b>                                 | <b>135.3</b>   |
| Total net value adjustments/recoveries and other provisions | (134.5)        | -             | -                                          | (134.5)        |
| Contributions and other non-recurring expenses              | (38.9)         | (27.7)        | -                                          | (66.6)         |
| Other income (expenses) on investments                      | 0.1            | 0.7           | -                                          | 0.8            |
| <b>Profit (loss) before tax</b>                             | <b>(16.6)</b>  | <b>(48.5)</b> | <b>0.1</b>                                 | <b>(65.0)</b>  |

Amounts in millions of euros. Any discrepancy between the figures shown is due exclusively to rounding.

| Financial data                                                 | Business      | HQ Functions | Eliminations and Consolidation Adjustments | 31/12/2025     |
|----------------------------------------------------------------|---------------|--------------|--------------------------------------------|----------------|
| Financial assets measured at fair value through profit or loss | 513.9         | -            | -                                          | 513.9          |
| Financial assets at FV through other comprehensive income      | 538.8         | 5.4          | -                                          | 544.2          |
| Financial assets measured at amortised cost                    | 5,001.5       | 118          | -                                          | 5,119.5        |
| Hedging derivatives                                            | 37.5          | -            | -                                          | 37.5           |
| Equity investments                                             | 0.1           | 31.9         | -                                          | 32.1           |
| Property and equipment                                         | 34.5          | 17           | (0.6)                                      | 50.9           |
| Intangible assets                                              | 34.6          | 10           | -                                          | 44.6           |
| Non-current assets held for sale and discontinued operations   | 65.5          | 81.3         | -                                          | 146.8          |
| Other assets                                                   | -             | 566.7        | -                                          | 566.7          |
| <b>Total assets</b>                                            | <b>6226.4</b> | <b>830.3</b> | <b>(0.6)</b>                               | <b>7,056.2</b> |

Amounts in millions of euros. Any discrepancy between the figures shown is due exclusively to rounding.

| Financial data                                                 | Business       | HQ Functions   | Eliminations and Consolidation Adjustments | 31/12/2024     |
|----------------------------------------------------------------|----------------|----------------|--------------------------------------------|----------------|
| Financial assets measured at fair value through profit or loss | 563.2          | -              | -                                          | 563.2          |
| Financial assets at FV through other comprehensive income      | 742.6          | 5.4            | -                                          | 748.0          |
| Financial assets measured at amortised cost                    | 5,669.0        | 292.2          | -                                          | 5,961.2        |
| Hedging derivatives                                            | 29.4           | -              | -                                          | 29.4           |
| Equity investments                                             | 0.2            | 140.0          | -                                          | 140.2          |
| Property and Equipment                                         | 71.7           | 18.8           | (1.1)                                      | 89.4           |
| Intangible assets                                              | 53.5           | 10.8           | -                                          | 64.3           |
| Non-current assets held for sale and discontinued operations   | 3.0            | -              | -                                          | 3.0            |
| Other assets                                                   | -              | 803.9          | -                                          | 803.9          |
| <b>Total assets</b>                                            | <b>7,132.6</b> | <b>1,271.1</b> | <b>(1.1)</b>                               | <b>8,402.5</b> |

Amounts in millions of euros. Any discrepancy between the figures shown is due exclusively to rounding.

The **Business** sector closed the year 2025 with a pre-tax loss of EUR 142.5 million (loss of EUR 16.6 million as at 31 December 2024). The “HQ Functions” segment closed the 2025 financial year with a pre-tax loss of EUR 154.1 million (pre-tax loss of EUR 48.5 million as at 31 December 2024).

The main highlights relating to the divisions and products included in the Business sector are shown below. Further details on the result achieved by HQ Functions are given below.

The **Corporate Banking** Division is divided into two main areas, each of which responds to specific market and customer needs:

- Structured Finance, dedicated to the financing of high-potential enterprises with a sub-optimal financial structure or a low or absent credit rating. This also includes financing solutions dedicated to acquisition activities (so-called acquisition finance);
- Factoring, which supports the supply chain of operators in Italian industrial sectors and districts through the purchase of commercial receivables on a non-recourse and recourse purchasing, with the aid of a dedicated digital channel.

In 2025, the Division confirmed the good origination capacity, which saw, with the Structured Finance Area, the production of new loans in the amount of EUR 298 million and, with the Factoring Area, the generation of a turnover of EUR 2,929 million (through the relationship with about 286 assignors and more than 1,507 assigned debtors) and investments in the amount of EUR 614 million.

The Corporate Banking Division recorded a pre-tax profit of EUR 11.5 million in 2025 (EUR 36 million in 2024).

The **Turnaround & Credit Opportunities** Division identifies business opportunities for companies in financial distress or facing situations of discontinuity, assessing the credit rating and defining strategies for restructuring, revitalisation or growth. Specifically, the Division carries out transactions through various instruments (such as the purchase of loans) on Non-Performing positions, Special Situations, and Turnarounds, with the aim of implementing their rehabilitation and return to performing status. This is achieved through the identification of optimal financial solutions, which may include the disbursement of new loans or the takeover of existing ones. Additionally, the Division manages relations with shareholders, companies, creditors and other investors, thereby creating profit plans and continuously monitoring customers' risk.

In 2025, the Division disbursed a total of EUR 151 million and recorded the early closure of various positions (equal to approximately EUR 128 million) with consequent positive results in terms of revenue.

The Division closed 2025 with a pre-tax profit of EUR 34.6 million (EUR 43 million in 2024).

The **Investment Banking** Division targets companies, financial companies and public institutions in order to support them in structuring market and private operations, to meet their needs for capital, debt and strategic growth, not only through IPOs, but also through *bond* issues and structuring securitisations. The Division's offering also includes derivatives trading on its own behalf and for third parties, in addition to consulting for transactions such as mergers, spin-offs, incorporations, acquisitions and corporate restructuring.

The Division consists of the following areas:

- Capital Markets, whose activities are aimed at developing strategic growth plans for small- and medium-sized enterprises, including through accessing the capital markets, defining organic and inorganic growth solutions, and optimising the financial structure.  
During 2025, 2 advisory transactions were completed including the first OPAS (public tender and exchange offer) on the Euronext Growth Milan market, as well as 4 related IPOs of the companies TradeLab, Metriks.ai, Dedem and Markbass for total funding of EUR 23.2 million.
- Investment & Hedging Solutions manages the Division's investment portfolio, consisting of corporate bonds and alternative debt (Collateralised Loans Obligations). It also structures risk management and hedging solutions for corporate and institutional clients through the negotiation of derivative instruments to mitigate and limit risks related to their operations and balance sheet structure.  
During 2025, the Area negotiated a total of 70 new interest rate risk hedging derivatives (with a nominal value of approximately EUR 320 million) and initiated operations in foreign exchange risk hedging derivatives with 3 new customers (on a negotiated notional of around EUR 30 million). The structure also operated by purchasing Collateralised Loans Obligations for a total amount of EUR 172 million.
- Securitisations & Funding Solutions, responsible for structuring funding solutions for the Bank and corporate and financial customers through tailor-made, highly specialised financial expertise, aimed at achieving diversification of funding sources, improving companies' financial positions, and optimising customers' capital.  
During 2025, the Area generated new production of approximately EUR 79 million.

The Investment Banking Division closed 2025 with a pre-tax result of a negative EUR 2.7 million (compared to a profit of EUR 15 million in 2024).

The **ABF Investments** Division operates in the area of asset-backed loans with the objective of returning value to the asset and maximising its production capacity. The Division is particularly focused on the investment/financing opportunities in so-called single name loans with underlying real estate, as well as

senior financing opportunities aimed at single name third-party investors or the subscription of notes issued by SPVs that acquire asset-based NPEs. During the first part of the year, a commercial refocusing of the Division on low-risk transactions was planned. In this context, new loans were generated for a countervalue amounting to EUR 43 million.

The **ABF Investments Directorate** closed 2025 with a pre-tax profit of EUR 10.3 million (EUR 22.9 million in 2024).

The **b-ilty** business offers *digital banking* and *digital lending* products and services to Business customers, specifically small and medium-sized enterprises (SMEs) with revenues between €2 million and €10 million, aimed at improving their financial management. This business line closed 2025 with an operating profit of EUR 5 million, thanks mainly to the revenue from interest generated by the portfolios acquired through the AIF and SPV, which, however, were eroded by the division's cost of borrowing, which resulted in adjustments to the Income Statement for approximately EUR 45.3 million.

The b-ilty business therefore closed the year with a pre-tax loss of EUR 40.3 million, which was essentially break-even (loss of EUR 0.7 million) in 2024.

The business of the **Specialised Credit** division closed 2025 with a pre-tax result with a loss of EUR 158.1 million, compared to a loss of EUR 129.6 million in 2024.

In particular, the value adjustments of some credit portfolios, some securitisation notes as well as the changes in FV of AIFs units recorded as a result of asset transformation transactions that took place in recent years weighed on the result for 2025.

The 2024 result, which was also strongly negative, had been partly impacted by the valuation effects recorded on the same perimeter of loans (also after the recommendations made by the Bank of Italy following the inspection intervention to which the Bank was submitted in the previous year), as well as by non-recurring charges – such as, for example, the write-downs of goodwill relating to the acquisition of Banca Interprovinciale and those relating to Business Energy.

The **Digital Banking** Division brings together the inter-divisional remuneration of the various forms of funding. Furthermore, the costs arising from the operations of the illimitybank.com channel, as well as the costs pertaining to personnel dedicated to the Division's specific operations, are allocated to that Division. The Division ended 2025 with a pre-tax loss of EUR 2.6 million, compared to a pre-tax profit of EUR 2.7 million for 2024.

The **Abilio** group posted a pre-tax loss of EUR 6.2 million, a deterioration compared to 2024, when it amounted to EUR 21.4 million. It should be noted that the result for the year 2024 was particularly affected by the full write-down carried out on Abilio's goodwill, in the amount of EUR 14.6 million.

The subsidiary **ARECneprix** closed the period with a pre-tax profit of EUR 8.3 million, down from the figure recorded as at 31 December 2024 (EUR 13.8 million). The decrease was mainly attributable to the drop in fees and commission accrued on the extra-captive business.

The subsidiary **Fürstenberg SGR** contributed to consolidated results as at 31 December 2025 with a pre-tax profit of EUR 2.8 million (EUR 1.8 million in 2024). It is believed that the growing operations of Fürstenberg SGR will gradually bring greater benefits to the Group, especially in terms of improving the commission margin, partly by virtue of the recent rebranding and refocus of the company.

The **HQ Functions** of the Corporate Center reported an operating loss of EUR 80.4 million in 2025, consistent with its nature as a cost centre for all other functions of the Group.

The pre-tax profit of the HQ Functions amounted to a loss of EUR 154.1 million in 2025 (loss of EUR 48.5 million in 2024).

The result for 2025 includes in particular the costs related to the Public Tender and Exchange Offer, extraordinary costs and provisions to provisions for risks related to the integration process with the parent company Banca IFIS, as well as non-recurring items such as adjustments from impairment related to the equity investment in AltermaInd.



## Management of business risks

As extensively discussed in the Consolidated Explanatory Notes - Part E, illimity and its subsidiaries have adopted the Risk Management Process (RMP), used as a reference model in the organisational and process-related development and systematic performance of all operational and business activities carried out - which may be standard, or non-systematic or contingent. In line with the mission assigned, strategies and objectives pursued, these operations and activities entail undertaking and continually managing risks, in order to contribute to a sustainable value creation process, while also ensuring regulatory compliance and, among others, a coordinated use of human resources, technologies and methodologies. In fact, at a general level, the aforementioned process is implemented through an organisation model that requires the coordinated use of human resources, technologies and methodologies based on a set of internal rules that define the structure of management controls, the policies (rules, authorities, objectives and limits in governing risks of various operating and business segments), and the processes in which the activities are carried out, including the control activities.

The Board of Directors plays a fundamental role in risk management and control. It sets the strategic guidelines, targets and risk limits, approves and reviews the risk management policies and assesses the level of efficiency and adequacy of the Internal Control System. In collaboration with the Chief Executive Officer, it is also responsible for the implementation of strategic guidelines, the Risk Appetite Framework ("RAF") and risk governance policies.

The Board of Statutory Auditors monitors the adequacy and concrete functioning of the company's organisational structure and internal control system. It supports the BoD in defining the guidelines for the internal control and risk management system, in line with the Bank's strategies and in assessing, at least annually, the adequacy of that system with respect to the characteristics of the Bank and the risk profile assumed, as well as the efficacy of the system.

The Chief Risk Officer oversees the so-called "second level" control activities as a Risk Management Function, ensuring, through the support of the technical functions concerned, constant control of the risks assumed by the Group, governing the process of identification, analysis, modelling, assessment, measuring, controlling and reporting.

The Chief Compliance & AFC Officer, as a function of second-level control, oversees regulatory compliance, with a view to preventing, managing and mitigating the risk of incurring legal or administrative penalties, major financial losses or damage to reputation resulting from violations of mandatory regulations or self-regulation, as well as preventing money laundering and terrorist financing risk and the risk of breach of financial sanctions. The Chief Compliance & AFC Officer is also responsible for overseeing Group's issues relating to the processing of personal data and is identified as the Data Protection Officer, in accordance with the applicable regulations in force.

The Internal Audit Department oversees the so-called "third level" control activities as the Internal Audit Function. More specifically, it controls the proper performance of operations and the evolution of risks and assesses the completeness, adequacy, functionality and reliability of the organisational structure and the internal control system, bringing possible improvements to the attention of the corporate bodies, with particular reference to the RAF, the risk management process and the tools for measuring and controlling such.

To ensure that the Risk Management Process functions efficiently and effectively, and can fully cover all existing or potential risks, also in accordance with regulatory requirements the following was implemented:

- a system of the objectives and limits of risk, RAF, which has an organic and structured approach with implications on the governance and operating processes integrated by the risks producing widespread effects on all the business functions. The RAF is detailed at an operating level by Company, business division and area of activity and envisages escalation processes, metrics and limits of a quantitative nature as well as qualitative guidelines, all of which set out on an annual basis within the Risk Appetite Statement (RAS). The formalisation of the risk management process is fundamental for ensuring sound and prudent business management;
- the internal capital adequacy assessment process (ICAAP) and the internal liquidity adequacy assessment process (ILAAP), which have the objective of providing an internal assessment of the assets with respect to risk exposure that characterise their operations and the operational and



structural liquidity profile, under ordinary and stressed conditions, also on a forward-looking basis, on achievement of the objectives of the Strategic Plan and the Budget;

- an ex-ante assessment process for Major Transactions with a preventive opinion on their sustainability at a credit and earnings level and their consistency with the RAF.

In conjunction with these processes to manage and control risk under normal operating conditions, the Group has implemented a process connected with drawing up the Recovery Plan, which governs the management of crisis situations, and strategies and options for intervention designed to restore ordinary operations, as well as the Contingency Funding Plan procedure (emergency plan to manage liquidity in crisis situations).

In accordance with the prudential supervisory provisions, the way in which information is provided to the public about its capital adequacy, risk exposure and the general characteristics of the systems it uses to identify, measure, manage and control these risks has been defined ( Pillar 3 of Basel II - "Pillar 3"), separate disclosure in addition to that already present in the financial statements. This information is published in accordance with the rules dictated by the Bank of Italy on the Company's website: [www.illimity.com](http://www.illimity.com) ("Investor Relations"). It should be noted that as of July 4, 2025, given the successful acquisition, illimity and its subsidiaries belong to the Banca Ifis Group and are subject to its management and coordination activities. Therefore, the Shareholders' Meeting of 25 September 2025 resolved to adopt the traditional management and control system, already adopted in Banca Ifis and in the Ifis Group, suitable for ensuring management efficiency and control effectiveness, and for delivering good results in terms of value creation for Shareholders, capital strengthening and financial balance. The management and control system is traditional and assigns strategic management to the Management Board and supervisory and control functions to the Board of Statutory Auditors, both appointed by the Shareholders' Meeting. The governance system has also been implemented with the adoption of highly integrated internal rules (Regulations, Policies and Procedures), also with that of the Parent Company Banca Ifis S.p.A., which characterise the activities of all the organisational components of the Bank and which are constantly subject to verification and updating in order to respond effectively to the evolution of the regulatory context and the circumstances of the Company and the Group to which it belongs.

## Main risks and uncertainties

illimity and its subsidiaries have defined, codified and continually adopted an operational risk mapping process based on qualitative and quantitative metrics and rules shared within the organisation, which identifies the individual types of risk that illimity and its subsidiaries are or might be exposed to, and also assess these risks according to specific drivers which may represent the materiality of the risk itself.

The result of the identification process is contained in the "Risk Radar" map, the objective of which is to represent, in relative terms, the risks inherent in illimity and its subsidiaries' operations, and to structure them according to the business lines that generate these risks, as a functional requirement to determine the overall risk exposure.

The process of identifying material risks is carried out by the CRO, together with the Chief Financial Officer and with the support of other organisational units of the Parent Company and subsidiaries.

The results of this process represent the assessment and input measures used to develop processes related to the ICAAP (assessment of capital adequacy) and ILAAP (assessment of liquidity adequacy), i.e. the Strategic Plan, Budget and RAF, and are therefore validated by top management, and subject to approval by the Board of Directors of the Parent Company.

Part E of the Consolidated Financial Statements of illimity (to which reference is made) and its subsidiaries contains overall information about the risk governance system and specific information about material risks, indicated below, and the related management, control and hedging policies adopted by the Group:

- credit risk (which also includes concentration risk);
- market risk (interest rate risk and price risk - regulatory trading book);
- interest rate risk (interest rate risk and price risk of banking book);
- liquidity risk;
- operational risk;
- IT risk;
- ESG risk (for further information, please refer to the information published in the Consolidated

Non-Financial Statement of the illimity Group (pursuant to Italian Legislative Decree 254/2016), or in the next section).

The other risks considered relevant as a result of the risk mapping process described above are also subsequently reported and defined.

illimity and its subsidiaries also have a system of quantitative limits with reference to assets at risk in relation to related parties and others. In accordance with the relevant supervisory provisions, indication of the level of risk appetite required by the provisions to be determined and formalised by banks and banking entities was planned, defined in terms of the maximum limit of the lines of credit granted to connected parties deemed acceptable in relation to the total lines of credit granted by illimity Bank.

Further limits are envisaged with reference to the exposures granted to subjects in conflict of interest pursuant to Article 2391 of the Italian Civil Code, bankruptcy proceedings, as well as stricter limits than the regulations for the individual borrower or connected group.

## Transactions with related parties

Related party transactions, as identified according to IAS 24, are included within the normal operations of the Bank and are settled at market conditions or on the basis of the costs incurred, if there are no suitable criteria.

In 2025 a material related party transaction was carried out involving an agreement to manage operations with said counterparty related to the liquidity deposited by the latter in current and deposit accounts with illimity Bank S.p.A. (about which adequate disclosure was provided to the market, which should be referred to for further details). There were no further material or minor related party transactions in 2025 which significantly affected the Group's capital or its financial performance.

It should be noted that transactions or positions with related parties, as classified in the above mentioned IAS 24, have a limited impact on the Group's economic and financial situation and cash flows.

According to IAS 24, related parties are parties:

- a) that directly or indirectly, through one or more intermediaries,
  - (i) control the entity, are controlled by it, or are under joint control (including controlling entities, subsidiaries and associates);
  - (ii) hold an ownership interest in the entity to an extent that they may have considerable influence on the latter; or
  - (iii) jointly control the entity;
- b) represent an associate of the entity;
- c) represent a joint venture in which the entity participates;
- d) are one of the key management personnel of the entity or its parent company;
- e) are a close family member of one of the parties in points (a) or (d);
- f) are an entity controlled by, controlled jointly or subject to significant influence by one of the subjects in points (d) or (e), or those parties having directly or indirectly, a significant portion of voting rights; or
- g) are a pension fund for employees of the entity or of any related entity.

The Board of Directors of the Bank has approved the "Policy for transactions with entities within the single scope of the illimity Bank Group", which defines the internal policies (and relative controls) regarding transactions with related parties and connected entities.

In this regard, it should be noted that, at its meeting of 25 September 2025, the Board of Directors incorporated the guidelines and principles of the "Group Policy on transactions with related parties, connected entities and corporate representatives pursuant to art. 136 of the Consolidated Law on Finance" of the IFIS Group. Therefore, transactions with related parties and connected entities also comply with this last Policy.

For more detail about the operations with related parties and for an examination of the impact of these operations on the financial situation, refer to Part H of the Explanatory Notes.

## Atypical or non-ordinary transactions

In 2025 the Bank did not carry out any such transactions as defined in the Consob Communication no. 6064293 of 28 July 2006.

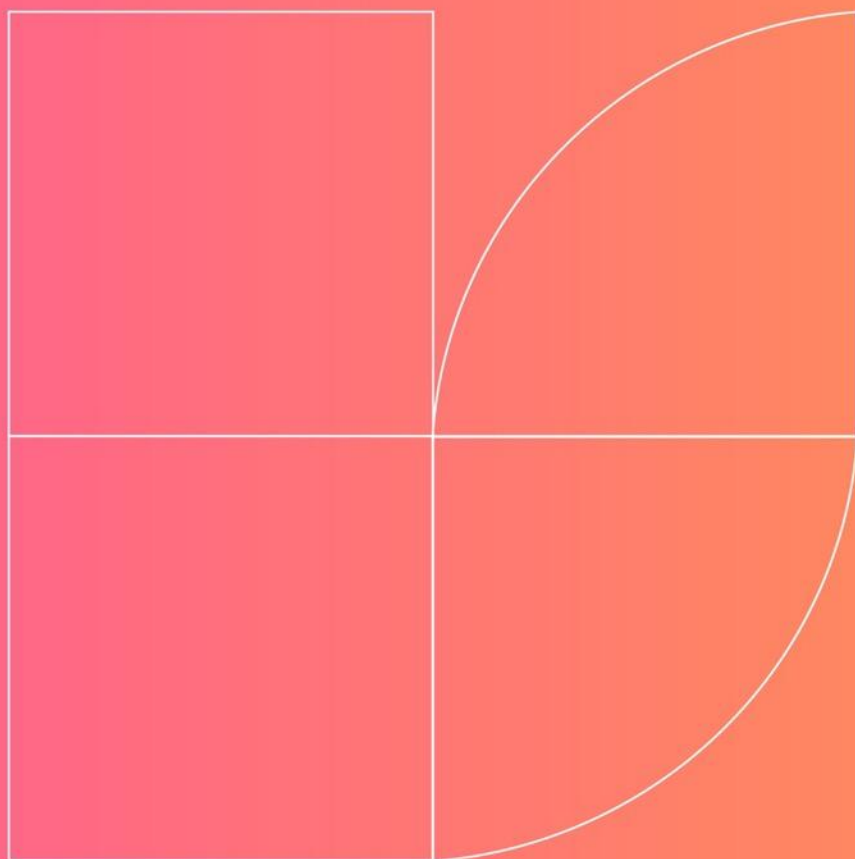
## Research and Development

Illimity's Research and Development activities led to the realisation of various projects of significance to the Group, also with the support of AltermAlnd as the main provider of IT services.

In particular, during 2025, the Bank focused on optimising certain infrastructure components to achieve greater operational efficiency, as well as on identifying the main synergic items to be factored in, in view of the proposed merger in the parent company Banca IFIS scheduled for 2026.

# Consolidated Sustainability Statement

as of 31 December 2025



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# 1. General information

[ESRS 2]

## 1.1 Basis for sustainability reporting

### 1.1.1 General basis for preparation [BP-1]

[BP-1 DP 5a]

illimity Bank S.p.A. (hereinafter referred to as “illimity” or “Bank”), Company with single shareholder Banca Ifis S.p.A., belonging to the Banca Ifis S.p.A. Group, entered in the Register of Banking Groups and subject to the management and coordination of Banca Ifis S.p.A. (hereinafter referred to as “Parent Company” or “Banca Ifis”) has prepared this **Sustainability Statement**, in line with the financial year, with a reporting period from 1 January 2025 to 31 December 2025, which on a consolidated basis includes illimity, its Subsidiaries and associates and joint ventures (hereinafter referred to as “Subsidiaries” if consolidated on a line-by-line basis, alternatively “Associates and JVs” if not consolidated on a line-by-line basis or the “illimity Group” or the “Perimeter Companies” as a whole).

[BP-1 DP 5bi]

The **scope of the Sustainability Statement** of illimity corresponds to the scope of consolidation defined in the paragraph “Part A – Accounting Policies Section 3 - Consolidation scope and methods” of the Explanatory Notes to the Consolidated Financial Statements of the illimity Group. The Sustainability Statement is prepared in accordance with Article 4 “Consolidated sustainability reporting” of Italian Legislative Decree 125/2024 implementing Directive 2022/2464/EU of the European Parliament and of the Council of 14 December 2022, amending Regulation 537/2014/EU, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU as regards corporate sustainability reporting (Corporate Sustainability Reporting Directive - CSRD), in accordance with the reporting standards adopted by the European Commission with Regulation (EU) 2023/2772 (European Sustainability Reporting Standards - ESRS). With this sustainability statement, illimity also meets the disclosure requirements under Article 8 of the Taxonomy Regulation (EU) 2020/852 and its delegated acts.

[BP-1 DP 5bii]

None of the companies included in the accounting scope of consolidation of the illimity Group, including Subsidiaries, Associates and JVs, are subject to the obligations of preparing their own sustainability statements on an individual or consolidated basis.

[BP-1 DP 5c]

illimity's Sustainability Statement covers the **value chain both upstream** (e.g. selection and management of suppliers and partners on the basis of clear and transparent criteria, including sustainability) **and downstream** (e.g. strengthening business relations with customers and partners), in terms of consideration of impacts, risks and opportunities (IRO). Policies, actions and targets cover the entire value chain, and the disclosures on metrics in the Sustainability Statement contain data on it.

[BP-1 DP 5d]

illimity has not applied the option to omit specific information relating to intellectual property, know-how or innovation results for the reporting period.

The Sustainability Statement of the illimity Group as of 31 December 2025, submitted for approval by the Board of Directors on 9 March 2026, is subject to limited assurance by PricewaterhouseCoopers (PWC) S.p.A., pursuant to Articles 8 and 18 of Legislative Decree 125/2024. The findings of that limited assurance are set out in the report of the independent auditors.



## 1.1.2 Specific circumstances [BP-2]

[BP-2 DP 9a]

### Time horizons

For the purposes of the Sustainability Statement, illimity did not deviate from the **medium- or long-term time horizons** defined by ESRS 1, section 6.4 "Definition of short-, medium- and long-term for reporting purposes".

[BP-2 DP 9b]

Since there is no justification for different definitions, in drafting the Sustainability Statement illimity has adopted the following time intervals, starting from the end of the reporting period:

- a) **short-term time horizon**: the period adopted by illimity as the reporting period for its financial statements, i.e. one year;
- b) **medium-term time horizon**: over one year and up to five years;
- c) **long-term time horizon**: over five years.

[BP-2 DP 10a-b]

### Estimation and uncertainty

The Sustainability Statement includes a number of **quantitative disclosures based on the illimity Group's value chain that are subject to measurement uncertainty**, as the measurement principles contain elements of estimation or are based on industry averages and other proxies used to make estimates. In particular, reporting on the issue of **Climate Change [E1]** contains quantitative information on greenhouse gas (GHG) emissions and energy consumption of the value chain, which are calculated using estimation based on industry average data and other proxies. The **metrics** differentiated by type of underlying data used by illimity to prepare estimation for its value chain based on indirect sources, as well as the basis for the preparation used by illimity to determine the various metrics, relating to:

- **counterparties (companies)**: the **"downstream value chain GHG emissions"** metric was determined from the collection of Scope 1 and Scope 2 greenhouse gas (GHG) emissions data relating to the counterparty being assessed, timely obtained from national and international Infoproviders, as well as on the basis of the application of national Eurostat statistical averages. Therefore, these data are processed on the basis of proxies and estimation that consider the sector to which the counterparty belongs in order to determine the GHG metric, in particular, for the calculation of Scope 3 GHG emissions for category 15 (Investments), so-called financed emissions. The metric was estimated for the majority of counterparties under evaluation, applying the PCAF (Partnership for Carbon Accounting Financials) data quality logic<sup>1</sup>.
- **suppliers**: the **"upstream value chain GHG emissions"** metric was calculated using the Spend-Based methodology, applied to the product categories of Other Administrative Expenses (ASA) of the illimity Group reported in Item 190 - Section 12 (Other administrative expenses: composition) – Part C of the Explanatory Notes to the Consolidated Financial Statements.
- **collateralised properties and third-party residential properties in use by illimity**: the **"Energy consumption"** metric was determined from the collection of energy efficiency data, relating to collateralised properties or residential and third-party properties in use by illimity or properties for office use in the case of Abilio S.p.A., from national Infoproviders. If the energy performance certificate is not available, these data are processed by the Infoprovider on the basis of proxies that take into account the size and geographical location of the collateralised or third-party properties in use by illimity in order to determine the "Energy consumption" metric and, consequently, the energy consumption of these properties, only in cases where the product detail of the energy suppliers is unavailable. This metric was estimated for the majority of the collateralised properties and for all third-party residential properties in use by illimity.
- **employees**: the **"upstream value chain GHG emissions"** metric was developed by using the Scope 3 GHG emission estimates and calculation bases Cat. 7 "Employee commuting to and from

<sup>1</sup> PCAF (2022). The Global GHG Accounting and Reporting Standard Part A: Financed Emissions. Second Edition.

work” described in detail in the section “**Gross Scopes 1, 2, 3 and total GHG emissions [E1-6]**”, to which the reader is referred for further information.

[BP-2 DP 10c]

With reference to counterparties (i.e. corporate customer and/or invested companies) and suppliers, the level of accuracy resulting from the application of the “**Upstream value chain GHG emissions**” and “**Downstream value chain GHG emissions**” metrics is high, since estimation is prepared by taking into account, in any case, data at the level of the individual counterparty and/or activity being assessed. With regard to collateralised properties and third-party residential properties in use by illimity and the properties for office use in the case of Abilio S.p.A., the level of accuracy resulting from the application of the “**Energy consumption**” metric is medium, as the third-party Infoprovder queried provides the energy efficiency data available from energy performance certificates (EPC) filed at public registers and, if not available, the data are estimated for each individual property under valuation, based on scientific parameters (i.e. climate zone, year of construction, type, size).

[BP-2 DP 10d]

Therefore, illimity considers the **level of accuracy** resulting from the application of the metrics described above to be **satisfactory and comprehensive**.

[BP-2 DP 11a]

illimity has not identified other quantitative metrics or monetary amounts subject to a high level of measurement uncertainty, net of those mentioned above.

[BP-2 DP 13a]

Following the completion of the Public Tender and Exchange Offer by Banca Ifis, which acquired 100% of the share capital of illimity Bank S.p.A., becoming its sole shareholder, the presentation of some sustainability information has been modified with the aim of refining the methodologies and aligning with the representation adopted by the Parent Company Banca Ifis.

[BP-2 DP 10a-b]

The 2025 Consolidated Sustainability Statement contains changes to the information illimity disclosed in the previous reporting period. This case concerned the failure to use available information when the publication of the management report including the sustainability report was authorised. Specifically, the updated data on the report of an episode of discrimination in 2024 was provided in the section “**Own workforce [S1]**” (S1-17 DP 103a).

## 1.2 Governance

Today, illimity adopts a traditional management and control system, in line with the governance model used by the Parent Company Banca Ifis, which it has been controlled by since 4 July 2025. Banca Ifis became the sole shareholder of illimity on 19 September 2025.

In the traditional model adopted:

- **strategic supervision** is entrusted to the **Board of Directors**, owner of strategic and organisational guidelines and the verification of the adequacy of the control system;
- the **management function** is entrusted to the **Chief Executive Officer**, as a management body;
- the **control function** is exercised by the **Board of Statutory Auditors**, which is responsible for the supervisory tasks provided for by the regulations and the overall coordination of the internal control system;
- the **legal audit** is attributed to **external independent auditors** appointed by the Shareholders' Meeting.

The governance system of illimity Bank and its Subsidiaries is completed by a body of internal regulations, policies and procedures, supplemented by the implementation of instructions and directives received from the Parent Company Banca Ifis. This body of internal legislation is constantly updated to sector legislation – in particular the Supervisory Provisions of the Bank of Italy on corporate governance, remuneration and internal controls. The constant aim is to ensure a clear allocation of responsibility and a balanced relationship between management and control functions, supporting solid and value-oriented management.

### 1.2.1 Role of the Corporate Bodies [GOV-1]

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

| Composition of the administrative, management and supervisory bodies | UoM | 2025 <sup>2</sup> | 2024 |
|----------------------------------------------------------------------|-----|-------------------|------|
| Number of executive members <sup>3</sup>                             | No. | 1                 | 1    |
| Number of non-executive members                                      | No. | 14                | 12   |

| Composition of the Board of Directors                                    | UoM | 2025 | 2024 |
|--------------------------------------------------------------------------|-----|------|------|
| Gender diversity ratio of the Board of Directors <sup>4</sup>            | %   | 50   | 46   |
| Percentage of independent members of the Board of Directors <sup>5</sup> | %   | 50   | 85   |

The composition of the Board of Directors of the Bank takes into account various factors, including age and gender balance of its members, reflecting the core values underlying the operations of the illimity Group. Specifically, with reference to the collective composition of the managing body as of the reference date of 31 December 2025:

- appropriate gender diversity has been recorded, with a 50% female Board member percentage and an average ratio of 1 male to female members;
- 33% of BoD members are under 50 years of age, 58% between 50 and 60 and 8% over 60.

<sup>2</sup> The figures provided - 15 members - corresponds to 12 members of the Board of Directors and 3 members of the Board of Statutory Auditors.

<sup>3</sup> Please note that due to its nature, the Board of Statutory Auditors performs neither executive nor management functions. It performs only control activities.

<sup>4</sup> The ratio is calculated by dividing the number of female members of the Board of Directors by the total number of its members.

<sup>5</sup> The percentage represents the independent members of the Board who do not hold executive positions. This ratio is calculated by dividing the number of independent members of the management bodies (6) by the total number of members (12).

| Board of Directors      |                            |                                        |            |                                       |
|-------------------------|----------------------------|----------------------------------------|------------|---------------------------------------|
| Position                | Members                    | Date of first appointment <sup>6</sup> | In office  |                                       |
|                         |                            |                                        | from       | to                                    |
| Chair                   | Ernesto Fürstenberg Fassio | 25/09/2025                             | 25/09/2025 | Approval of 2027 Financial Statements |
| Chief Executive Officer | Frederik Herman Geertman   | 25/09/2025                             | 25/09/2025 | Approval of 2027 Financial Statements |
| Deputy Chair            | Rosalba Benedetto          | 25/09/2025                             | 25/09/2025 | Approval of 2027 Financial Statements |
| Deputy Chair            | Luca Lo Giudice            | 25/09/2025                             | 25/09/2025 | Approval of 2027 Financial Statements |
| Independent Director    | Clelia Leonello            | 25/09/2025                             | 25/09/2025 | Approval of 2027 Financial Statements |
| Independent Director    | Simona Heidempergher       | 25/09/2025                             | 25/09/2025 | Approval of 2027 Financial Statements |
| Independent Director    | Cesare Stefano Ranieri     | 25/09/2025                             | 25/09/2025 | Approval of 2027 Financial Statements |
| Independent Director    | Monica Regazzi             | 25/09/2025                             | 25/09/2025 | Approval of 2027 Financial Statements |
| Director                | Francesca Di Dedda         | 25/09/2025                             | 25/09/2025 | Approval of 2027 Financial Statements |
| Director                | Giulia Ghione              | 25/09/2025                             | 25/09/2025 | Approval of 2027 Financial Statements |
| Independent Director    | Giovanni Meruzzi           | 25/09/2025                             | 25/09/2025 | Approval of 2027 Financial Statements |
| Independent Director    | Raffaele Fiorella          | 25/09/2025                             | 25/09/2025 | Approval of 2027 Financial Statements |

It should be noted that the above-mentioned composition of the Board of Directors refers to the situation as of 31 December 2025. Subsequently and on the date of approval of this document, following the resolutions of the Shareholders' Meeting of the Bank of 4 February 2026 and of the Board of Directors of 9 February 2026, the Board is composed of 13 members, of which 6 of the female gender and 7 of the male gender. In this configuration, the newly appointed Mr Raffaele Zingone has assumed the position of Chief Executive Officer, while Mr Geertman holds the position of Non-Executive Director (Director); all the additional members shown in the table above remain in office in their respective positions. It follows that the data contained in this report refer to a composition of the management body and a person who is assigned the responsibility of the management body (Chief Executive Officer) partially different from those in place at the date of publication of this document, as they occurred after the end of the 2025 financial year.

<sup>6</sup> This means the date on which the director was appointed for the first time (ever) to the BoD.

| Board of Statutory Auditors |                       |                                        |            |                                       |
|-----------------------------|-----------------------|----------------------------------------|------------|---------------------------------------|
| Position                    | Members               | Date of first appointment <sup>7</sup> | In office  |                                       |
|                             |                       |                                        | from       | to                                    |
| Chair                       | Andrea Balelli        | 25/09/2025                             | 25/09/2025 | Approval of Financial Statements 2027 |
| Standing Auditor            | Franco Olivetti       | 25/09/2025                             | 25/09/2025 | Approval of Financial Statements 2027 |
| Standing Auditor            | Annunziata Melaccio   | 25/09/2025                             | 25/09/2025 | Approval of Financial Statements 2027 |
| Alternate Auditor           | Marinella Monterumisi | 25/09/2025                             | 25/09/2025 | Approval of Financial Statements 2027 |
| Alternate Auditor           | Ferruccio di Lenardo  | 25/09/2025                             | 25/09/2025 | Approval of Financial Statements 2027 |

[GOV-1 DP 21b]

There is no representation of employees or other workers within the administrative, management and supervisory bodies. The sector regulations, applicable to banks, provide that, when applying, the officer provides information on their professionalism and competence in order to be submitted to the “Fit&Proper” process prior to taking the office. In order to be considered qualified, the officer must have exercised specific activities (i.e. administration, control, management tasks, university teaching as a first or second level lecturer) in the credit, financial, security or insurance sector or in sectors/matters in any case functional and/or pertaining to these areas for at least three years.

[GOV-1 DP 21c]

Directors must be qualified to perform their duties and possess the integrity, professionalism and independence requirements provided for by the regulations in force at the time and by the Bylaws (Article 2, Bylaws approved on 25 September 2025). They are required to comply with the criteria of competence, fairness, dedication of time and the limits on the accumulation of offices established by applicable legislation, including supervisory and regulatory legislation, as well as those possibly defined in advance by the Company. The BoD of illimity, therefore, as a whole, has significant experience in the banking business and financial activities and products. This Board provides for a wide representation of high-standing profiles with significant and complementary skills and experience. Italy is the country where illimity operates and all BoD members have experience in that region.

[GOV-1 DP 22a]

### **Roles and responsibilities of administrative, management and supervisory bodies**

Below is the identification of the administrative, management and supervisory bodies, as pertains to their involvement in the corporate sustainability reporting process and responsible for monitoring material sustainability impacts, risks and opportunities (IROs) for illimity and its Subsidiaries.

<sup>7</sup> This means the date on which the Chair/Statutory Auditor was first appointed (ever) to the Board of Statutory Auditors.

### Administration body

The **BoD** of illimity, vested with the utmost decision-making powers on sustainability matters, approves the Sustainability Statement of illimity - at the time of approval of the Financial Statements - taking into account the specific compliance certification report issued by the Chief Executive Officer and the Financial Reporting Officer. The BoD approves the double materiality assessment by the end of the year of reference and is informed periodically, at least once a year, of the outcome of the risk assessment and internal controls regarding the sustainability reporting process in the relevant functions and internal processes.

### Supervisory body

The **Board of Statutory Auditors**, in the performance of the functions assigned to it by the law and internal regulations, monitors compliance with the provisions of the Decree and reports on it in its annual report to the Shareholders' Meeting. Therefore, it is periodically informed about the sustainability reporting process of the Bank, in order to supervise and control it.

### Management body

The **Chief Executive Officer** reviews the information provided in the Consolidated Sustainability Statement and certifies its compliance, including the results of the double materiality assessment.

### Other governance bodies (also of the Parent Company) involved in the sustainability reporting

The **Sustainability Committee**, a collective body of the Parent Company Banca Ifis, oversees the overall sustainability reporting process and is responsible for monitoring the impacts, risks and opportunities of sustainability matters. Having been informed on the identification of the reporting scope, it expresses its opinion on the results of the value chain mapping and double materiality assessment, including the validation of the possible identification of entity-specific material sustainability matters for the Bank. Finally, it reviews the information provided in the Sustainability Statement of illimity.

The **Risk Officer** of the Bank is responsible for monitoring the risks and opportunities of sustainability matters, expressing its non-obstructive assessment on the findings of the financial materiality of sustainability matters. In general, it assesses the methodological and risk management aspects applied to the sustainability reporting process. It also reviews, to the extent of its competence, the information provided in the Consolidated Sustainability Statement, in particular, on financial materiality, material risks arising from actions to address sustainability matters and their management, and estimation using sector averages and proxies.

[GOV-1 DP 22b]

With the aim of creating sustainable value for all stakeholders, illimity integrates ESG considerations into its banking processes, involving the various company functions and promoting an ongoing commitment to environmental, social and governance issues. The integration of sustainability into the Bank's activities allows it to support companies and customers in their sustainable transition, strengthen stakeholder confidence, enhance corporate reputation, prevent practices not consistent with the Group's principles and contribute to more effective management of ESG risks. In this context, illimity aims to foster responsible economic development by giving priority, in its credit decisions, to realities that adopt ethical behaviour, production processes with a lower environmental impact, inclusive working conditions that respect human rights, as well as high corporate governance standards. The sustainability guidelines are defined in the ESG policies adopted by the Bank and implemented by the other companies of the illimity Group, consistent with the company values and the Code of Ethics of the Parent Company Banca Ifis. The responsibilities of the corporate bodies on sustainability are defined within the corporate mission and the relevant internal policies, which are periodically updated to reflect the regulatory evolution and the specificities of the corporate situation. In this context, illimity assigns the governance bodies and operating structures an active role in promoting a culture geared to corporate social responsibility and long-term sustainable development. The various corporate structures are responsible for gradually integrating ESG considerations into operational and decision-

making processes, while the Board of Directors receives regular updates on the Bank's sustainable objectives, initiatives and results.

[GOV-1 DP 22c]

In particular, the body competent in the area, the Sustainability Committee of the Parent Company, expressed a positive opinion on the results of the double materiality analysis preparatory to the Sustainability Statement for the financial year 2025, subsequently submitted and approved by the Board of Directors of illimity on 11 December 2025.

[GOV-1 DP 22c i]

As part of the sustainability reporting process, illimity provides for a structured involvement of the corporate bodies: the Board of Directors approves the Sustainability Statement on the proposal of the competent functions. The governance of the process is regulated in the internal reporting procedure (approved by the Council) that defines the roles, responsibilities and information flows of the company functions involved.

[GOV-1 DP 22c ii]

The Sustainability function (placed within IR & Sustainability as part of the Financial Administration & ALM structure) is responsible for the strategic and operational management and coordination of ESG matters and for the Sustainability Statement, in coordination with the functions that hold the information, ensures the collection, the management and the monitoring of data relevant to reporting, as well as the submission of the results of the activities conducted to the Board of Directors. The internal reporting procedure governs information flows and interactions between the operational functions and those responsible for preparing the Sustainability Statement, which consolidate and verify the information provided by the various company departments.

[GOV-1 DP 22c iii]

With regard to the above-mentioned functions, illimity applies controls and procedures dedicated to impact, risk and opportunity management. These procedures include the double materiality process for the identification and assessment of IROs related to sustainability matters. In particular, illimity has integrated ESG risk management into its internal procedures, and IRO-related controls are part of the broader system of internal controls, at illimity Group level, based on three levels: (i) controls of the operational or business functions, (ii) second-level control of the Risk and Compliance & AFC functions, and (iii) Internal Audit controls, to ensure effectiveness and operational transparency.

[GOV-1 DP 22d]

In **defining IRO-related targets**, the Board of Directors establishes the strategic guidelines and ESG targets taking into account the double materiality analyses, the business model and the corporate strategy. These are then translated into operational targets by management, which is responsible for monitoring their implementation, ensuring that they are aligned with illimity's mission and sustainability commitments. This process is supervised by second-level control functions, such as Risk and Compliance & AFC.

[GOV-1 DP 23]

The sector regulations applicable to banks require the Board of Directors to every year adopt a training plan aimed at integrating any areas and topics to be explored. Plans are drawn up taking into account the results of the self-assessment on the functioning of the Body. In particular, training courses aimed at illimity company representatives include a theoretical part, supported by external structures such as leading training institutes, and a practical part, managed by internal structures. There is also consolidated expertise on sustainability matters in both the Administration Body and the Control Body. To ensure the continuous updating and in-depth study of these skills, further training sessions will be organised. With reference to the Board appointed on 25 September 2025, it should be noted that the training sessions will be evaluated in 2026. A training programme on ESG issues is also defined annually for illimity Group employees.



[GOV-1 DP 23a]

As mentioned above, the current Board of Directors was appointed by the Shareholders' Meeting of 25 September 2025, following the acquisition of control of the Bank by Banca Ifis. In verifying whether the statutory and regulatory requirements are met, each officer has declared their expertise, so that the Board as a whole has assessed the qualitative and quantitative composition of the body. In particular, the Board noted that all areas of expertise provided for by applicable legislation (financial markets, regulation in the banking and financial sector, strategic policies and programming, organisational and corporate governance structures, risk management (identification, evaluation, monitoring, control and mitigation of the main types of risk of a bank, including the responsibilities of the officer in these processes), internal control systems and other operational mechanisms, banking and financial activities and products, accounting and financial information and IT technology) are adequately supervised by its members, who also have additional expertise useful to exercise the mandate, including ESG expertise (including climate risk, European taxonomy, etc.) held by two-thirds of the Directors in office.

[GOV-1 DP 23b]

These skills play a major role with regard to the process of identifying and managing IROs that are material to the Group. Specifically, the administrative, management and supervisory bodies are directly involved in and constantly informed on the process of analysing material IROs, as well as in the subsequent identification of corporate strategies, policies and actions concretely aimed at addressing such impacts, risks and opportunities. Therefore, the skills are functional for the Corporate Bodies to oversee, to the extent of their respective competences, environmental or social impacts and ESG risks, in particular those related to climate change.

## 1.2.2 Role of the Corporate Bodies in Corporate Governance [G1-GOV-1]

[G1.GOV-1 DP 5a]

Corporate bodies and employees are required to comply with and abide by the provisions of the Code. The BoD promotes a culture marked by corporate social responsibility and ethical and sustainable development in the long term, supervising social, philanthropic, welfare and cultural initiatives, based on the guidelines dictated by the Chair's office and the Parent Company. The Supervisory Body reports to the Board of Directors on the monitoring activities on the application of the Code of Ethics and any problems that emerge.

[G1.GOV-1 DP 5b]

In addition to specific technical expertise in the field of sustainability, illimity's governance bodies benefit from the consolidated experiences of its members in the responsible management of companies, which are fundamental to the effective performance of their functions. The members of the management and control bodies are in fact subject to a rigorous process of verifying the requirements provided for by the sector regulations. The Board of Directors has appointed a member (coinciding with the Chief Executive Officer) as the person responsible for illimity's AML, it being understood that the responsibility for money laundering and terrorist financing prevention remains collective.



### 1.2.3 Information provided to and sustainability matters addressed by Corporate Bodies [GOV-2]

[GOV-2 DP 26a]

illimity ensures that the administrative, management and supervisory bodies, together with the relevant committees, are regularly informed about any material impacts, risks and opportunities. Following stakeholder engagement activities, the Sustainability structure prepares a summary of the results of the double materiality analysis for approval by the Bank's Board of Directors. The Board of Directors expresses its opinion on the overall double materiality assessment, following the opinion of the Sustainability Committee of the Parent Company, having obtained the non-obstructive assessment of the Bank's Risk Officer. The results of the analysis are reviewed and approved at least once a year. illimity keeps the Board and the Sustainability Committee up-to-date on the effectiveness of the policies adopted, the actions taken, the metrics analysed and the targets set, as well as on the meeting of due diligence obligations. This approach enables effective management and supervision of ESG issues at the Bank level.

[GOV-2 DP 26b]

The Board of Directors of illimity establishes the strategic ESG targets, the Sustainability Plan, the Climate Strategy and the related credit and investment policies, as well as the framework relating to the Bank's ESG risk appetite. Board decisions and actions comply with those strategies, policies and frameworks, which shall be reviewed regularly for any updates or changes, including on the basis of the results of the double materiality analysis.

Also through the support of the Sustainability Committee of illimity Bank (now no longer present as it was replaced by that of the Parent Company), in 2025, the Board ensured the integration of ESG factors into business decisions, assessing the necessary balancing between economic performance and material impacts, risks and opportunities. In this way, the decisions take into account both the impact on cash flows and the implications on the Bank's resources and assets.

[GOV-2 DP 26c]

During the reporting period, the administrative, management and supervisory bodies of illimity and the relevant sustainability committees addressed the entire gamut of material impacts, risks and opportunities identified in the double materiality analysis in their meetings. These include, for example, climate (physical and transition) risks, regulatory compliance, gender equality and sustainable finance-related opportunities. In particular, climate and environmental risks, reputational risk and ESG opportunities arising from the provision of sustainable products or sustainability target-linked products were discussed at the illimity Bank Sustainability Committee and Risk Committee level during 2025 (between the first and third quarters), with ongoing assessments to ensure alignment of business operations with sustainability targets. In addition, at the Sustainability Committee and Remuneration Committee of illimity Bank level, during 2025 (between the first and third quarters), the adjusted gender equal pay gap and the ESG targets included in the incentive schemes were discussed, ensuring that the policies, actions and targets defined are consistent with the Bank's ESG strategy.

### 1.2.4 Integration of sustainability-related performance in incentive schemes [GOV-3]

[GOV-3 DP 29]

The main incentive schemes adopted by illimity, linked to sustainability matters and addressed to the management body, Senior Executive Management and beneficiary employees, are governed by the internal regulations in force at the time, as listed below. It should be noted that the annual Remuneration Policy (thus also the Policy regarding the year 2025), the MBO System 2025 and, at the time, the LTIP System were approved by the relevant Shareholders' Meetings and are therefore accessible both on illimity's website and, for employees, on the company intranet.

[GOV-3 DP 29a-d]

### Key characteristics of incentive schemes

- Annual Incentive Scheme (MBO - Management by Objectives): attribution to specific persons identified as Beneficiaries of the right to receive a variable component of remuneration (so-called "bonus"), the attribution of which is subject to the fulfilment of specific conditions of activation, envisaged by the *Variable Annual Incentive Plan Regulations - 2025 MBO*, and to the performance targets assigned to each employee. The MBO system in question aims, among other things, to incentivise and recognise the adoption of behaviour that is consistent with illimity's long-term planning;
- The Long-Term Incentive Plan (*LTIP*): assignment to specific individuals identified as Beneficiaries of ordinary shares of illimity upon achievement of specific objectives and conditions described in the *Long-Term Incentive Plan Regulations 2021-2025* with the aim of enhancing the actual contributions made by the Beneficiaries in line with the targets of the illimity Group's Strategic Plan. With regard to the Chief Executive Officer's 2025 targets defined at the beginning of the year and, therefore, for the figure in office at the time, the Goal Card provided for ESG targets with a weight of 15% on the short-term scheme (STI) and 20% on the long-term scheme (LTI).

[GOV-3 DP 29e]

Incentive schemes and their conditions were approved at the Shareholders' Meeting and subsequently implemented and monitored by the Board of Directors. It should be noted that the Board of Directors' Explanatory Report on item 5 on the agenda of the Ordinary Shareholders' Meeting of 29 April 2025 (*Report on the 2025 Remuneration Policy and Compensation Paid 2024*) is published on the corporate website<sup>8</sup>.

### Integration of climate change-related sustainability performance into incentive schemes

[E1.GOV-3 DP 13]

The integration of sustainability performance into incentive schemes is guaranteed through specific climate and environmental KPIs included both in the MBO and the LTI. The following KPIs are established for the MBO scheme:

- sustainable finance: for at least 15% of cumulative net business origination 2023-2025
- 100% completion of the actions of the 2023-2025 Climate and Environmental Risk Action Plan.

In the LTI, the "Top ESG Rating & Sustainable Finance" indicator (10% of the Goal Card) included among the targets the maintenance of carbon neutrality, the calculation and start-up of financed emission management strategies and the reactivation of renewable energy plants, as well as the achievement of sustainable finance targets as envisaged in the 2023-2025 Sustainability Plan.

## 1.2.5 Statement on due diligence [GOV-4]

[GOV-4 DP 30, 32]

illimity applies the **due diligence process** in order to identify, prevent and mitigate the actual and potential impacts on the environment and people related to its own operations and its upstream and downstream value chain, including through its products or services and its business relationships (customers, suppliers and business partners); as well as in order to identify relevant sustainability risks and opportunities as a consequence of these impacts. illimity's **due diligence process** is not a stand-alone, formalised procedure, but is fully **integrated into** the Bank's **strategic framework** and **business model** and the **internal regulations** of reference. Internal procedures such as the Credit Procedure, the Bank's ESG Investment Policy, the Fürstenberg SGR's ESG Investment Policy, and the Sustainable Supply Chain Policy set out international principles for intercepting any negative impacts and related management procedures. This integrated approach ensures that due diligence is part of the Bank's

<sup>8</sup> See <https://www.illimity.com/it/governance/assemblee-e-cda> and <https://www.illimity.com/it/governance/remunerazione>

day-to-day operations, in particular to identify and manage negative impacts. With regard to the 2025 **double materiality process**, the Bank has compiled a **list of positive and negative impacts** to focus on, and submitted it for evaluation by selected internal and external stakeholders to determine its materiality, and to prioritise actions according to the severity and likelihood of the impacts. This aspect of the process guided the assessment of material impacts and the results of the assessment were then communicated to the Board of Directors of the Bank, which approved them. For each of these negative impacts (details of which can be found in the table in the paragraph on “**Material IROs and their interaction with the strategy and business model [SBM-3]**”), the Bank developed **specific policies, actions, targets and metrics**, described in the relevant sections of this statement, to effectively monitor and manage these negative impacts over time. For the sake of completeness, below is a map of the information provided in the Sustainability Statement on the due diligence process.

| Core elements of due diligence                                                         | Reference to the ESRS reported under the Sustainability Statement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Integration of due diligence into the governance, strategy and business model</b>   | <ul style="list-style-type: none"> <li>- Role of the Corporate Bodies [GOV-1]</li> <li>- Information provided to and sustainability matters addressed by Corporate Bodies [GOV-2]</li> <li>- Integration of sustainability-related performance in incentive schemes [GOV-3]</li> <li>- Material IROs and their interaction with the strategy and business model [SBM-3]</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Stakeholder engagement</b>                                                          | <ul style="list-style-type: none"> <li>- Information provided to and sustainability matters addressed by Corporate Bodies [GOV-2]</li> <li>- Stakeholders' interests and opinions [SBM-2]</li> <li>- Processes to identify and assess material IROs [IRO-1]</li> <li>- Policies related to climate change mitigation and adaptation [E1-2]</li> <li>- Policies related to own workforce [S1-1]</li> <li>- Processes for engaging with own workers and workers' representatives about impacts [S1-2]</li> <li>- Policies related to affected communities [S3-1]</li> <li>- Processes for engaging with affected communities about impacts [S3-2]</li> <li>- Policies related to consumers and end-users [S4-1]</li> <li>- Processes for engaging with consumers and end-users about impacts [S4-2]</li> <li>- Politics on corporate culture and corporate governance [G1-1]</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Identification and assessment of negative impacts on people and the environment</b> | <ul style="list-style-type: none"> <li>- Processes to identify and assess material IROs [IRO-1]</li> <li>- Climate change [E1 IRO-1]</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Interventions to address negative impacts on people and the environment</b>         | <ul style="list-style-type: none"> <li>- Transition plan for climate change mitigation [E1-1]</li> <li>- Actions and resources in relation to climate change policies [E1-3]</li> <li>- Processes to remediate negative impacts and channels for own workers to raise concerns [S1-3]</li> <li>- Processes to remediate negative impacts and channels for consumers and end-users to raise concerns [S4-3]</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Monitoring the effectiveness of interventions</b>                                   | <ul style="list-style-type: none"> <li>- Actions and resources in relation to climate change policies [E1-3]</li> <li>- Targets related to climate change mitigation and adaptation [E1-4]</li> <li>- Energy consumption and mix [E1-5]</li> <li>- Gross Scopes 1, 2, 3 and Total GHG emissions [E1-6]</li> <li>- GHG removals and GHG mitigation projects financed through carbon credits [E1-7]</li> <li>- Internal carbon pricing [E1-8]</li> <li>- Taking action on material IROs related to own workforce [S1-4]</li> <li>- Material IROs targets related to own workforce [S1-5]</li> <li>- Characteristics of the undertaking's employees [S1-6]</li> <li>- Collective bargaining coverage and social dialogue [S1-8]</li> <li>- Diversity metrics [S1-9]</li> <li>- Adequate wages [S1-10]</li> <li>- Social protection [S1-11]</li> <li>- Persons with disabilities [S1-12]</li> <li>- Training and skills development metrics [S1-13]</li> <li>- Health and safety metrics [S1-14]</li> <li>- Work-life balance metrics [S1-15]</li> <li>- Compensation metrics (pay gap and total compensation) [S1-16]</li> <li>- Incidents, complaints and severe human rights impacts [S1-17]</li> <li>- Taking action on material IROs related to the affected communities [S3-4]</li> <li>- Material IROs targets related to the affected communities [S3-5]</li> <li>- Interventions on material IROs related to consumers and end-users [S4-4]</li> <li>- Material IROs targets related to consumers and end-users [S4-5]</li> <li>- Prevention and detection of corruption and bribery [G1-3]</li> <li>- Confirmed incidents of corruption and bribery [G1-4]</li> <li>- Suppliers' payment practices [G1-6]</li> </ul> |

## 1.2.6 Risk management and internal controls over sustainability reporting [GOV-5]

[GOV-5 DP 36a]

The **system of internal controls** for the Sustainability Statement, designed by aligning it with the characteristics of ESG reporting, was defined and implemented to ensure the integrity, completeness, reliability and accuracy of sustainability data and information subject to reporting and to comply with CSRD requirements, mirroring the existing framework for financial reporting adopted by the Bank. The framework consists of the definition of **process controls**, which include the description of the organisational model (roles, processes and controls) for the production of the Sustainability Statement and of control tests in carrying out the operational activities to obtain the evidence necessary for assessing the effectiveness of the system of internal controls. Specifically, the latter provides:

- the **identification of processes** (i.e. the Perimeter Companies included in the reporting, the analysis of the upstream and downstream value chain, the double materiality assessment, the collection of data and information and their disclosure, reconciliation of ESG information between financial and sustainability statement) that have a significant impact on the Sustainability Statement, through risk assessment and controls in terms of completeness, materiality, faithful representation, verifiability, comprehensibility and comparability;
- the **detection of first-level controls** and **control owners** for these processes. Specifically, the control owners are required to ensure the evaluation of the effectiveness of controls, reporting any actions necessary to reduce the associated risk levels.

Therefore, each control must be documented, evaluated, tested and validated, and individual managerial responsibility for carrying out the underlying activities must be defined. Therefore, risk assessments and internal controls concerning the Sustainability Statement were integrated into the relevant internal functions and processes with regular reporting to the relevant administrative, management and supervisory bodies of illimity.

[GOV-5 DP 36b]

For each of the processes listed above, a **targeted analysis** was carried out in order to **identify and assess potential risks**. In particular, this activity included:

- the analysis of key processes and related activities underlying the Sustainability Statement, with the aim of highlighting the main critical steps;
- the identification of risks to the above-mentioned key processes;
- the assessment and prioritisation of risks from an analysis in terms of probability of occurrence and potential impact;
- the monitoring of the risks identified for the purpose of periodically updating them and assessing the effectiveness of the controls and mitigation measures put in place to protect them.

[GOV-5 DP 36c]

The **main risks identified** in relation to the Sustainability Statement are those related to:

- failed consistency with the Consolidated Financial Statement of the Bank and completeness of the scope identified for the Sustainability Statement;
- failed completeness and accuracy of the double materiality analysis;
- incorrect representation of the value chain;
- failed completeness, correctness and integrity of the data.

The **mitigation of these risks** implied the implementation of **control points** that, according to the methodologies adopted and set out above, were assessed as adequate. In particular, the following were defined and assessed:

- the ways in which the control is carried out (what types of analyses and checks are carried out);
- responsibility for carrying out the control;
- the frequency of the control;
- which data, files or other documentation are used or compared to perform the activities correctly;

- what evidence is produced as a result of the check run (check evidence);
- the actions taken to correct any error found.

[GOV-5 DP 36d]

The **findings of the risk assessment and internal controls** regarding the sustainability reporting process outlined above are integrated into the internal processes regarding the assessment, management and monitoring of the ESG risks conducted by the Risk Officer of the Bank on illimity's activities. These include, among others, both the integration of relevant climate and environmental risks into the internal capital adequacy assessment and the internal liquidity adequacy assessment processes (ICAAP, ILAAP) and the Risk Self Assessment (RSA) of operational risks. Accordingly, the outcome of these internal assessments (ICAAP, ILAAP and RSA) is considered for the assessment of financial materiality, with reliance on these to determine the judgemental rationales related to each risk. As part of the Bank's overall system of internal controls, and also in compliance with the internal procedure, approved by the BoD and in force at the time, relating to the Sustainability Statementing process, the internal structures in charge perform the **specific first-level controls to mitigate the risks related to sustainability reporting** mentioned above, while the control functions perform the related second- and third-level controls. In addition, pursuant to Legislative Decree 125/2024, the Financial Reporting Officer and the CEO of the Bank issue the **certification of compliance of the sustainability reporting** with the standards in force, based on the compliance checks performed by the Financial Reporting Officer.

[GOV-5 DP 36e]

The results of the above-mentioned exercises are submitted annually to the Board of Directors of illimity. In addition, the ICAAP and ILAAP assessments are submitted to the Supervisory Authority by 30 April each year. Finally, the Board of Statutory Auditors of the Bank is informed periodically during the execution of the sustainability reporting process on which it performs its supervisory and control tasks, as described above. The Board of Directors is informed at least annually on the risk assessment and internal controls with regard to this process.

## 1.3 Strategy

### 1.3.1 Strategy, business model and value chain [SBM-1]

#### Products and services

[SBM-1 DP 40a i, ii]

illimity mainly targets the Italian market and provides credit to high-potential undertakings and finance companies in their growth plans through innovative financing and products, including the so-called UTP (Unlikely-To-Pay) segment.

At the level of the Bank and its Subsidiaries, it offers both banking and asset management services, loans and real estate assets, supporting companies in structuring market and private transactions to meet capital, debt and strategic growth needs. These services for corporate customers (corporate), are combined by digital banking services for consumers (retail), which include payment and savings services. The illimity Group operates, in fact, through a structure that, in the reporting period, is arranged into operating segments, as described in the section “Contribution of operating segments to the Group’s results” of this Consolidated Directors’ Report. The aforementioned services offered and the sectors of operation account for a considerable portion of the business, representing over 10% of the company’s revenues and being linked to the company’s relevant actual and/or potential negative impacts.

[SBM-1 DP 40 f]

Furthermore, the illimity Group aims to integrate sustainability into its products and services, promoting a sustainable or ESG targets-linked financing model of corporate customers, in line with the Green, Social & Sustainability-Linked Loan Framework adopted by illimity Bank. This tool guides the disbursement of loans that favour projects with positive environmental and social impacts and ESG commitments, facilitating transparency and alignment with international best practices.

[SBM-1 DP 40a iii]

#### Employees by geographical area

As far as the distribution of human resources is concerned, the total number of employees by Italian region is shown below.

| Geographical area      | Number of employees (head count) |            |
|------------------------|----------------------------------|------------|
|                        | 2025                             | 2024       |
| Lombardy               | 466                              | 545        |
| Emilia-Romagna         | 171                              | 189        |
| Lazio                  | 24                               | 25         |
| Other Italian regions  | 11                               | 20         |
| <b>Total employees</b> | <b>672</b>                       | <b>779</b> |

#### Targets of the Sustainability Plan

[SBM-1 DP 40 g]

Starting from 2021, the illimity Group is committed to specific ESG targets, first integrated in the 2021-2025 Strategic Plan and then further set out and developed in the 2023-2025 Sustainability Plan, approved by the Board of Directors in February 2023. Important and ambitious targets complementing the core business have been achieved. They are aligned and meet the demands expressed by the various stakeholders as well as regulatory expectations on sustainable finance and supervision, particularly on the subject of integration and management of climate and environmental risks.



illimity has indeed always integrated sustainability as a strategic pillar, addressing challenges such as energy transition and support for struggling undertakings. Critical solutions have included monitoring GHG emissions and increasing sustainable financing and investments.

[SBM-1 DP 40 e]

Below are the ESG targets of the Sustainability Plan, concluded on 31 December 2025, all understood as having been achieved.

| Environmental | Area                                          | Target                                                                                                                                                           | Relationships with stakeholders                    | Significant groups of products and services | Customer category        |
|---------------|-----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|---------------------------------------------|--------------------------|
|               | <b>Carbon footprint</b>                       | Maintaining the Group's carbon neutrality (Scope 1 and Scope 2 emissions)                                                                                        | Own workforce                                      | All products and services                   | N/A                      |
|               |                                               | Measuring and addressing "financed emissions" (Scope 3)                                                                                                          | Customers (end-users)                              | Financings and Investments                  | Undertakings             |
|               | <b>Energy desk</b>                            | Re-commissioning of renewable energy plants through the Energy Desk                                                                                              | Customers (end-users)                              | Financings and Investments                  | Undertakings             |
|               | <b>ESG in RAF and credit assessment</b>       | Integration of ESG factors in credit assessment and Risk Appetite Framework                                                                                      | Customers (end-users), Suppliers and Own workforce | Financings and Investments                  | Undertakings             |
|               | <b>Energy consumed 100% renewable sources</b> | Reaching 100% of electricity consumed from renewable sources (GO) for the Group's main locations                                                                 | Own workforce                                      | All products and services                   | N/A                      |
|               | <b>FSC Paper</b>                              | Keeping the use of FSC paper at 100% throughout the Group                                                                                                        | Own workforce                                      | All products and services                   | N/A                      |
|               | <b>Environmental policy</b>                   | Development of environmental policy at Group level                                                                                                               | Customers (end-users), Suppliers and Own workforce | Financings and Investments                  | Undertakings             |
|               | <b>Environmental KPIs in Real Estate</b>      | Considering environmental and climate impacts when assessing and managing Real Estate assets                                                                     | Customers (end-users)                              | Financings and Investments                  | Undertakings             |
|               | <b>Green loans and sustainable finance</b>    | Developing the sustainable finance product range and framework (green/sustainability-linked)                                                                     | Customers (end-users)                              | Financings and Investments                  | Undertakings             |
|               |                                               | Developing ESG support/advisory services to SMEs (also in collaboration with third-party partners)                                                               | Customers (end-users)                              | Financings and Investments                  | Undertakings             |
|               |                                               | 15% of 2023-2025 cumulative origination volumes (disbursed/invested) for sustainable finance (Sustainability-linked/Social/Green Loans/Investments) <sup>9</sup> | Customers (end-users)                              | Financings and Investments                  | Undertakings             |
|               | <b>ESG Asset Management</b>                   | Launching (SGR) Fund with ESG characteristics                                                                                                                    | Customers (end-users)                              | Investments                                 | Undertakings             |
|               | <b>Climate disclosure</b>                     | Reporting in line with TCFD recommendations                                                                                                                      | All stakeholders                                   | All products and services                   | All customers categories |

<sup>9</sup> With regard to the sustainable finance target, it was achieved over the three-year period with a value of 13.4%, reaching largely the percentage level of impact initially expected, in consideration of the changed reference context for the business origination compared to the one in which the target was initially defined (i.e. changes in the geopolitical and macro-economic context related to inflation, interest rates, EU policy on the Green Deal and related regulations; changes in the micro-economic and specific context - such as the maturity of SMEs on ESG issues and, above all, as the main motivation, the lower total volumes of origination of the Bank; added to this was the process of integrating illimity into the Banca Ifis Group). Despite the above external and internal factors, all possible corrective actions were implemented to achieve the target with best effort by the end of 2025, favouring sustainability-linked transactions also in a pool with other banks and giving the maximum commercial effort (i.e. concessions to companies on the margin ratchet) applicable in line with the Bank's other strategic targets and financial results.



|            | Area                                                 | Target                                                                                                                                                                               | Relationships with stakeholders | Significant groups of products and services | Customer category        |
|------------|------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|---------------------------------------------|--------------------------|
| Social     | <b>Gender Equity</b>                                 | Gender equity: doubling the number of people of the female gender in management roles                                                                                                | Own workforce                   | N/A                                         | N/A                      |
|            | <b>Talent Pool Balance &amp; Gender Pay Gap</b>      | Maintaining the gender balance in the formalised talent pool and an equal pay gap with a maximum deviation of 5%                                                                     | Own workforce                   | N/A                                         | N/A                      |
|            | <b>Employee Engagement</b>                           | Maintaining the Group's employee engagement index above 70%;                                                                                                                         | Own workforce                   | N/A                                         | N/A                      |
|            | <b>Social impact</b>                                 | Real estate impact projects through the Foundation                                                                                                                                   | Affected Communities            | N/A                                         | N/A                      |
|            | <b>Gender equality certification</b>                 | Maintain the UNI_PdR 125-2022 Gender Equality Certification                                                                                                                          | Own workforce                   | N/A                                         | N/A                      |
|            | <b>Anti-Harassment Policy</b>                        | Development of a company policy to combat harassment, sexually inappropriate behaviour and bullying                                                                                  | Own workforce                   | N/A                                         | N/A                      |
|            | <b>Training</b>                                      | Maintain an average of 42 training hours/employee                                                                                                                                    | Own workforce                   | N/A                                         | N/A                      |
|            |                                                      | Ensure 3 hours of ESG training per employee                                                                                                                                          | Own workforce                   | N/A                                         | N/A                      |
|            | <b>Mobility awareness-raising</b>                    | Awareness-raising initiatives on sustainable mobility (home-work) for employees                                                                                                      | Own workforce                   | N/A                                         | N/A                      |
| Governance | <b>Supply chain</b>                                  | >50% of total expenditure on goods and services as of 2025 assessed with ESG criteria                                                                                                | Suppliers                       | All products and services                   | N/A                      |
|            | <b>ESG ratings</b>                                   | Improving the Bank's ESG ratings                                                                                                                                                     | All stakeholders                | All products and services                   | N/A                      |
|            | <b>Remuneration</b>                                  | Integration of ESG targets into incentive plans                                                                                                                                      | All stakeholders                | N/A                                         | N/A                      |
|            | <b>10% of employees as ESG Ambassadors</b>           | Identification of specific ESG contacts in the main structures (10% of illimiters)                                                                                                   | Own workforce                   | N/A                                         | N/A                      |
|            | <b>Accession to PRB</b>                              | Bank membership in PRB and related reporting                                                                                                                                         | All stakeholders                | All products and services                   | All customers categories |
|            | <b>Anti-corruption and compliance certifications</b> | Obtainment of Anti-corruption certification (ISO 37001)                                                                                                                              | All stakeholders                | All products and services                   | All customers categories |
|            |                                                      | Obtainment of Compliance certification (ISO 37301) <sup>10</sup>                                                                                                                     | All stakeholders                | All products and services                   | All customers categories |
|            | <b>ESG Investment policy &amp; limits</b>            | Development of an ESG Investment Policy (own financing) and 100% of Treasury and Investment Banking investments that consider ESG factors at the selection stage (ESG due diligence) | Customers (end-users)           | Investments                                 | Undertakings             |

<sup>10</sup> The achievement of ISO 37301 certification was limited to preparatory activities, as with a view to future integration into the parent company Banca Ifis certification by an accredited third party was not transferable.

## Business model and value chain

[SBM-1 DP 42]

In addition to the above, for more details on the business model and value chain of the illimity Group, please refer to Part E - "Information on Risks and related hedging policies" (Credit risk management policies) and Part L - "Segment Disclosure" of the Explanatory Notes to the Consolidated Financial Statements.

## Products and benefits for customers and investors

[SBM-1 DP 42b]

Offering a range of products including structured financings, turnaround services and sustainable loans, designed to generate value for customers and investors, the main achievements in terms of current and expected benefits include:

- for customers: simplified access to credit, digital solutions for financial management and loans for the ecological and digital transition;
- for investors: responsible and transparent management, with a focus on integrating ESG factors into operations, which helps mitigate risks and improve resilience in the medium to long term.

## Data Protection

[SBM-1 DP 42a]

The illimity Group collects data through integrated digital platforms of financial services, from payment to credit services, for which it uses advanced models for credit analysis and risk assessment. Data protection is guaranteed by strict and GDPR-compliant IT security policies, with regular checks to mitigate security and privacy risks. The illimity Group collects data directly via online platforms, while it collects data on corporate customers and relevant suppliers indirectly, through leading national and international suppliers. Afterwards, it processes this information using advanced data management tools, in compliance with existing confidentiality agreements and applicable national and EU legislation on information protection and retention.

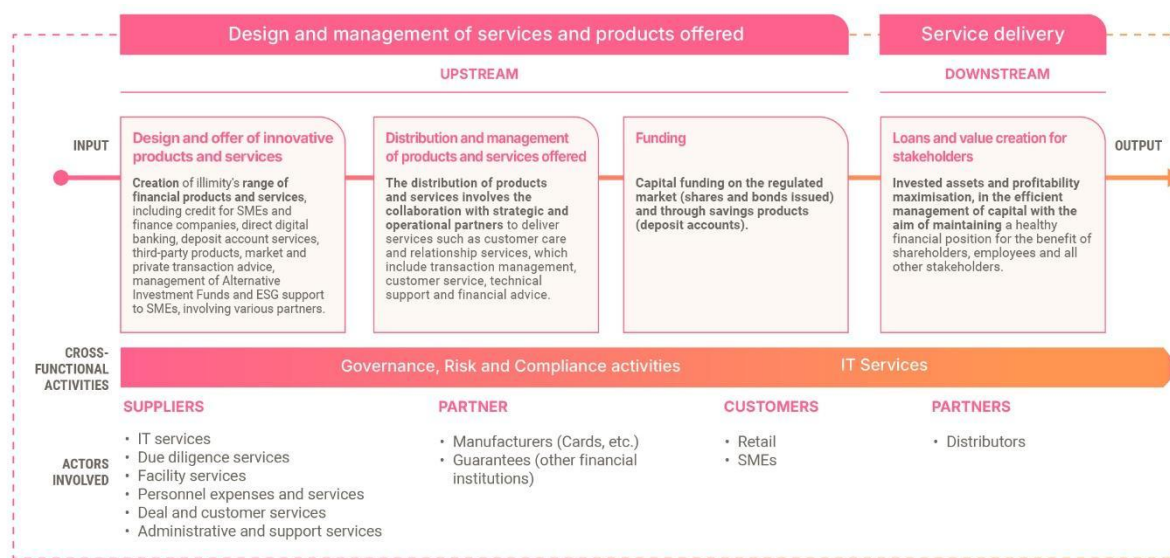
## Key players in the value chain

[SBM-1 DP 42c]

The illimity Group is positioned as a central player in the financial value chain, working with suppliers, partners and customers:

- **Suppliers:** illimity has chosen to group its suppliers into the following service clusters of the upstream supply chain:
  - administrative and support,
  - facility,
  - staff,
  - due diligence,
  - for deals and customers,
  - IT (almost entirely related to the contract for the full outsourcing of the information system entered into between the Bank and altermAInd S.r.l. - 48% owned by illimity)
- **Partnerships:** the main products and services in partnerships and the related business relationships relevant to the upstream and downstream value chain, in the reporting period are:
  - additional guarantees on loans to illimity's corporate customers by other institutions (i.e. SACE, Mediocredito Centrale, European Investment Fund);
  - debit and credit cards Nexi and American Express distributed to illimity customers;
  - deposit account (illimitybank.com);
- **Customers:** upstream, mainly consumers, with regard to retail funding; while downstream, crucial to the core business are Italian SMEs, which benefit from customised credit services and products,

such as factoring, structured finance, including sustainability target-related finance, and consultancy and investment services for strategic operations; in addition to these there are the consumers (retail) to whom payment services and deposit account products are offered.



### 1.3.2 Stakeholders' interests and opinions [SBM-2]

[SBM-2 DP 45a]

illimity involves all the **categories of stakeholders** in different ways and with different frequency depending on the type of activity or the target to be pursued. Specifically, stakeholders are involved periodically, through **dedicated dialogue channels**, as far as ordinary activities are concerned, while for the purposes of the 2025 materiality analysis, some specific categories of stakeholders (Employees and Suppliers) carry out the **impact materiality assessment**. Financial materiality assessments are performed by the Bank's internal structures, each within its own sphere of competence, directly involving managers and staff in identifying and evaluating risks and opportunities. The illimity Board of Directors, the Sustainability Committee of the Parent Company, the Risk Officer and the Board of Statutory Auditors of the Bank are involved by expressing, for the matters within their respective purviews, their assessments on the overall **double materiality analysis** of the IROs related to sustainability matters.

[SBM-2 DP 45ai]

In detail, illimity's main stakeholders categories are:

- BoD of the Bank;
- SME Customers;
- Retail Customers;
- Shareholders, investors and analysts;
- Suppliers and partners;
- Community, industry associations and academia;
- Employees;
- Other silent stakeholders (i.e. expectations of regulators, rating agencies, NGO positions).

[SBM-2 DP 45aii-iii, 45av]

For each category of the main stakeholders, the methods of **constant and continuous involvement**, in line with due diligence procedures, are organised through specific **dialogue channels** provided for by internal regulations and described below:

| Stakeholders category                                    | Dialogue channels and due diligence procedures                                                                                                                                                                                                                                                                                                                                                        |
|----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Board of Directors of illimity</b>                    | <ul style="list-style-type: none"> <li>• Periodic information flows</li> <li>• On-demand sessions of induction on specific topics</li> </ul>                                                                                                                                                                                                                                                          |
| <b>Employees and collaborators</b>                       | <ul style="list-style-type: none"> <li>• With all the illimiters: engagement surveys, internal newsletters, company intranet, periodic meetings, internal events and initiatives, corporate welfare initiatives, performance management interviews</li> <li>• With the ESG Ambassadors: online impact materiality assessment questionnaire and financial materiality assessment interviews</li> </ul> |
| <b>Retail (consumer) and SME (corporate) customers</b>   | <ul style="list-style-type: none"> <li>• Website, events and commercial communications</li> <li>• Engagement surveys (needs and satisfaction survey)</li> <li>• ESG profile assessment campaigns of corporate customers via online portal</li> </ul>                                                                                                                                                  |
| <b>Suppliers and partners</b>                            | <ul style="list-style-type: none"> <li>• Vendor Management Portal for the annual qualification and evaluation campaign of the ESG profile of suppliers materiality questionnaire</li> <li>• Website, events and administrative communications</li> <li>• Online questionnaire to evaluate the materiality of the impact on suppliers</li> </ul>                                                       |
| <b>Shareholders, investors and analysts</b>              | <ul style="list-style-type: none"> <li>• Website, events and press releases</li> <li>• Periodical calls, roadshows, meetings, press conferences</li> </ul>                                                                                                                                                                                                                                            |
| <b>Community (industry associations, academia, etc.)</b> | <ul style="list-style-type: none"> <li>• Association events and academic conferences</li> <li>• Active participation in the work groups of the sector's associations</li> <li>• Surveys towards non-customer communities of individuals and undertakings (survey of their needs on ESG issues)</li> </ul>                                                                                             |

[SBM-2 DP 45a.iv]

The involvement of stakeholders categories aims to understand their **interests, expectations and information needs**, as well as to **assess and prioritise the IROs** covered by the Sustainability Statement by involving Employees and Suppliers.

[SBM-2 DP 45b]

The continuous and constant dialogue with these stakeholders is essential in order to understand their opinions and interests related to illimity's strategy and business model and is, therefore, potentially able to influence the Bank's operations.

[SBM-2 DP 45c.i]

As part of the progressive integration of the illimity Group into the Banca Ifis Group, which will be completed with the merger by incorporation scheduled for the second part of the year 2026, the target is to make the most of the Group's assets, generate synergies and build a modern, open and inclusive corporate culture. The strategic review of the activities of illimity and its Subsidiaries has already been launched and the integration between two highly complementary organisations represents a further opportunity to strengthen its competitive positioning, generate a high remuneration for shareholders and value for all stakeholders, contributing even more decisively to the support of Italy's real economy through a credit of increasingly greater quality.

[SBM-2 DP 45d]

The **administrative, management and supervisory bodies** are informed about the **opinions and interests of the stakeholders** and the impact they may have on sustainability matters at regular meetings of the Board of Directors of the Bank and the Sustainability Committee of the Parent Company.

### 1.3.3 Material IROs and their interaction with the strategy and business model [SBM-3]

[SBM-3 DP 48a]

Below are the **topics** (issues or topics) and their **sub-topics** (sub-themes) identified by illimity as **material** following the application of the **materiality assessment process**.

Specifically, for each material sub-topic, illimity identifies the material **impacts** (including those on people and the environment), **risks** and **opportunities**, as described in the tables below.

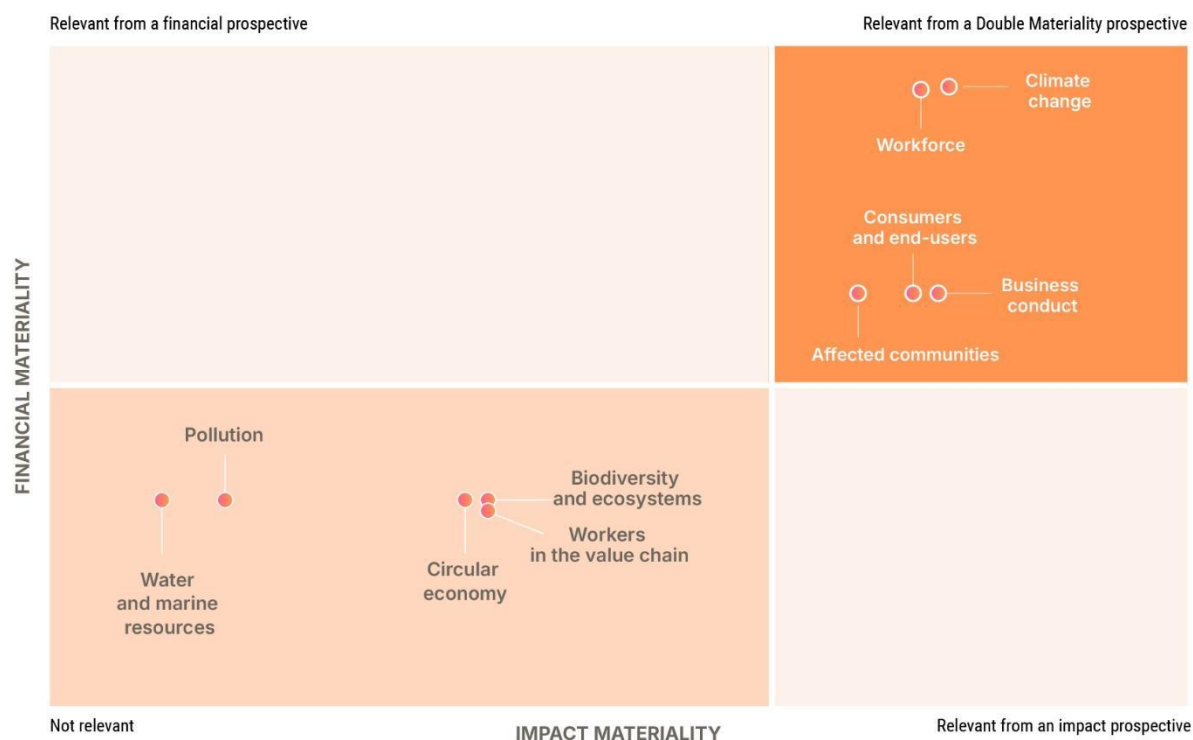
| ESRS | Topic                   | Sub-Topic                                                         | 2025 Impact                                                                                                                                                                                                  | Type of Impact | Own operations | Value Chain                                                                           | Time Horizon |
|------|-------------------------|-------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|---------------------------------------------------------------------------------------|--------------|
| E1   | Climate change          | <i>Climate change mitigation</i>                                  | Generation of greenhouse gas related to the securities portfolio and loans that contribute to the calculation of Scope 3 category 15                                                                         | Negative       | Current        |    | Medium       |
|      |                         | <i>Energy</i>                                                     |                                                                                                                                                                                                              |                |                |                                                                                       |              |
|      |                         | <i>Climate change adaptation</i>                                  | Development of entrepreneurship and improvement of the sustainability profile of counterparties, through credit access channels for SMEs and ESG performance assessments                                     | Positive       | Current        |    | Medium       |
| S1   | Own workforce           | <i>Equal treatment and opportunities for all</i>                  | Developing workers' skills through training, talent development and growth programmes                                                                                                                        | Positive       | Current        |    | Medium       |
|      |                         |                                                                   | Promotion of diversity, equity, inclusion and equal opportunities for all, including the development of workers with disabilities by supporting greater accessibility through physical and digital solutions | Positive       | Current        |    | Medium       |
|      |                         | <i>Working conditions</i>                                         | Protection of work-life balance through remote and flexible working hours, parental/family leave and extra leave                                                                                             | Positive       | Current        |    | Medium       |
| S3   | Affected communities    | <i>Communities' economic, social and cultural rights</i>          | Socio-economic development of the affected communities also through possible support initiatives, collaborations with third parties, donation and/or sponsorships                                            | Positive       | Current        |    | Medium       |
| S4   | Consumers and end-users | <i>Information-related impacts for consumers and/or end-users</i> | Contributing to the creation of a situation of digital divide for certain disadvantaged user categories, due to the progressive digitalisation of the Bank's processes                                       | Negative       | Potential      |  | Medium       |
|      |                         | <i>Social inclusion of consumers and/or end-users</i>             | Contribution to increasing the country's entrepreneurship and support in the sustainable transition by strengthening credit access channels, with a focus on SMEs                                            | Positive       | Current        |  | Medium       |
|      |                         |                                                                   | Improvement of the level of customer satisfaction thanks to the offer of tailor-made products/services and/or the timely and effective handling of complaints                                                | Positive       | Current        |  | Medium       |
| G1   | Business conduct        | <i>Corporate culture</i>                                          | Spreading a culture of fairness and ethics among employees                                                                                                                                                   | Positive       | Current        |  | Medium       |
|      |                         | <i>Corruption and bribery</i>                                     | Contribution to spreading a culture of fairness and ethics among employees through the provision of training programmes aimed at employees and partners and the communication of company policies            | Positive       | Current        |  | Medium       |

| ESRS | Topic                   | Sub-Topic                                                  | 2025 risk                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Type of Risk                      | Own operations                                                                        | Value Chain                                                                           | Time Horizon |
|------|-------------------------|------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|--------------|
| E1   | Climate change          | Climate change adaptation                                  | Credit risk: Acute or chronic climate events can damage plants and real estate, causing operational interruptions, decreasing sales and worsening company solvency (PD). At the same time, the impairment loss of buildings, especially when collateralised, may increase credit risk and LGD for banks, undermining borrowers' ability to repay loans.                                                                                                                                                                                                                                                       | Physical Risk on Credit Risk      |                                                                                       |    | Medium       |
|      |                         |                                                            | Liquidity risk: physical risks can damage the buildings or properties of depositing companies or customers, potentially causing an increase in demand for liquidity and the withdrawal of part of the deposits.                                                                                                                                                                                                                                                                                                                                                                                               | Physical Risk on Liquidity risk   |                                                                                       |    | Long         |
|      |                         | Climate change mitigation                                  | Credit risk: the value of collateral could decrease due to policies that impose decisive energy efficiency standards for the rental or sale of properties. Market sentiment could also lead to an increase in demand for high-energy-efficient housing and a consequent decrease in the value of properties located in old buildings. The reduction in the value of the property as guarantee is therefore a risk of recovery.                                                                                                                                                                                | Transition risk on Credit Risk    |                                                                                       |    | Long         |
|      |                         |                                                            | Credit risk due to deterioration of counterparties' credit rating (PD) due to higher costs to be incurred caused by higher transition costs:<br>1) for the development of a transition plan or specific interventions needed for the sector, for example:<br>- for energy efficiency;<br>- to reduce the level of GHG emissions;<br>- 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);<br>2) for the introduction of specific taxes (e.g. carbon tax) | Transition Risk on Credit risk    |                                                                                       |    | Long         |
| S1   | Own workforce           | Working conditions                                         | Operational and reputational risk resulting from legal proceedings brought by employees and non-employees concerning the failure to comply with working conditions, including adequate working time, social dialogue, freedom of association, compliance with collective agreements and protection of health and safety. This risk also includes disputes relating to wages, allowances, layoffs, illegal transfers, fatalities and diseases. The actual manifestation of this risk may result in operational sanctions, process interruptions and significant reputational damage to the organisation        | Reputational and Operational Risk |  |                                                                                       | Medium       |
| S4   | Consumers and end-users | Information-related impacts for consumers and/or end-users | Operational risk: risk of operational losses due to unauthorised access to customer data (Data Breach) by internal personnel or contracted by the Bank and its Subsidiaries for the purpose of obtaining a personal advantage                                                                                                                                                                                                                                                                                                                                                                                 | Risk Operating                    |                                                                                       |  | Medium       |
|      |                         | Social inclusion of consumers and/or end-users             | Compliance risk related to non-compliance with regulatory requirements on market integrity, fairness, transparency and prevention of market abuse                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Risk of Compliance                |                                                                                       |  | Medium       |
|      |                         |                                                            | Reputational risk due to non-compliance with customers interests, unfair market practices and absence of codes of conduct (including debt recovery activities)                                                                                                                                                                                                                                                                                                                                                                                                                                                | Risk Reputational                 |                                                                                       |  | Medium       |
| G1   | Business conduct        | Corruption and bribery                                     | Reputational and compliance risk arising from sanctions for convictions relating to financial crime-related activities (e.g. money laundering, violations of sanctions, corruption and bribery)                                                                                                                                                                                                                                                                                                                                                                                                               | Compliance and Reputational Risk  |  |                                                                                       | Medium       |
|      |                         | Business conduct                                           | Operational risk due to interruption of services rendered by suppliers because of disputes with suppliers (i.e. delays/no payments)                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Operational Risk                  |                                                                                       |  | Long         |

| ESRS | Topic                   | Sub-Topic                                                  | 2025 Opportunities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Own operations                                                                        | Value Chain                                                                           | Time Horizon |
|------|-------------------------|------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|--------------|
| E1   | Climate change          |                                                            | Promotion of solutions and initiatives related to sustainable mobility (e.g. electric/hybrid company cars)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |    |                                                                                       | Medium       |
|      |                         | Climate change adaptation                                  | Enhancement of its offer to customers through sustainable financial products and instruments that support climate change adaptation (green loans and sustainability-linked loans) and improvement of customer retention and attraction thanks to both a reputational improvement of the Bank on the subject of climate change adaptation by customers (e.g. products intended for counterparties implementing climate change adaptation plans; earthquake-resistant buildings, flood protection works) and the solidity of the ICT systems of the Bank and of its Subsidiaries that can ensure business continuity in relation to physical risk events (avoid the danger of critical breakdowns) |    |    | Medium       |
|      |                         | Climate change mitigation Energy                           | Creation and promotion of products, services and initiatives to help SMEs improve their sustainable and responsible practices in the context of transition, energy efficiency and sustainable mobility with a specific financing plan                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                       |    | Medium       |
|      |                         | Energy                                                     | Economic savings through the implementation of energy efficiency initiatives and projects of the Bank and its Subsidiaries                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |    |                                                                                       | Medium       |
| S1   | Own workforce           | Working conditions                                         | Improvement in company environments, considering the new dynamics related to the different working methods and the safety of employees                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |    |                                                                                       | Medium       |
|      |                         |                                                            | Improvement in the retention and attraction of new talent resulting from the implementation of initiatives aimed at employee health and safety and the creation of systems/tools to ensure a better balance between work and private life                                                                                                                                                                                                                                                                                                                                                                                                                                                        |    |                                                                                       | Medium       |
|      |                         | Equal treatment and opportunities for all                  | Improvement of employees' sense of belonging to the Group by promoting projects that support values such as gender equality, inclusion, and the promotion of diversity through collaborations of the Bank and its Subsidiaries, also with third-party bodies dedicated to diversity & inclusion projects (e.g. Valore D, Fondazione Libellula)                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                       | Medium       |
| S3   | Affected communities    | Communities' economic, social and cultural rights          | Integration of communities into the social fabric through the promotion of initiatives that support the development of the local areas and communities involved, also through collaborations with local organisations, industrial and professional associations                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                       |  | Medium       |
| S4   | Consumers and end-users | Information-related impacts for consumers and/or end-users | Improving customer retention by optimising company assets in terms of privacy, data security and quality information                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                       |  | Medium       |
|      |                         | Social inclusion of consumers and/or end-users             | Improvement of retention and relations with customers resulting from clear and transparent communication                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                       |  | Medium       |
| G1   | Business conduct        | Company culture                                            | Adoption of a structured governance model that includes internal sustainability committees that define strategic guidelines for the promotion of initiatives to support company culture                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |  |                                                                                       | Medium       |



For the sake of completeness, below is a representation of the **outcome** of the application of the **double materiality assessment** approved by the Board of Directors of the Bank for the reporting period.



[SBM-3 DP 48b, 48c i]

### Climate change

With reference to the topic "Climate Change" and the related sub-topics illustrated in the table, the main **management methods** that illimity adopts in order to respond to the effects of the **impacts, risks and opportunities** identified as material, consist in:

- adoption of operational safeguards such as internal procedures and policies aimed at managing and mitigating risks related to environmental impacts and climate challenges;
- strengthening of ex-ante operational controls in origination (policy, ESG rating and sectoral analysis-business models) and management of guarantees to deal with potential operational losses resulting from intensifying climate and environmental risks;
- continuous updating of a system of controls ex-post that is suitable to ensure that the activities carried out by the business areas are in line with the applicable internal and external regulations in force at the time, as well as with corporate strategies and policies, according to a risk-oriented approach;
- encouragement of positive behaviour by illimity in the management and mitigation of climate change risks, as well as activities aimed at protecting the environment inside and outside the organisation;
- quarterly monitoring and reporting within the Tableau de Bord Risk Appetite Framework of ESG risks, by introducing thresholds of Risk Appetite / Tolerance on an initial set of material indicators related to ESG risks and opportunities, both of illimity and of the funded counterparties and the issuers of securities purchased for own portfolios and with a special focus on climate/environmental risks (e.g. ESG Scores related to financed counterparties, Scores of physical hydraulic and hydrogeological risk).



**Own workforce**

With reference to the topic "Own workforce" and the related sub-topics illustrated in the table, the main management methods that illimity adopts in order to respond to the effects of the impacts, risks and opportunities identified as material, consist in:

- adoption and consolidation of an inclusive corporate culture aimed at reducing discrimination and increasing employee awareness (e.g. adoption of policy on issues of Diversity, Equity & Inclusion, Anti-Harassment, diversity programmes and initiatives);
- adoption of safeguards to ensure equal pay opportunities, incentivise female staff and reduce possible discrimination (e.g. definition of remuneration on the basis of the principle of "equal pay for equal work", application of the "gender neutral "process supported by internal HR policies);
- definition of a framework for the attraction and development of illimity's workforce through customised growth paths and targets, incentivised by continuous check points with managers and the Human Resources structure.

**Affected communities**

With reference to the topic "Affected Communities" and the related sub-topics illustrated in the table, the main management methods that illimity adopts in order to respond to the effects of the impacts, risks and opportunities identified as material, consist in:

- adoption of fair conduct in recruiting and human resources management, avoiding favouritism, abuse or discrimination based on gender, ethnic background, religion, political and trade union affiliation, sexual orientation and identity, language, age or disability;
- guarantee of respect of human rights and fundamental freedoms both in relations with Third Parties and in internal dealings, given the Group's operating and business model as well as the national context. illimity is committed to protecting human rights through internal management policies, supported by national collective bargaining agreements and national regulations on specific health and safety rules in the workplace.

**Consumers and end-users**

With reference to the topic "Consumers and end-users" and the related sub-topics illustrated in the table, the main management methods that illimity adopts in order to respond to the effects of the impacts, risks and opportunities identified as material, consist in:

- oversight of marketing, development, management and customer care of customers, also thanks to the experienced staff of the contact centres for the onboarding phase to ensure an increase in the customers base and customers satisfaction;
- controls put in place to monitor the Bank's reputational profile (e.g. sentiment analysis).

**Business conduct**

With reference to the topic "Business conduct" and the related sub-topics illustrated in the table, the main management methods, which illimity adopts in order to respond to the effects of the impacts, risks and opportunities identified as material, consist in:

- control measures, both manual and automatic, to mitigate the risks inherent in the business processes, including the risk of internal fraud. In this regard, controls are put in place to guarantee the "segregation of duties" of people who perform/request an operation, and people who control/authorise it, based on defined powers and authorities;
- control measures for external fraud such as evaluation during on-boarding by means of intelligence tools, on-going quantitative assessment on all customers;
- policy and internal procedures aimed at describing the safeguards adopted to manage/mitigate the risks in question and the relevant rules of conduct to be followed (e.g. AML Policy, Organisation

and Management Model and codes of ethics), as well as specific training initiatives addressed to the staff involved.

[SBM-3 DP 48c ii]

since its inception, illimity has adopted an innovative and responsible approach, paying particular attention to environmental, social and governance (ESG) issues. Specifically, the Bank has embarked on a journey to integrate sustainability matters into its strategy, business model, processes and governance. In detail, the main interactions between the impacts identified for each material topic illustrated in the tables above and illimity's strategy and business model are illustrated below:

- **Climate change:** development of a range of sustainable products and tools to support corporate customers in their adaptation to climate change and mitigation of physical and transition risks (e.g. creation of new products for counterparties implementing climate change adaptation plans; earthquake-resistant buildings, flood protection works);
- **Own workforce:** adoption of policies aimed at improving working environment conditions, resulting in increased workforce retention/attraction (e.g. adequate wages, implementation of wellness policies), as well as an inclusive corporate culture that promotes social respect and enhances the potential and growth of each employee;
- **Affected communities:** potential increase in Corporate ESG rating through the promotion of financial training and inclusion initiatives in support of the target territories and communities (e.g. increase in customers deposits);
- **Consumers and end-users:** continuous technological innovation in processes, products and services towards customers in order to strengthen customer satisfaction and facilitate access to financial services. Specifically, the offer of products and services is always accompanied by clear, timely and transparent communication, as well as by the adoption of appropriate privacy and data security safeguards aimed at preventing incidents at IT level;
- **Business conduct:** continuous investment in the development of innovative tools to manage, monitor and prevent fraud, while at the same time strengthening the Bank's reputation with its internal and external stakeholders.

[SBM-3 DP 48c iii]

Please refer to the tables above (see SBM-3 DP 48a) for a detailed indication of the **expected time horizon** of the impacts of each material topic and subtopic.

[SBM-3 DP 48c iv]

Similarly, within the aforementioned tables of this Sustainability Statement, illimity provides an indication (see columns "Own operations" and "Value Chain") of how the impacts related to the material topics and sub-topics affect its activities and its business relationships with customers, suppliers and partners.

[SBM-3 DP 48d]

In this regard, there were no **current financial effects of material risks and opportunities** of illimity on its financial position, results of operations and cash flows, as well as material risks and opportunities for which there is a significant risk of material corrections, in the next year, of the carrying amounts of assets and liabilities reported in the Bank's Consolidated Financial Statements.

[SBM-3 DP 48f]

Lastly, the **resilience analysis** was carried out during the reporting period for each of the Bank's business areas; in particular, the **materiality of ESG risks on the business model and current operations** was investigated (e.g. business strategies and evolutionary outlook; strategies, hiring policies, risk management and risk safeguards; macroeconomic and market environment and regulatory framework). For further details on the analysis conducted, please refer to the section on **"Strategy and Material IROs related to climate change [E1-SBM-3]"**.

[SBM-3 DP 48g]

Compared to the previous year, no significant changes have occurred in the reporting and preparation of sustainability information, including impacts, risks and opportunities, net of what is specified in this document.

## Impact, risk and opportunity management (IROs)

### 1.3.4 Processes to identify and assess material IROs [IRO-1]

[IRO-1 DP 53a]

In the process of identifying **impacts, risks and opportunities**, illimity, through a top-down approach with its Subsidiaries, adopts consolidated **quantitative and qualitative methodologies** aimed at determining the significant information useful to support **strategic decisions** and the determination of the **material sustainability matters** to be reported in this Disclosure. In 2025, with the project of integrating with Banca Ifis, the exercise of defining illimity's **double materiality** was developed in coordination with the Parent Company and included the following key steps:

- **understanding of the new strategic context;**
- **identifying the current and potential IROs** related to IRO sustainability matters;
- **evaluation and determination of material IROs** in terms of impact and financial materiality;
- **reporting.**

The double materiality analysis is continuously reviewed and updated to respond to new challenges and evolutions of the context and the company, thus supporting a dynamic and adaptable process of identifying impacts, risks and opportunities.

[IRO-1 DP 53b, 53b i, 53g]

For the purpose of identifying current and potential impacts, risks and opportunities related to sustainability matters to be assessed for double materiality, the Bank outlined an **overview of its activities and business relationships** upstream and downstream the value chain, and considered a number of inputs including: (i) analysis of **corporate documentation** (e.g. 2021-2025 Strategic Plan, 2023-2025 Sustainability Plan, internal regulations in force during the reporting period); (ii) analysis of the Company's **products and services activities** and the geographical location of these activities in Italy; (iii) **mapping of the business relationships** of illimity and its Subsidiaries upstream and downstream the value chain; (iv) analysis of the Bank's relevant **legal and regulatory environment**; (v) analysis of **published documentation** such as media reports, analysis of peers, existing sector-specific benchmarks, other publications on general sustainability trends and scientific articles; (vi) mapping of the **stakeholders concerned**; (vii) **stakeholder engagement** initiatives.

These assessments also took into account the current context of integration with the parent company Banca Ifis, as well as the evolution of positioning with a view to organisational strengthening and strategic alignment. The process is part of a broader framework of governance evolution and progressive consolidation in the reference market. Based on the context analysis, illimity has drawn up an initial long list of impacts by applying the following approach:

- identification of the topics and sub-topics for each ESRS as indicated by application requirement 16 (RA16<sup>11</sup>) of the ESRS;
- preparation of the list of impacts with a more appropriate level of aggregation.

Starting from this initial analysis and with the aim of identifying a **long-list of 2025 impacts** related to the topics and sub-topics, the Bank's Sustainability structure and risk management function, also in

<sup>11</sup> Annex 1 to Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023 supplementing directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting principles.

coordination with the corresponding functions responsible for sustainability reporting and risk management of the Parent Company, carried out the following activities:

- reconciliation of the impacts and topics reported in the Sustainability Statement of the previous year, with the topics and sub-topics of the AR 16 list (ESRS 1);
- harmonisation of the long list of impacts with those of the parent company, where possible, through the association of the impacts of illimity's long list with the corresponding impacts of the long list of the Parent Company Banca Ifis;
- clustering based on the type of impact: positive/negative, actual/potential, as well as its causal effect (contributed, caused, directly related).

The long-list of identified impacts was shared with the Parent Company. Subsequently, the impacts were subjected to **qualitative and quantitative evaluation by the stakeholders** considering “gross” impacts (i.e. net of any mitigation actions); this is in order to provide the stakeholders information that allows the distinction between the impact and the measures adopted to manage it (i.e. policies, actions and targets). When assessing potential impacts, illimity also considers the effect of mitigation or other measures aimed at preventing the occurrence of such impacts in the future. This qualitative and quantitative assessment process has enabled illimity to prioritise and address the most significant sustainability impacts in its reporting and management practices, in line with ESRS standards.

[IRO-1 DP 53b iii]

The process for identifying material impacts calls for the involvement of the stakeholders as well, taking into account the most relevant stakeholders along the entire value chain identified by mapping the Company's business relationships. Given the evolution of the double materiality assessment exercise already carried out in 2024 and the phase of integration with Banca Ifis, it was decided to apply a simplification of the stakeholder clusters involved:

- **Suppliers:** the 77 most relevant suppliers were identified, according to strategic-operational and financial criteria; of these, the suppliers corresponding to approximately 83% of the Bank's total annual expenditure commitments were assessed from an ESG point of view, and therefore also relevant for the purpose of assessing their impact on the environment and/or people;
- **Employees:** over 100 ESG Ambassadors, i.e. employees identified within the various Functions that have undergone specific training on ESG topics with necessary skills for assessment, corresponding to approximately 10% of employees;
- **Internal Working Group:** consisting of the Sustainability and Risk & Group Controls structures, or the team responsible for the Reporting process in collaboration with the risk management function.

[IRO-1 DP 53b ii]

This analysis identified business relationships, also with a view to integration into the Banca Ifis Group, and players that contribute to the generation of negative impacts of illimity and therefore require more attention to improve business practices in a targeted manner. As described above, the process of impact identification involved associating each impact with the portion of the value chain where the impact occurs, in order to include in the long list of current and potential impacts not only those directly caused by illimity, but also those in which it is involved and/or to which it contributes through its business relationships.

[IRO-1 DP 53b iii]

The process of identifying material impacts also includes the **involvement** of stakeholders, i.e. the **stakeholders** concerned by illimity's own activities and its upstream and downstream value chain. In particular, illimity identifies the clusters of the stakeholders in the categories required by the ESRS. Specifically, as previously pointed out, the clusters of stakeholders that contributed to assessing the material impacts related to the reporting year for the illimity Group are:

- Internal Working Group (Sustainability, Risk & Group Controls structures);
- Employees (ESG Ambassadors);
- Material suppliers.

[IRO-1 DP 53b iv]

Also, with a view to integration into the Banca Ifis Group, before starting the surveys, the reconciliation of the measurement scales used by illimity and Banca Ifis for each variable was defined by mathematical conversion and linear parameterisation for the various levels.

To assess the materiality of impacts and prioritise them, the long-list previously identified was subjected to evaluation by the stakeholders considering the **Severity** variable, which is in turn determined by the following factors: **Scale** (actual/potential benefits), **Scope** (how widespread the impact is, e.g. number of people affected or extent of damage/resources positively affected), **Irremediability** (how difficult it is to mitigate/remediate the damage) and the variable **Probability** (possibility of the impact happening). Each factor provides for a specific assessment scale.

Specifically, Scope and Probability are only assessed by the Internal Working Group, while Scale and Irremediability (for negative impacts only) are assessed by the Employees and material Suppliers. Therefore, the Probability of current impacts is not subject to assessment as it has, by model definition, a value of 1. After collecting all the variables, the final Impact Materiality is calculated as the product between the Severity and the Probability.

According to this process, an impact is **material if its ultimate significance exceeds the threshold value** (Threshold) defined by the Bank by the materiality of impact, as the median of the results obtained. Setting the threshold ensures that the most relevant impacts and related issues are addressed, thereby focusing resources and strategy on the areas of greatest materiality to illimity. This quantitative assessment process allowed the Bank to prioritise and address the most significant sustainability impacts in its reporting and management practices.

[IRO-1 DP 53c]

The process in place to identify risks and opportunities is, on the whole, similar to that used for impacts. Starting from the same initial analysis of context and with the aim of identifying a **long-list of risks and opportunities** related to the topics and sub-topics, the Sustainability function, assisted by Risk Strategy & Group Controls, together with the specific business, central and control Functions of reference for topics and sub-topics, performs the following activities:

- **identification of** economically-financially material **outside-in risks and opportunities** by associating the respective identification rationale and reference time horizon (short - medium - long);
- harmonisation of the long list of Risks and Opportunities with those of the parent company, where possible, through the association of the risks and opportunities of illimity's long list with the corresponding risks and opportunities of the long list of the Parent Company Banca Ifis;
- comparison with the outcome of the ESG **risk assessments performed in the ICAAP/ILAAP financial year and by RSA** (Risk Self-Assessment relating to Operational Risks);
- consolidation of the perimeter of the long list of Risks and Opportunities.

Finally, as with the impacts, the long-list of risks and opportunities was also shared with the parent company Banca Ifis.

[IRO-1 DP 53c i]

During the identification phase, illimity considers the dependencies that its impacts have on resources and business relations, for the most part tied to the financed/served counterparties. In particular, it identifies whether a specific impact is closely related to natural resources (e.g. water or air) or to relationships with significant actors (e.g. employees, customers or other counterparties). This analysis is the starting point for identifying the links of negative and positive impacts with risks and opportunities. On the one hand, by examining the consequences of negative impacts, the Company is able to anticipate risks that might emerge, thus enabling more informed decision-making and preventive measures. On the other hand, by examining the positive impacts, illimity is able to find new possibilities and opportunities for growth.

[IRO-1 DP 53c ii, 53c iii]

The final financial materiality score for risks and opportunities is the combination of the level of Magnitude (i.e. impact of the event) and the level of Likelihood (probability that the event will occur) formalised within the matrix. The level of both assessment factors (magnitude and likelihood) is measured on a scale reconciled with that of the parent company. Thus, in assessing financial materiality, illimity considers the magnitude of risks and opportunities and their likelihood. A threshold equal to the average value of the maximum attainable score on the scale was also defined for financial materiality, from which considered material are. Risks and opportunities are therefore material if their financial assessment is equal to or greater than this threshold. Specifically, the topic (or sub-topic) is material if there is at least one risk or opportunity that is relevant, and its score is the same as the associated risk or opportunity with higher financial materiality. The risks and opportunities that could have economic effects on the financial position, the financial performance, cash flows, access to financing or the cost of capital in the short, medium and long term, may arise from both **own operations** and the **value chain**. From the research conducted on the subject, it appears that ESG factors as well as the climate and environmental risk can have a pervasive impact on various aspects of a financial nature. However, for banking and financial intermediaries, it is reasonable to expect that the main impacts are to be found in the classification and **assessment of financial assets**, the **estimation of expected losses** and the assessment of **fair value of financial instruments**. These risks can influence intermediaries' exposure to credit risk: physical risk events (e.g. floods) and the transition process to a low-carbon economy (e.g. resulting in the need for significant investments by undertakings) negatively impact the borrower's ability to meet its obligations. Moreover, the collateral provided (e.g. real estate assets, plants) may become inaccessible or deteriorate due to climate and environmental risk events, with effects on the estimated cash flows that can be recovered from the collateral and on the borrower's sustainability. Therefore, in this context, the materiality of these risks and their inclusion in illimity's Risk Radar as well as in the Risk Appetite Framework is to be justified.

[IRO-1 DP 53e, 53f]

The process of identifying ESG risks to which illimity is exposed is conducted on an ongoing basis and, on an annual basis, uses a **risk mapping framework** common to the other material risks, which is applied when conducting the internal regulatory capital adequacy assessment (ICAAP) and liquidity assessment (ILAAP) processes. This framework makes it possible to assess the **materiality of risks**, understood as the ability to influence the sustainability of current and future company returns, both of its own and of the portfolios managed for third parties, set out according to a **proportionality principle**, thus taking into account the complexity, risk profile and type of business model. Following the application of this process, ESG risks were included within illimity's Risk Radar as they were deemed material in 2025 (together with the other traditional relevant risks such as concentration, credit, operational, reputational, etc.), in line with the preliminary qualitative materiality assessment made on the occasion of the 2025 ICAAP Report. In addition, starting from 2023, ESG risks (with particular reference to climate-environmental risks) have been integrated into the Bank's Risk Appetite Framework, with the definition of a set of KPIs KRIs with related levels of Risk Appetite and of Tolerance in order to periodically assess and manage the profile of these risks.

The risks and opportunities related to the ESG profile have been identified by illimity from a short-, medium- and long-term perspective in order to have a strategy for prevention and monitoring against the various types of risk events. Once the materiality assessment process was applied, the relevant opportunities were identified for each topic and sub-topic identified by illimity as material. In the decision-making process, the Company follows a structured and centralised approach to control to ensure the **solidity of the analysis** and its **alignment with reporting standards**. This includes checking consistency between the topics identified during the context analysis and the list of IROs material to illimity. The relevant information to be reported in relation to impacts, risks and opportunities (IRO) is determined through the process of **double materiality analysis** through which the material topic, sub-topics and sub-sub-topics are identified; furthermore, in order to analyse the most significant risks and opportunities, the key stakeholders are involved.

[IRO-1 DP 53d]

To ensure that the information reported is material, complete and in line with changing regulations and expectations, the entire evaluation process is monitored and updated regularly. The completeness of the list is also checked to ensure that all relevant stakeholders along the value chain are properly included. Particular attention is paid to the double materiality analysis phase, during



which a cross-check is made of the **completeness, accuracy and consistency of IROs**, including a comparison, where applicable, with previous years. In addition, the process includes internal checks for accuracy and consistency of the information in the sustainability statements to confirm its compliance with ESRS 2 requirements and the topical standards on relevant sustainability matters. A review of the list of material IROs, together with all the findings of the internal control process, is submitted to the Parent Company's Sustainability Committee for validation and subsequent approval by the BoD, ensuring informed governance and continuous alignment with illimity's sustainability targets.

Finally, the sustainability reporting process, as a whole, including therefore also the process of defining double materiality, is subject to internal controls by the Financial Reporting Officer, the results of which are submitted to the Board of Statutory Auditors, prior to the approval of the Sustainability Statement by the BoD.

[IRO-1 DP 53h]

The process used to identify impacts, risks and opportunities and to assess which are material was carried out for the year 2025 in line with what was done in the previous year and in line with the requirements of the CSRD, European sustainability reporting standards and the Parent Company approach.

## Climate change [E1 IRO-1]

[E1.IRO-1 DP 20a, RA 9]

illimity has implemented a structured process to identify and assess the **impacts of its services and activities on climate change**, with a focus on **greenhouse gas** (GHG) emissions. This process includes the collection and analysis of data on direct and indirect GHG emissions (Scope 1, 2 and 3) as well as the identification of the **main sources of emissions along the entire value chain**. To this end, the analyses run by the risk competence line are integrated into the internal capital and liquidity adequacy assessment processes (ICAAP and ILAAP), supporting both a complete assessment of climate and environmental risk and of corporate resilience to these risk scenarios. In addition, illimity regularly assesses the effectiveness of the measures taken to reduce GHG emissions, ensuring that they are aligned with **decarbonisation targets** and **international climate** targets for specific economic sectors.

[E1.IRO-1 DP 20b, 20bi-ii]

In parallel, illimity carries out a systematic assessment of the impact of physical, acute and chronic risk, due to climate change on its upstream and downstream value chain, mainly taking into account the underlying of its customer portfolio (e.g. financed counterparties, collateralised properties), potential new business operations and suppliers through the adoption of periodically updated KPIs-KRIs. This is complemented by the annual assessments carried out during ICAAP and ILAAP. Through an estimate model, for example, impacts are measured annually in the **probabilities of default** related to transition and physical risk scenarios in order to quantify potential losses in the event of **default** and anticipate potential future strategies. For this purpose, for the impact assessment, NGFS macro-economic scenarios, provided by Oxford Economics, were adopted, integrated into risk assessment models to assess how they primarily affect the illimity Group's portfolio and its financial performance. In relation to the measurement and updating of indices, statistical or point data obtained through primary data providers with which specific areas of risk are identified and measured (e.g. hydraulic and hydrogeological hazards, seismic and climate-related hazards) are considered. Following the analyses, it is possible to plan effective adaptation strategies and define the environmental climate and environmental risk appetite framework of a physical type and related tolerance threshold. In particular, illimity has adopted the climate strategy to achieve decarbonisation targets in the medium-long term.

[E1.IRO-1 RA 11a]

illimity has adopted a structured approach to identifying the impact of climate change risk in the short, medium and long term. This process consists of several steps and integrates quantitative and qualitative

analysis tools to ensure a comprehensive and detailed assessment. The assessment of physical risk considered both **acute** (e.g. floods and hydrogeological phenomena) and **chronic** (rising temperatures, rising seas) **events**. The scope of assets subject to study includes non-performing collateral, repossessed real estate assets, real estate assets underlying alternative investment funds managed by the asset management company and real estate assets collateralised for credit exposures. For each asset, the hydrogeological and hydraulic risk is identified through the application of x-rei, an intelligence location system through which it is possible to geolocate real estate assets on a map, obtaining information enrichment, statistics, reporting, market and risk assessments. On the other hand, in view of an illimity real estate sample identified on the basis of criteria of materiality and geographical location, two main metrics were identified to assess economic losses that can manifest themselves in the asset's life cycle: expected loss (expected annual average loss) and unexpected loss (probability of loss of at least 20% of the estimated reconstruction value of the property over one year, 5 years, 10 years, 15 years, 20 years, 25 years and 50 years). Based on these metrics, a model was developed that can elaborate a potential overall expected and unexpected loss due to physical risk events. By applying the methodology established by the European Central Bank for conducting the Climate Stress Test 2022, in view of stress being exerted, the impacts on the value of properties were estimated considering the physical risks represented by the **flood risk** component. In this context, collateralised real estate assets were classified according to the level of physical risk using geographic indices and stress test models of the ECB.

[E1.IRO-1 RA 11b]

The assessment of climate- and environmental-related risks and opportunities was made considering the short-, medium- and long-term perspective in order to have a strategy that protects illimity against the various types of events. Specifically, in the short term (indicatively in the time horizon of up to 1 year), the process of identifying the materiality of banking risks by the risk management function is carried out, including ESG risks are identified in consultation with the Sustainability function and with the support of the other illimity structures.

The results arising from this process of assessing the financial materiality of sustainability matters represent inputs needed to develop the processes correlated with the ICAAP (capital adequacy assessment), ILAAP (liquidity adequacy assessment), the Strategic Plan, Budget and RAF, and accordingly are validated by the Risk Officer and submitted for approval by the Board of Directors of the Bank.

In detail, the materiality process involves a risk analysis connected both with the Bank's counterparties (i.e., financed/served counterparties) and with the direct exposure of the illimity Group (through its operational headquarters, internal processes), and is based on specific logical steps: risk mapping on the single functions/Companies; risk analysis in light of the current business model and continuing operations, planned evolution of the business and strategies, policies for taking on, managing and establishing organisational safeguards against various risks and the evolution of the external and market/regulatory reference scenarios; attribution of an opinion on the probability of occurrence of the risk analysed and final assessment by the Risk Officer function. If the total score exceeds the threshold of acceptability, **the risk deemed material is inserted into the official Risk Radar** of illimity.

With regard to the medium-/long-term strategic planning process, the ESG performance indicators and their targets are regularly updated for planning, and, in fact, it is the Board of Directors that defines and approves the updates of the ESG targets of the Strategic Plan and Sustainability Plan over that time horizon.

[E1.IRO-1 RA 11c]

With regard to the physical climate and environmental risk to which real estate assets are exposed (e.g. collaterals, real estate properties), the Risk Officer function performed its assessment using data provided by external providers and based mainly on the ISPRA source that, on the basis of geolocation, associates **hydraulic and hydrogeological risk indices for each asset**, focusing on the main acute risk profiles of an acute nature that characterise the Italian and European context (with significant impacts on human life and activities). The hydraulic and hydrogeological risk is strongly dependent on



the geological and geomorphological conformation of the soil, subsoil and orography (land elevation), but human activity also plays a very important role: population density, urbanisation, unauthorised building, deforestation and lack of maintenance of slopes and watercourses greatly increase exposure to risk. The index of both hydraulic and hydrogeological risk is calculated as an **integration of the various risk aspects** for each asset. An overall physical risk index was identified, defined as a weighted average of both the number of assets assessed, and their value, defined as market value (i.e. OMV). As of December 31, 2024 (reference date of the latest available ICAAP and ILAAP exercises) and during 2025 (as per quarterly RAF monitoring), the ratio showed a low overall risk level. In order to assess the potential economic-financial impacts of this risk, the Risk Officer function used estimates of expected and unexpected losses provided by an external specialised info-provider and related to a stratified sample of illimity's real estate assets, defined in terms of representativeness based on value (OMV) and drivers of geographically diversified location in Italy. These input data were used to estimate, with reference to the overall real estate assets portfolio, ranges of expected and unexpected losses useful to feed sensitivity exercises in order to assess the potential impact of ESG risks on first-pillar banking risks (e.g. credit) and, consequently, on capital and liquidity. On the other hand, as regards the assessment of physical risk for funded counterparties, a data enrichment of the ESG database was carried out with information provided by an external info provider (regarding financed counterparties, suppliers, partners, issuing companies, etc.). This information constitutes a structured and integrated database in the Bank's information system ("ESG Data Lake"), governed in a coordinated manner with the management-accounting systems ("ESG Data Governance"). Specifically, it was possible to obtain an overall physical risk exposure index for a significant sample of counterparties, which made it possible to **assess the estimated impact** to which they are exposed, in relation to the real estate assets in which their production, commercial and logistical processes are based. The overall physical risk value is relatively high, in fact about one-third of the financed counterparties are concentrated in a high/very high range (value scale 1 to 5).

[E1.IRO-1 RA 11d, DP 21]

illimity has adopted a methodological approach based on climate scenarios developed by the Network for Greening the Financial System (NGFS) to identify climate-related hazards and assess the exposure and sensitivity of assets and business activities. This approach ensures an in-depth understanding of physical climate risks in the short, medium and long term by simulating the increased probability of default (PD) caused by factors such as:

- the cost of emissions;
- transition-driven technological change;
- energy operating costs.

The Valuecube-ABI model was used as a simulation based on the NGFS scenarios, estimating incremental changes in the probability of default and losses given default (LGD). Although this model is not predictive, it allows for the analysis of risk factors related to the cost of emissions, technological changes and market dynamics.

The analyses conducted reveal that illimity is characterised by a profile of **moderate exposure in the short and medium term** to climate-environmental risk due to:

- **very limited physical risk** associated with the management of collaterals, guarantees of the corporate and commercial credit portfolio positions, re-possessed properties and guarantees of loans pertaining to the funds managed by the asset management company;
- **impacts on capital and liquidity**, which - as part of the assessment of the impacts of ESG risks on capital adequacy (ICAAP) and liquidity (ILAAP) profiles, with reference to the CET1 ratio, LCR and NSFR indicators as of 31 December 2025 and 2026 - showed a **medium-low risk** (change of about -30bps in 2025 and about -32bps in 2026 on the CET1 Ratio and change of about -6.4% on LCR and about 0.2% on NSFR in 2025).

[E1.IRO-1 DP 20c, 20ci-ii, 21]

In order to identify transition opportunities and risks due to climate change that impacts its operations and value chain, illimity has implemented an integrated approach that includes an **analysis of**

**emerging climate policies and market trends**, assessing how regulatory changes and new technologies may impact business activities. In this process, to identify areas of innovation and potential vulnerabilities, key stakeholders are also involved so that the strategies implemented are aligned with long-term sustainability targets.

illimity adopts a scenario-based approach to identify **climate-related transition events**, considering a future in which **global warming is limited to 1.5°C**. In particular, it analyses the climate policies and technological innovations needed to achieve this target, assessing how these changes may impact business operations as well as the value chain. Through simulations and consultations with experts, it identifies potential opportunities and challenges, ensuring that corporate strategies are aligned with the sustainability scenario. To assess how its assets and business activities may be exposed to climate-related transition events, illimity adopts a systematic approach that starts by analysing emerging climate policies and market trends, using data analysis tools to identify potential gross transition risks (such as regulatory changes and technological innovations). In parallel, growth opportunities in sustainable sectors are also being explored.

[E1.IRO-1 RA 12 a, RA 12 c]

illimity carried out an analysis of the impact of the transition risk in the short, medium and long term, taking into account the **risks and opportunities arising from the transition to a low-carbon economy**. Again, the analysis was conducted using Network for Greening the Financial System (NGFS) scenarios, which simulate the impact of stringent climate policies, technological changes and energy operating costs. Specifically, an internal model was applied to estimate variations in the probability of default (PD) and in expected losses (Expected Credit Loss - ECL) of the financed counterparties, considering the effects of a carbon tax and energy transition costs. The impact of transition risks was examined on a sample of Corporate Banking's credit exposures (22% of total Corporate Banking exposures), showing marginal increases in PDs (approx. +4% of the level) in 2025 in the baseline scenario (business as usual), and more significant increases (approx. +20% of the level) in stressed scenarios, characterised by stringent environmental regulations and the imposition of a carbon tax. This approach makes it possible to understand the exposure of corporate assets to transition events and to assess the long-term implications, aligning with climate-related public policy objectives.

[E1.IRO-1 RA 12 b]

As described above, illimity adopted the Valuecube-ABI model at industry association level, which simulates the impact of NGFS scenarios on PD and LGD of the financed counterparties, considering risk factors such as the cost of emissions, energy efficiency and market dynamics. In addition, a simplified qualitative-quantitative approach based on ESG scores (internal and from external providers) was adopted to estimate the sensitivity of corporate assets and activities to transition events. This methodology ensures a **comprehensive assessment of corporate exposures and sensitivities to transition events**, both in the short and medium term, as well as in the long term, in line with sustainability goals and climate-related public policies.

[E1.IRO-1 RA 12 d]

illimity has adopted the Credit Procedure (PUC), which regulates the **abstention from granting loans to certain types of counterparties considered as excluded sectors** by the Business Functions, taking into account the United Nations principles on the approach to business and human rights and consistent with its strategic policies and the guidelines expressed in its credit strategies. To this end, during the preliminary investigation, in-depth controls are carried out on counterparties in the application stage, also consulting external lists, where available, with specific focus on the purposes of the Bank's funding and considering the weight of activities excluded in relation to the overall operating activities of the party (company or group) to receive funding. In addition, a process is in place to identify carbon-intensive sectors (carbon intensive and hard-to-abate i.e. activities that are difficult to decarbonise, due to the lack of low emission technology solutions that can be scaled up in the short term) on which strengthened processes for assessing financing opportunities should be envisaged. In relation to these sectors, the Bank uses specific targets and science-based sectoral limits integrated into the RAF from

a portfolio perspective, thus directing investments towards undertakings with pathways that are aligned to decarbonisation curves consistent with international standards.

illimity has implemented an analysis of the risks of default and of loss related to different climate scenarios based on the identification and assessment of physical risks and transition-related risks/opportunities. Through short-, medium- and long-term scenarios, it examined how **climatic variables can influence business operations**. This analysis allows the identification of vulnerabilities and potential economic impacts, also outlining the risk/opportunity mix associated with the transition to a low-emission economy.

[E1.IRO-1 RA 15]

Finally, as no fundamental assumptions related to climate were made in the Consolidated Financial Statements for the reporting period, illimity considered the result of the loss assessments based on the **NGFS scenarios to assess any climate-related risks**. For the purpose of calculating the collective impairment on the performing portfolio, an evolution of a methodological nature was introduced in the recalibration of the risk parameters; specifically, the PD (Probability of Default) curves were updated on the basis of the macroeconomic scenario of the info provider Oxford Economics, updated and averaged for a stressed scenario that also takes climate risks into account. The purpose of this development is to make the framework for calculating the expected credit loss (ECL) more in line with the requirements of IFRS 9, and to align with current best practices, which provide for the explicit inclusion of the effect of ESG factors (particularly climate) in the determination of the ECL. illimity's 2025 **double materiality analysis** included all the sustainability matters from Application Requirement table 16 (AR 16) of ESRS 1 applicable to the reality of the Bank in order to submit a complete list to the stakeholders. However, the final assessments revealed that the following issues Pollution (E2), Water and Marine Resources (E3), Biodiversity and Ecosystems (E4), Resource Use and Circular Economy (E5) were **found to be immaterial** to illimity. This consideration stems in fact from the assessments of IROs related to each of the above issues, which were carried out through the stakeholder engagement, taking into account the Bank's business and main activities, including those in the value chain.

## Pollution [E2 IRO-1]

[E2.IRO-1 DP 11a]

illimity has conducted an in-depth analysis of the location of its sites and business activities to identify pollution-related impacts, risks and opportunities (both current and potential). As a result of the analysis carried out, no significant IROs were identified.

[E2.IRO-1 DP 11b]

Active consultations were carried out with its stakeholders to discuss pollution-related impacts, risks and opportunities. Questionnaires and interviews were also distributed to explore the perceptions and expectations of impacted stakeholders. As a result of the analysis carried out, no significant IROs were identified.

## Water and marine resources [E3 IRO-1]

[E3.IRO-1 DP 8a]

illimity has implemented an in-depth analysis of its assets and activities to identify impacts, risks and opportunities related to water and marine resources, both in direct operations and in the value chain. In particular, the Bank examined possible sources of water pollution and their potential effects on the marine ecosystem; in order to gain a complete understanding of the issues, illimity engaged experts and stakeholders to gather internal and external feedback. As a result of the analysis carried out, no significant IROs were identified.

[E3.IRO-1 DP 8b]

Active consultations were carried out with external stakeholders to discuss the impacts of its operations on water and marine resources, by distributing online questionnaires and interviews to gather detailed feedback. As a result of the analysis carried out, no significant IROs were identified.

### Biodiversity and ecosystems [E4 IRO-1]

[E4.IRO-1 DP 17a]

illimity has implemented an in-depth analysis to identify and assess both actual and potential impacts on biodiversity and ecosystems at its sites and along its value chain.

To detect direct and indirect impacts on biodiversity, a double materiality analysis was conducted that includes an assessment of business activities in relation to the conservation of natural resources and the protection of habitats. The analysis covered the entire value chain. With regard to the downstream chain, the positive impact of investments and loans in sectors with a low environmental impact to protect natural capital and biodiversity was considered.

[E4.IRO-1 DP 17b]

The Bank has implemented an in-depth analysis to identify and assess dependencies on biodiversity, ecosystems and the related services associated with them, both at its sites and along its value chain. In particular, an analysis of dependencies on natural resources and ecosystems was carried out, with a focus on ecosystem services that are essential for its own operations and for those of counterparties. The analysis includes both the upstream chain, with particular attention to any suppliers that could operate in sectors with a high impact on ecosystems, and the downstream chain, to assess how the Bank's operations may depend on or affect ecosystems and biodiversity.

[E4.IRO-1 DP 17c]

illimity has implemented a structured process to identify and assess opportunities and risks, both physical and transitioning, related to biodiversity and ecosystems. This process is aimed at understanding how environmental changes and changing regulations can influence its own operations and those of the counterparties. The analysis of physical risks includes an assessment of the impact of extreme climate events and other environmental phenomena, such as habitat loss and biodiversity decrease, on the company's business activities and on those of counterparties. Risks related to phenomena such as floods, drought and soil degradation, which can compromise the resilience of ecosystems and the availability of natural resources, are identified. With regard to transition risks, the evolution of environmental regulations, changes in consumer expectations and technological progress towards sustainable practices were considered. These factors affect the operational environment of the Bank's counterparties and their ability to adapt to an increasingly sustainability-oriented market. Finally, opportunities related to biodiversity and ecosystems were identified.

[E4.IRO DP 19a]

No site of the Bank is located within or close to biodiversity-sensitive areas. Therefore, illimity has no activities that negatively affect these types of areas or that may cause the deterioration of natural habitats and of species habitats or that disturb the species for which a protected area has been designated.

### Resource use and circular economy [E5 IRO-1]

[E5.IRO-1 DP 11a]

illimity has screened its assets and activities in order to identify its actual and potential impacts, risks and opportunities related to resource use and the circular economy in its own operations - with residual impact - and in its upstream and downstream value chain - particularly for its customer companies - through: (i) the mapping of the products and services offered (e.g. loans to companies linked among others to these issues, as per the Framework Green, Social, Sustainability-linked Loan published on the corporate website) and its own operations; (ii) the analysis of the sectoral composition of the Bank's exposures or of the companies in the loan portfolio; (iii) the analysis of the sectoral composition of the main suppliers; (iv) risk scenario assumptions, including those related to the introduction of related regulatory restrictions, which, in particular, could be addressed to the companies to which the Bank is

exposed (e.g. for customer companies operating in packaging or plastic processing activities, or in the utilities sector, such as water supply and waste management and recovery activities).

[E5.IRO-1 DP 11b]

Considering the above, the Company did not conduct consultations with the affected communities about the use of resources and the circular economy, except for research - carried out in 2024 in collaboration with a leading energy operator and operator of a sustainability promotion platform - with which Italian SMEs, including non-customers of illimity, were consulted in relation to their development needs on sustainability matters, including issues relating to resource use and the circular economy.

## Business conduct [G1 IRO-1]

[G1.IRO-1 DP 6]

In analysing the impacts, risks and opportunities associated with corporate governance, illimity used a number of relevant criteria, including:

- **location:** the geographical impact of the Group's own operations and of the operations of its counterparties is considered, taking into account local regulations, geopolitical risks and socio-environmental vulnerabilities in the geographical area in which the Bank operates;
- **activities:** the main activities of own operations and of the operations of the counterparties are examined, with a focus on business management practices and ESG risks associated with each sector;
- **sector:** a sector classification is applied to identify the specific risks associated with the counterparties' sector. Each sector is assessed against ESRS guidelines to identify and mitigate Corporate Governance risks;
- **transaction structure:** the complexity of the transaction structure is considered, assessing the ESG risks associated with joint ventures, locations and other partnerships that could expose the company to conduct or governance risks.

With these criteria, the integrated approach allows for the precise detection of opportunities and risks related to business conduct, ensuring transparency and commitment to sustainable business practices.

## References for minimum disclosure requirements on policies, actions, metrics and targets related to material sustainability matters

- The information on the **policies** adopted by illimity to deal with material sustainability matters is illustrated and described in detail within the relevant ESRS topic (see "**Climate Change [E1]**", "**Own Workforce [S1]**", "**Affected Communities [S3]**", "**Consumers and End-Users (household and corporate customers) [S4]**", "**Corporate Governance [G1]**");
- The information on the actions relating to the policies adopted by illimity to deal with material sustainability matters is illustrated and described in detail within the relevant ESRS topic (see "**Climate Change [E1]**", "**Own Workforce [S1]**", "**Affected Communities [S3]**", "**Consumers and End-Users (household and corporate customers) [S4]**", "**Corporate Governance [G1]**");

[MDR-M DP 75, 77a]

- The methodologies and significant assumptions underpinning the **metrics** used by illimity, including the limitations of the methodologies used to assess performance and effectiveness in relation to material impacts, risks and opportunities related to sustainability matters are detailed in each relevant thematic ESRS (see "**Climate Change [E1]**", "**Own Workforce [S1]**", "**Affected Communities [S3]**", "**Consumers and End-Users (household and corporate customers) [S4]**", "**Corporate Governance [G1]**") and for each identified and defined metric.

[MDR-T DP 72, 81a, 81b, 81bii, 80d]

- The information on the **targets** relating to the policies and actions adopted by illimity to deal with material sustainability matters is illustrated and described in detail within the ESRS topic (see “**Climate Change [E1]**”, “**Own Workforce [S1]**”, “**Affected Communities [S3]**”, “**Consumers and End-Users (household and corporate customers) [S4]**”, “**Corporate Governance [G1]**”).

## 2. Environmental information

### 2.1 EU Taxonomy disclosure on sustainable economic activities (pursuant to Article 8 of Regulation 2020/852)

This section illustrates the disclosure prepared pursuant to Article 8 of Regulation (EU) 2020/852 (EU Taxonomy Regulation), in compliance with the provisions introduced by **Delegated Regulation (EU) 2026/73** of 4 July 2025, issued as part of the so-called **Omnibus package**, which entered into force on 28 January 2026 and are applicable from 1 January 2026; the latter regulation amends and supplements Delegated Regulation (EU) 2021/2178, simplifying the information content that bodies are required to publish pursuant to the EU Taxonomy and introducing revisions to the KPI calculation logic, with the aim of reducing administrative burdens for European companies, while promoting high levels of transparency, comparability and clarity in sustainability reporting.

The European Taxonomy defines a framework aimed at classifying economic activities considered sustainable from a climate and environmental point of view, establishing technical and scientific performance criteria necessary to determine their alignment with sustainability targets.

According to Article 8 of Regulation (EU) 2020/852, companies and financial market participants subject to sustainability reporting are required to provide quantitative and qualitative disclosure on the degree of alignment of their economic activities with the EU Taxonomy, in accordance with the provisions of Directive (EU) 2022/2464 (CSRD), as transposed by Legislative Decree 125/2024 as amended.

The calculation methods, the perimeter criteria and the main KPIs are governed by Delegated Regulation (EU) 2021/2178 as amended, which requires credit institutions to publish information according to the standardised templates defined in Annexes V and VI.

An activity is considered environmentally sustainable if it is aligned with the taxonomy, meeting the technical screening criteria set out in Delegated Regulation (EU) 2021/2139, as subsequently amended and supplemented, in relation to at least one of the **six environmental objectives** defined by the legislation:

- 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.

Delegated Regulation (EU) 2026/73 allows financial undertakings to define the reporting approach to be adopted for the financial year 2025. In particular, it is possible to choose between the following options:

- apply the reporting models and rules used for the financial year 2024;
- adopt the new reporting methods provided for in Delegated Regulation (EU) 2021/2178, as amended by Delegated Regulation (EU) 2026/73 (*Taxonomy Omnibus*);
- renounce the reporting of the Taxonomy KPIs, accompanied by the inclusion of a specific information statement in the Directors' Report.

In accordance with these provisions, illimity conducted specific analyses on the prudential scope of consolidation in order to determine the required KPIs and prepare the relevant European Taxonomy Disclosure. The eligibility and alignment quotas were calculated on the basis of the gross book value of assets included in the prudential consolidation scope as of 31 December 2025, thus adopting the new methods of reporting (Omnibus) introduced by Delegated Regulation (EU) 2026/73.



Consequently, the values reported in the disclosure templates relating to the financial year 2025 and the key performance indicators are not directly comparable with those reported for the financial year 2024.

### 2.1.1 Approach to eligibility and alignment of KPIs and criteria for identifying the GAR

As a result of the assessment activities carried out, the main performance indicators of illimity's **Green Asset Ratio** (GAR) reflect the size of the exposures attributable to financing activities consistent with the business model and the scope of application of the UE Taxonomy. In particular, the GAR includes:

- exposures to non-financial undertakings, with reference to the contribution to the environmental objectives of the EU Taxonomy;
- exposures to financial undertakings, measured against the same environmental objectives.

For the purposes of the eligibility and alignment assessments of assets included in the prudential scope of consolidation, the Group relied exclusively on timely and publicly available data relating to counterparties subject to non-financial disclosure requirements pursuant to Articles 19-bis or 29-bis of Directive 2013/34/EU (NFRD), or belonging to groups in which the parent company is subject to the same requirements.

The set of activities undertaken to comply with Regulation (EU) 2020/852, the **European Taxonomy disclosure requirements** and the new provisions of Delegated Regulation (EU) 2026/73 were embedded in a broader framework relating to the achievement of the ESG targets set out in the **2021-2025 Strategic Plan** and the **2023-2025 Sustainability Plan**. In particular, the targets relating to ESG risk assessment, as part of the credit disbursement and monitoring processes, and to increasing the offer of sustainable finance products are worth mentioning. In line with its efforts to promote sustainable growth, illimity has also developed its own **Climate Strategy** with ambitious targets since 2024, which leverages the Bank's "Green, Social and Sustainability-Linked Loan Framework". This framework is inspired by the principles of the International Capital Market Association (ICMA) and the Loan Market Association (LMA) and provides the basic parameters for classifying a financial transaction as an ESG loan, allowing the identification of related European taxonomy objectives for each type of financing product. For further details on this strategy, please refer to section "**Climate Change [E1-1]**".

The information was collected through the analysis of corporate documentation published by counterparties and customer companies and through the support of leading national and international info providers. The data acquired were subjected to specific verification and control activities, offering a level of granularity, reliability and traceability consistent with the regulator's expectations and market best practices. illimity included the following assets in its analysis.

#### Loans and advances to undertakings

- **Financial undertaking, non-financial undertaking and credit institutions:** the eligibility and alignment KPIs, acquired from dedicated information, both in terms of capital expenditure (CapEx) and turnover, compared to the six environmental objectives of 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).
- **Undertaking with nuclear and fossil gas-related activities:** eligibility and alignment data acquired from the dedicated information required by sector regulations.

#### Debt securities and equity instruments

For the purposes of calculating the GAR and the KPI related to AuM (asset under management/managed assets), debt securities for which the use of income is known contribute, among other exposures. In particular, the legislation establishes that bonds issued as "green" must be assessed on the basis of the degree of alignment of financed economic activities or projects with the Taxonomy, using specific information provided by the issuer.



## Residential immovable property loans

Like the previous year and with reference to residential immovable property exposures, illimity analysed its loan portfolio according to the Substantial Contribution Criteria (SCC), considering data on exposure, issue date, residual life and classification of the existing relationship. On the basis of this analysis, illimity decided to use information deriving from manual extractions provided by info providers, excluding residential mortgages in run-off and non-performing loans classified as bad loans, as they mature or have a non-recent issue date, considering their recovery irrelevant for the purposes of analysing alignment with the Taxonomy.

To assess the alignment of these exposures (residential immovable property loans), in line with the technical criteria for the objective of Climate Change Mitigation set forth in Delegated Regulation (EU) 2021/2139, the results of the technical study developed by CTI & CRIF as part of the EU-EeMMIP project were used<sup>12</sup>. This study made it possible to estimate the energy performance of residential real estate assets and the degree of alignment with the requirements of the European Taxonomy even without complete data, adopting a process divided into two main phases.

### *(1) Verification phase of the construction characteristics of loans collateralised by residential immovable property:*

For buildings built before 31 December 2020, the alignment is confirmed by the presence of an energy class at least "A" or an Energy Performance of the Building (Primary Energy Demand, PED) within the TOP 15% of the climate zone to which it belongs. For newly constructed buildings after 31 December 2020, alignment with the mitigation objective is assessed through compliance with the requirements of Nearly Zero-Energy Building (NZEB) according to Directive 2010/31/EU (EPBD) and national transposition legislation, as well as compliance with the energy performance thresholds in force at the time of construction.

### *(2) Verification phase of compliance with the DNSH (Do Not Significant Harm) criteria:*

For properties that meet the criteria for substantial contribution, it has been established that the financing does not entail significant damage to the climate change adaptation objective set out for activity 7.7 of Annex I of Delegated Regulation (EU) 2021/2139. In line with what was observed the previous year, the eligibility and alignment analyses relating to residential immovable property collateral showed the absence of the information requirements necessary to demonstrate compliance with the technical screening criteria (DNSH/SCC) set out in the legislation. In the absence of sufficient information, these assets were treated as non-aligned with the EU Taxonomy and, consequently, the GAR associated with residential immovable property exposures is 0%, therefore zero.

Finally, in accordance with the provisions of Article 7, paragraph 8, of Delegated Regulation (EU) 2021/2178, as amended, the KPIs relating to the following products and assets not related to illimity's business model were not subject to assessment and reporting:

- retail car loans;
- use of proceeds financing local governments;
- commercial and residential reposessed real estate collateral held for sale.

## 2.1.2 Methodological assumptions and main KPIs

With regard to the methodology adopted, in line with the previous financial year, an accurate and granular analysis was carried out in order to precisely trace each counterparty in the portfolio, insofar as it is a subsidiary, back to the corporate group to which it belongs. In the absence of eligibility and alignment KPIs of the subsidiary, communicated by its direct parent or ultimate parent company, the KPIs of the closest communicating parent company were collected and used, as stated in the Frequently Asked Questions (FAQs) document published by the European Commission.

Based on the methodological approach described above, the **GAR KPI stocks** at illimity Group level as of 31 December 2025 amounted to **27.4% Turnover-based** (Turnover) and **39.7% CapEx-based** (CapEx).

<sup>12</sup> Energy Efficient Mortgage Market Implementation Plan.

The taxonomy-aligned economic activities that contribute to the determination of the aforementioned KPIs mainly refer to the activities identified in Annex I of Delegated Regulation (EU) 2021/2139, with particular reference to sections "3. Manufacturing activities" and "6. Transport" in the same Annex.

Worthy of note is the materiality of the inclusion in the numerator of the Green Asset Ratio (GAR) of exposures to counterparties not subject to sustainability reporting requirements under the CSRD, such as mainly large companies and SMEs that constitute illimity's main customer segment. Furthermore, for the purposes of GAR, it should be noted that the trading book does not play a significant role in illimity's business model, as it is composed exclusively of financial instruments classified as trading derivatives, recognised and measured at fair value, as well as debt securities held according to a "trading" business model.

In accordance with the amendments introduced by Delegated Regulation (EU) 2026/73, illimity has aligned the numerator and denominator of the KPIs by excluding exposures to counterparties that are not subject to the reporting obligations referred to in Articles 19-bis and 29-bis of Directive 2013/34/EU, except for:

- exposures to Special Purpose Vehicle that finance entities subject to reporting obligations;
- exposures to counterparties that comply on a voluntarily basis with the KPIs;
- exposures to counterparties that are known use of proceeds.

In accordance with Annex VI of Delegated Regulation (EU) 2021/2178, illimity represents the key performance indicators required pursuant to Article 8 of the Taxonomy Regulation through specific standardised tabular templates, significantly simplified compared to previous years. The **Reporting KPIs for 2025** include:

- the **Green Asset Ratio (GAR)**, which expresses the ratio of assets financing economic activities aligned to the EU Taxonomy (or are invested in these activities) to the total assets included in the GAR scope;
- **KPIs related to off-balance sheet exposures**, which represent the share of taxonomy-aligned economic activities of the assets underlying these exposures. In particular, for the financial year 2025, the disclosure concerns:
  - financial guarantees to support loans and other debt instruments to companies (FinGuar KPI);
  - assets under management (AuM KPI).

### 2.1.3 Reporting templates for credit institution KPIs

The **templates for the KPIs of credit institutions** subject to reporting pursuant to Annex VI of Delegated Regulation (EU) 2021/2178, as amended by Delegated Regulation (EU) 2026/73, are:

- **Template 0 - Summary of KPIs**, which provides an overview of the communicated indicators;
- **Template 1 - Assets for the calculation of GAR**, which shows the stock and flow values of balance sheet and off-balance sheet exposures as at 31/12/2025, distinguishing between eligible exposures and aligned with environmental targets;
- **Template 2 – GAR sector information**, which presents the ten main exposures of the banking book to the sectors covered by the Taxonomy, identified through the four-digit NACE codes of the counterparty's main activity. In line with current provisions, the template also includes in aggregate form information on exposures to the fossil gas and nuclear related activities;
- **Template 3 - GAR KPI (stock)**, relating to the Stock of loans and advances, debt securities and equity instruments calculated from the information referred to in Template 1;
- **Template 4 - GAR KPI (flow)**, referring to the flows generated during the year for loans and advances, debt securities and equity instruments calculated from the information referred to in Template 1;
- **Template 5 - KPI off-balance sheet exposures**, referring to the stock and flow values relating to the FinGuar KPI and the AuM KPI, respectively for KPIs on financial guarantees and assets under management calculated from the information set out in Template 1;

- **Template 6:** KPIs for revenues relating to commissions and remuneration deriving from services other than loans and management of financial assets (not applicable to this statement)<sup>13</sup>;
- **Template 7:** KPI on trading book portfolio (not applicable to this statement)<sup>14</sup>.

Each template is published in two versions, using eligibility and alignment KPIs based on Turnover (revenues) and CapEx (capital expenditure) communicated by counterparties subject to CSRD obligations or reporting on a voluntary basis as the weighting factor for corporate exposures.

In accordance with Article 10, paragraph 5, of Delegated Regulation (EU) 2021/2178, as amended, **Templates 6 and 7**, relating respectively to revenues from commissions and remuneration deriving from services other than loans and management of financial assets and the trading book, will be **applied starting from 1 January 2028**, in order to allow credit institutions an adequate phase of implementation of the new information requirements.

Delegated Regulation (EU) 2026/73 also eliminated the obligation to prepare templates dedicated to exposures to nuclear and fossil gas related activities, providing that this information is communicated in aggregate form within Template 2, with the aim of reducing communication burdens and avoiding duplication with previous years. This change represents a novelty compared to the years 2023 and 2024, during which companies were required to include these sectors within additional dedicated templates.

### 2.1.4 Results of KPIs of credit institutions

Below is a summary of the **main results of KPIs of credit institutions** reported by illimity pursuant to Annex VI of Delegated Regulation (EU) 2021/2178, as amended, following the new provisions of Delegated Regulation (EU) 2026/73, in relation to the prudential consolidation perimeter as at 31 December 2025. All currency amounts in the templates are in millions of euros. The Templates of KPIs of credit institutions can be consulted in the section **“Other sustainable information”**.

For the purpose of calculating the Green Asset Ratio (GAR), the illimity Group considered in the denominator, in accordance with the new regulatory provisions, the **GAR assets amounting to approximately EUR 434 million** (gross total of loans and advances, debt instruments and equity instruments not held for trading eligible for the calculation of the GAR, corresponding to approximately **5.5%** of the total assets), thus excluding from total assets exposures in central administrations, central banks, supranational issuers, the trading book, undertakings and entities not subject to the CSRD, derivatives, on-demand interbank loans, cash and cash assets and other categories of assets (e.g. goodwill, goods, etc.).

The main results relating to the share of exposures from Taxonomy-aligned economic activities in terms of stocks as at 31 December 2025, equal to:

- approximately EUR 119 million, which corresponds to 27.4% of GAR assets, using Turnover as the exposure weighting factor;
- approximately EUR 172 million, which corresponds to 39.7% of GAR assets, using CapEx as the exposure weighting factor.

The total GAR assets (the denominator of the KPIs reported above) only include exposures to undertakings within the CSRD scope (or which publish a voluntary reporting), exposures to households intended for the purchase/restructuring of residential immovable property and the purchase of cars, local public administration loans and collaterals relating to residential and commercial real estate and therefore excludes exposures to companies and entities not subject to the CSRD, derivatives, on-demand interbank loans, cash and cash assets and other categories of assets (e.g. goodwill, commodities, etc.), included in previous years. Meanwhile, assets eligible for the Taxonomy for the reporting year are 50.3% based on revenues and 54.9% based on capital expenditure, respectively.

<sup>13</sup> Not applicable to this statement as of 31 December 2025, KPI shall apply starting 2028.

<sup>14</sup> Not applicable to this statement as of 31 December 2025, KPI shall apply starting 2028.

To allow a comparison between the GAR values relating to the financial year 2025 and those published in 2024, the recalculated values of **GAR 2024** according to the new regulations (known as *Omnibus*) are shown, for example:

- EUR 138 million aligned with the Taxonomy, which correspond to **21.8%** of GAR assets, using Turnover as the exposures weighting factor (the value reported in FY 2024, using the total assets covered as the denominator, was instead 1.9%);
- EUR 202 million aligned with the Taxonomy, which correspond to **31.9%** of GAR assets, using CapEx as the exposures weighting factor (the value reported in FY 2024, using the total assets covered as the denominator, on the other hand, was 2.8%).

Finally, with regard to off-balance sheet exposures, there are no Taxonomy-aligned exposures associated with financial guarantees or assets under management. Specifically, the KPI relating to the assets under management (AuM KPI) relating to off-balance sheet exposures to counterparties subject to CSRD and local public administrations in terms of stocks and flows for 2025 refers to 1.1% of total assets managed. Assets under management to counterparties subject to CSRD, amounting to approximately EUR 8 million, are therefore only eligible for the Taxonomy for 10%, using revenue (Turnover) as the weighting factor, and for 16% based on capital expenditure (CapEx).

## 2.2 Climate Change [E1]

### 2.2.1 Strategy and material IROs related to climate change

[E1.SBM-3 DP 18]

Significant risks related to climate change are listed below, broken down by type.

#### Climate change mitigation

##### Transition risk

1. **Credit risk:** the value of collateral could decrease due to policies that impose decisive energy efficiency standards for the rental or sale of properties. Market sentiment could also lead to an increase in demand for high-energy-efficient housing and a consequent decrease in the value of properties located in old buildings. The reduction in the value of the property as guarantee is therefore a risk of recovery.
2. **Credit risk** due to deterioration of counterparties' credit rating (PD) due to higher costs to be incurred caused by higher transition costs:
  - for the development of a transition plan or specific interventions needed for the sector, for example: for energy efficiency, to reduce the level of GHG emission, 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);
  - for the introduction of specific taxes (e.g. carbon tax).

#### Climate change adaptation

##### Physical Risk

1. **Credit risk:** acute or chronic climate events can damage plants and real estate, causing operational interruptions, decreasing sales and worsening company solvency (PD). At the same time, the impairment loss of buildings, especially when collateralised, may increase credit risk and LGD for banks, undermining borrowers' ability to repay loans.
2. **Liquidity risk:** physical risks can damage the buildings or properties of depositing companies or customers, potentially causing an increase in demand for liquidity and the withdrawal of part of the deposits.

[E1.SBM-3 DP 19a]

The Bank adopts an integrated business model and strategy in order to take into account the impacts, risks and opportunities associated with climate change, as well as social and governance factors. This scenario analysis involves all strategic, operational and risk management areas of the Bank, with a focus on core businesses (Corporate Banking, Turnaround & Credit Opportunities and Investment Banking). When assessing risks linked to climatic and environmental factors, consideration is given to both physical risk factors, linked to acute and extreme or chronic climatic events, and transition risk factors, deriving from potential costs and/or investments resulting from actions to adapt to contextual decisions (regulatory and/or market-related) pertaining to climate change.

[E1.SBM-3 DP 19b]

To carry out the resilience assessment to climate risk factors, the illimity Group took into account the outcomes from the NGFS scenario analysis applied to a sample of companies financed in the portfolio, as described below.

## Scenario analysis

For this analysis, a model based on *Network for Greening the Financial System* (NGFS) scenarios was used, also through the scenario info-provider Oxford Economics. The choice to use NGFS scenarios was dictated by reasons related to:

- **risk management** as NGFS scenarios are developed by a network of central banks and financial supervisors, supporting a high level of credibility and methodological robustness; moreover, they are integrated into the Bank's financial models, such as those for estimating probability of default (PD) and loss given default (LGD), allowing for a more accurate assessment of climate change-related credit risks;
- **strategic planning** as these scenarios have estimates extending to 2050 and beyond, allowing a medium- to long-term strategic vision to be developed, integrating climate considerations into business and investment decisions;
- **regulatory compliance** as many regulators and financial supervisors are starting to require financial institutions to integrate climate risks into their risk assessments and often point to NGFS scenarios as a reference.

The model was analysed and developed by taking into account the following analytical choices and related uncertainties/constraints.

The model automatically extends the analysis over multiple time horizons ((the five-year periods between 2025 and 2050) and uses NGFS scenarios and their simulation results to estimate incremental differences in PD and LGD due to transition risk and physical risk. Possible *expert-based* evaluations have been included where necessary in order to better simulate the future behaviour of companies, refining assumptions and improving the accuracy of projections. In terms of methodology, the model integrates data from financial statements taking into account changes due to transition risks and physical risks, using the Merton model method and other methodological guidance shared at industry association level (so-called ValueCube-ABI model).

As regards the assumptions on which the model was developed, one has to consider the speed and extent of regulatory changes, as well as the often-unpredictable consumers preferences and the uncertainty, both positive and negative, of technological advances. All these factors could affect the accuracy of the scenario analysis (which is, however, frequently updated by NGFS analysts and after publication on the [ngfs.net](https://www.ngfs.net) website are used by the Bank to update the model). Moreover, the model is designed in point-in-time mode, while global economic conditions may change and influence the dynamics and severity of the driving forces of change. Lastly, the accuracy of scenario analysis is highly dependent on the availability and quality of emissions data, as well as on the quality of financial performance data and other relevant metrics specific to the companies under analysis.

Overall, given these assumptions, the analysis nevertheless aims to provide a robust framework for estimating climate transition and physical risks and obtaining climate-adjusted PDs, enabling an in-depth and adaptable analysis of possible scenarios for organisations facing climate-related financial risks.

## Materiality and impact analysis (resilience)

In order to assess the materiality of climate and environmental risk, an assessment was carried out with the involvement of the business functions.

The assessment regarded both risks associated with the Bank's counterparties (i.e. counterparties financed/ served) and risks to which the Bank itself is directly exposed or to which it contributes (i.e. processes, procedures). The process consists of the following five logical steps:

1. mapping the risk areas on individual Bank functions (identification of transmission channels, impacts, mitigation and measurement actions);
2. identification of the risk level for the mapped areas;
3. attribution of an opinion on the probability of occurrence of the risk analysed (scale from 1 - *very low probability* of the risk occurring - to 5 - *very high probability*) for four areas: (i) business model



- and current operations of the Bank's various business functions, (ii) business outlook strategies, (iii) strategies, recruitment/management policies and organisational safeguards against the various risks, (iv) evolution of the external and market/regulatory context;
4. evaluation of a final overall assessment of ESG risk materiality by the CRO (assessment conducted following the analyses carried out for each structure, which is preliminary to calculating the overall score);
  5. in the event of an overall score > 2.5 (threshold above which the risk is considered material), inclusion of the risk in the official Risk Radar of the illimity Group.

Following the identification of the materiality score of the climate-environmental risk, an analysis of the impact of ESG risk factors on traditional banking risks such as: credit, market, liquidity, operational and reputational.

The most recent resilience analysis was carried out in the first half of 2025.

[E1.SBM-3 RA 7b]

In the resilience analysis, illimity specified the time horizons applied; furthermore, based on the scenario analysis conducted, considering the recommendations of the "*Task Force on Climate-related Financial Disclosures*" (TCFD) and analysing the materiality and impact of ESG risks for the 2025 ICAAP year, the illimity Group assessed the materiality of these risks considering both the risks connected with the financial counterparties and/or counterparties served and those to which illimity is exposed.

In the 2025 ICAAP and ILAAP year, estimates of the impact of ESG risks (specifically, also climate-environmental risks) on first-pillar banking risks (credit, market, operational and liquidity) and, consequently, on capital (CET1 ratio and Total Capital ratio) and liquidity (LCR and NSFR) were used. The impact of ESG risks on first-pillar risks concerned Financial Statements items such as - but not limited to - profit, stable funding and capital reserves. However, the reduced materiality of the economic impact for illimity of ESG risks in the Basic Scenario, selected for the internal year, did not lead the Bank to value these estimates in its capital and liquidity adequacy assessments.

[E1.SBM-3 DP 19c]

## Scenario analysis results

The application of the climate-related scenario analysis to the *Probabilities of Default* over a multi-year time horizon (up to 30 years) translated into initial estimates with a relatively limited impact. This assessment is the result of both macroeconomic scenarios affected by climate-related and environmental scenarios (NGFS) that are not particularly differentiated from the baseline scenario, and of the longer-term horizon in which the greatest climate-related and environmental impacts will occur, which is not fully factored by the modelling currently used and by the more limited time horizons that characterise impact assessments at portfolio and individual transaction level. Secondly, a model was developed which, based on the ratio between climate-related and environmental scenarios, main financial statements factors (investments, operating costs, and mix and price of energy sources) and conditions of economic and financial balance of the counterparties - estimates the effects of both climate-related and environmental risks, both physical and transition risk, on the solvency of financed counterparties, managing to define an impact on the PD obtained from the internal management model.

## Impact and risk materiality results (Resilience analysis)

Following the application of the process described above, the materiality and impact analysis conducted with reference to the Bank's functions, and also at the Group level, showed that ESG risks and, in particular, climate and environmental risks (referring both to portfolio counterparties and directly to illimity and the perimeter Companies) were considered material in 2025. Therefore, the Group's risk strategy has been updated to include, among its key elements, a set of Key Performance Indicators (KPIs) and Key Risk Indicators (KRIs) to monitor the Group's exposure to ESG risks. In particular, the Group's *Risk Appetite Statement* formalises these indicators, risk and risk appetite framework, and their respective limits. First-level indicators characterise the different dimensions of analysis to which specific qualitative and quantitative metrics are associated and allow the operational declination of the target



level or risk appetite framework and their respective maximum permitted and/or assumed exposure limits (risk tolerance and risk capacity). This set of thresholds allows risk exposure to be constantly monitored in order to implement any functional corrective measures to bring operations back into line with values consistent with the risk targets fixed previously. In addition to the first-level indicators providing for risk appetite, tolerance and capacity thresholds, the following are also included:

- **second-level indicators**, which concern individual risk types or specific analysis scopes considered relevant for banking operations. For each indicator, a system of operating limits is calibrated, structured on two different types of thresholds (alert and warning). These indicators also operate as early warning tools with respect to the risk profiles monitored and managed using first-level indicators;
- **macroeconomic and management system-related indicators** which, associated with specific dimensions of analysis attributable to the internal, external market, idiosyncratic and macroeconomic context, allow for attention/monitoring levels to be determined. The attainment/exceeding of the levels triggers specific analysis, assessment and investigation processes by the competent functions in order to determine the possible impacts on RAS indicators and to activate the involvement of the Company Bodies.

It should also be noted that, in the ESG area, RAF integration took place in 2024 as, already in 2023, the CRO had implemented quarterly monitoring through the RAF Tableau de Bord of the illimity Group's exposure to ESG risks (in particular, with reference to the component linked to climate and environmental risk) in order to analyse its performance. In 2025, the RAF indicator set was strengthened in order to improve the timeliness of monitoring the Bank's exposure to ESG risks. The indicator thresholds, which have been incorporated into the 2025 Risk Appetite Framework of the Group, have been calibrated both on the basis of the risk profiles and trends observed over the past year on the indicators mentioned above, and through an expert-based approach, all consistent with the budget targets. The indicators were approved by the Bank's Board of Directors in June 2025, with the commencement of quarterly monitoring through the Tableau De Bord, in order to verify they stay within the set Appetite and Tolerance thresholds.

[E1.SBM-3 RA 8b]

In the modelling used, based on the Merton model and in any case on Financial Statements data and dynamics, priority is given to the company's ability to access the necessary capital at a reasonable cost in order to redeploy, upgrade or dispose of existing assets. More qualitative and intangible dimensions such as the reorientation of the product/service portfolio, the reskilling of the workforce, adaptations of strategy, market or geographical scopes or the company's organisational model itself, are all elements that can only be considered by means of expert-based assessments, to be included as impacts on the income statement or to be factored in with appropriate modelling drivers.

## 2.2.2 Transition plan for climate change mitigation [E1-1]

[E1-1 DP 14]

Since its inception, illimity has implemented - at a consolidated level - initiatives aimed at **climate change mitigation**, despite the very nature of the business model, which aims to minimise direct environmental impact and promote the responsible and efficient use of energy resources thanks to a 100% digital and fully cloud-based infrastructure and the absence of branches.

Scope 1 and Scope 2 greenhouse gas emissions of the illimity Group refer to fuel consumption for the company car fleet and electricity consumption at the various offices. To reduce these emissions, in 2020, a strategic and operational approach was adopted to achieve and maintain **carbon neutrality** through a number of initiatives.

Moreover, illimity defined and applied an internal/ facility management procedure to regulate the management and maintenance of the real estate assets used, the systems and any associated equipment, with particular attention to the impact on the environment and the management of natural resources.

Starting from the end of 2023, in order to **reduce energy consumption from lighting** - with a focus on the areas with the highest number of operating hours/days - illimity implemented relamping. Furthermore, for the main offices of the illimity Group (i.e. those in Milan, Faenza and Modena), electricity **certified with Guarantees of Origin (GO) from renewable sources** has been purchased,

and the Bank has committed to modifying contracts not yet covered by GO so that, by 2030, all of its supplies will be certified.

These initiatives, adopted over the years, have enabled the company to achieve and maintain carbon neutrality since 2020 for Scope 1 and Scope 2 GHG emissions, offset annually through the purchase of certified carbon credits (see the section "**GHG removals and GHG mitigation projects financed through carbon credits [E1-7]**").

The Transition Plan for climate change mitigation of the illimity Group was adopted by illimity through its Climate Strategy - approved by the BoD in November 2024 - which is based on three fundamental pillars:

1. minimising the illimity Group's own emissions by achieving **net-zero Scope 2 Market-based emissions by 2030** and implementing feasible actions to minimise Scope 1 emissions, while maintaining **carbon neutrality**, by offsetting residual emissions from the above areas;
2. the **development of sustainable finance** to actively support undertakings towards transition, an action started in 2023;
3. the **decarbonisation of the most carbon intensive sectors in the portfolio**, starting from 2025, with a time horizon of 2030 and 2050.

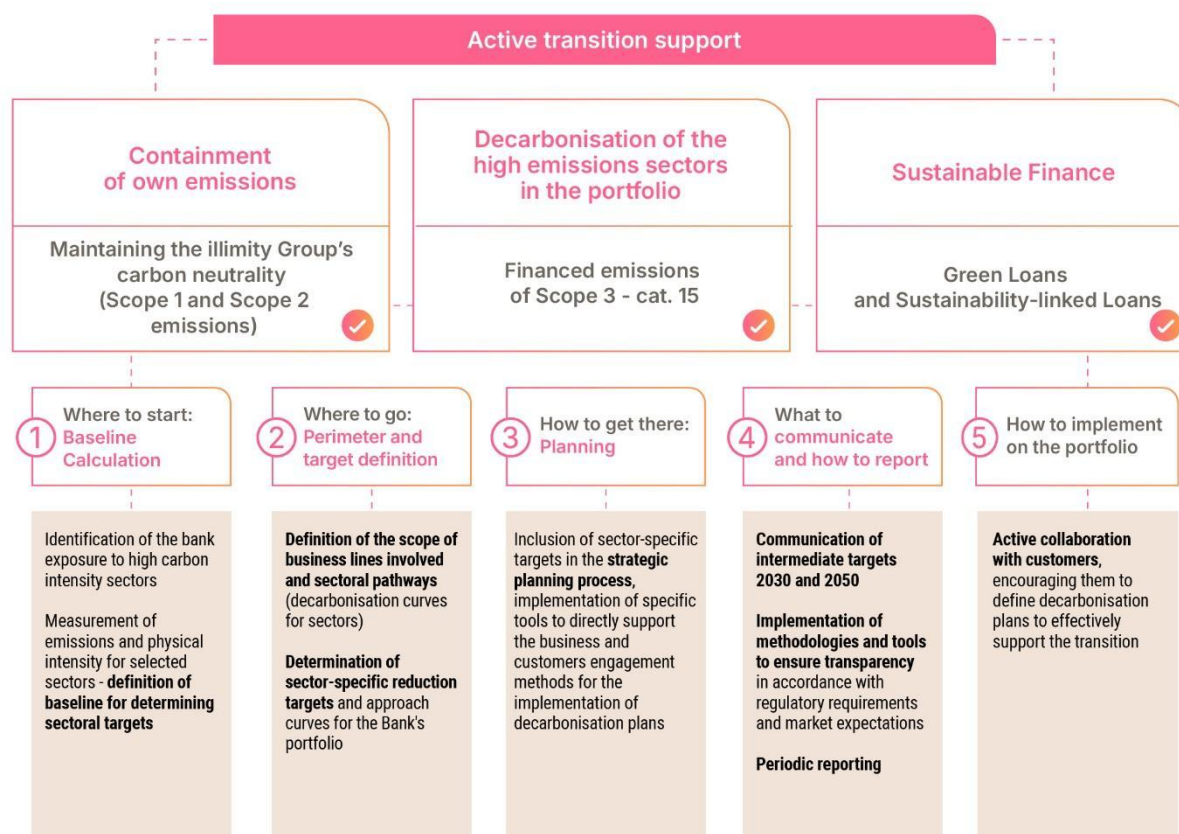


illimity's priority is to support corporate customers that are already demonstrating a commitment to the **renewal of their technologies and processes**, or that have the will to do so, in line with the company's mission and risk management.

Technological development, the regulatory framework and changes in consumption and production patterns will influence the transition plan, which will also vary by sector and geography.

[E1-1 DP 16a]

**illimity has defined its Climate Strategy with the aim of aligning its loan portfolio with the commitments of the Paris Agreement** and contributing to limiting global warming to 1.5 °C. This commitment is based on a scientific approach and concrete actions to ensure the compatibility of the Bank's targets with the decarbonisation pathways required to achieve this limit.



To ensure consistency with global climate targets, illimity has set science-based emission reduction targets, with a special **focus on the most carbon-intensive sectors in the portfolio**, such as Shipping, Power, Steel, Oil & Gas and Real Estate. These targets were defined using internationally recognised decarbonisation scenarios developed by authoritative organisations such as the International Energy Agency (IEA), the Poseidon Principles and the Science-Based Targets Initiative (SBTi). These scenarios translate the commitment of the Paris Agreement into clear sector pathways, providing a roadmap for the transition to a low-carbon economy. illimity also monitors the emission intensity of the financed companies through specific metrics, such as the "Alignment Delta" for the Shipping sector and the per unit emission intensity of physical output for other sectors. This system allows to accurately assess the progress of undertakings in reducing emissions and to direct financial support towards those that demonstrate a concrete commitment to the ecological transition. Another key element of illimity's Climate Strategy is the **promotion of sustainable finance**. The Bank supports undertakings operating in carbon-intensive sectors by offering innovative financial instruments, such as Sustainability-Linked Loans and Green Loans, which link the terms of the financing to the achievement of specific environmental targets. This approach encourages companies to improve their sustainability performance by integrating environmental responsibility into their business models. illimity is also committed to establishing an active dialogue with its customers, supporting them in **defining and implementing credible transition plans** that are proportionate to their activities. To do so, the Bank works with specialised sector-specific *advisors* to ensure effective support for decarbonisation.

[E1-1 DP 16b]

The Climate Strategy adopted by illimity is well-structured and ambitious, combining actions to reduce its greenhouse gas (GHG) emissions with initiatives to decarbonise its financing portfolio, in line with climate change mitigation targets. This approach is based on a combination of **decarbonisation levers and planned interventions** that affect both the Bank's direct operations and its value chain. In terms of its own operations, illimity achieved carbon neutrality in 2020 and has been committed to maintaining it over time.

As mentioned above, the main actions undertaken are:

- **the installation of energy-efficient LED lamps** in offices (*relamping*) which has helped to reduce energy consumption since 2024;
- **the purchase of renewable energy certified by Guarantees of Origin (GO)**, which covers approximately 59% of the illimity Group's energy needs, with the target of reaching 100% by 2030.

In terms of decarbonisation of the financing portfolio (Scope 3), illimity identified three main levers:

- **the exclusion of sectors with a high environmental impact**, such as coal-fired power plants, for which restrictions or bans on financing apply;
- the setting of **science-based emission reduction targets** with specific targets for the most carbon-intensive sectors of the portfolio, such as *Shipping, Power, Steel, Oil & Gas and Real Estate*;
- the **development of sustainable finance**: illimity offers products such as Green Loan and Sustainability-Linked Loan, which encourage undertakings to improve their sustainability performance, and works with SACE to facilitate access to the Green Guarantee for sustainability projects. Moreover, the Bank is creating an ecosystem of ESG services, in partnership with financial institutions and third-party organisations, to support undertakings with ESG assessment tools and advice on decarbonisation plans.

illimity also integrates ESG criteria into its credit rating and risk management assessment processes, introducing Risk Appetite/Tolerance thresholds for indicators such as the ESG score of financed counterparties and the emission intensity of the portfolio. To further improve the effectiveness of its actions, the Bank is exploring the adoption of new technologies to measure and monitor emissions along the value chain. For example, it is considering the use of data analysis tools to improve the quality and availability of data on the emissions of financed counterparties.

[E1-1 DP 16h, 16i, 16j]

The Transition Plan, in its Climate Strategy form, was approved by the Bank's Board of Directors in November 2024, is embedded and aligned with the Bank's overall business strategy and financial planning (budget), and its implementation began in the FY 2025. Specifically, the strategy is developed over a long-term time horizon of 2030 and 2050 for both the illimity Group's own activities and those of the value chain, i.e. the Bank's portfolio. This is complemented by the environmental targets of the 2021-2025 Strategic Plan which have already been reached, in particular those relating to carbon neutrality and addressing financed emissions, and, similarly, by the 2023-2025 Sustainability Plan's goal relating to the development of sustainable finance. The sustainable finance targets and emission intensity limits of the specific sectors identified by the Climate Strategy are integrated into the strategic planning and budgeting processes and into the Risk Appetite Framework, respectively.

[E1-1 DP 16g]

Finally, it should be noted that illimity is excluded from the EU benchmarks aligned with the Paris Agreement.

## 2.2.3 Policies related to climate change mitigation and adaptation [E1-2]

[E1-2 DP 25a-e]

The environmental policy of the illimity Group focuses on mitigating climate change and, in particular on reducing greenhouse gas emissions through a series of initiatives:

- **Carbon neutrality**: The illimity Group maintains neutrality for Scope 1 and 2 emissions, offsetting residual emissions with certified carbon credits.
- **Measuring and managing financed emissions (Scope 3)**: illimity assesses the climate impact of its investments and financings, promoting sustainable choices.
- **Sector-specific exclusion**: sectors with a high negative environmental impact, such as coal-fired power plants, unconventional fossil fuel extraction and unsustainable palm oil production are excluded from financings and investment.

The illimity Group recognises the importance of **addressing the risks arising from climate change** and considers climate adaptation to be an essential element in ensuring the resilience of its business model. Physical risks related to climate change, both acute (e.g. floods, heat waves, droughts) and chronic (e.g. rising temperatures, rising sea levels), are embedded into the company's risk management processes. Embedding physical risks into decision-making processes is a first step towards a broader climate adaptation strategy, although a specific governance model for coordinating adaptation activities has yet to be defined.

Equally important for the illimity Group is the promotion and use of renewable sources, through the target of achieving 100% electricity from renewable sources (certified by Guarantees of Origin) in its main offices.

The illimity Group takes further environmental measures, including:

- **sustainable waste management:** promoting separate waste collection and responsible disposal;
- **responsible consumption of water resources:** measuring water consumption;
- **use of certified materials:** using FSC-certified paper;
- **sustainable mobility:** the illimity Group's Car Policy provides for the allocation of hybrid, plug-in and electric vehicles that meet European emission standards.
- **training and awareness-raising:** staff are trained on environmental issues, and the reporting of environmental impacts is transparent.
- **energy efficiency of buildings:** relamping project (installation of LED light bulbs with high illumination and energy efficiency) at the Group's main offices in Milan. The new devices installed in the FY 2024 can accurately light up the areas where there is a real need for light by means of photocells that only switch on the LEDs where staff is present. These devices are also combined with light meters that modulate the intensity of the light based on the external light, while ensuring the utmost comfort for workers.

[E1-MDR-P DP 24]

[E1.MDR-DP 65a-f]

| Policy                                                    | Environmental and Climate Policy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Main contents</b>                                      | The Policy defines illimity's approach to preventing, managing and, where possible, reducing the environmental and climate impact caused and/or suffered, directly or indirectly, by the activities of the Bank and its subsidiaries, also in light of the regulatory framework for environmental protection and combating climate change established by European Union legislation, and by current national and regional laws, which are constantly evolving. The Policy also defines commitments to manage and reduce direct and indirect environmental impacts, and to monitor and report them.                                                                                                                                                                                                                                                                                                                         |
| <b>Main recipients</b>                                    | The Policy applies to the Bank and its subsidiaries, with regards to <i>own operations</i> and to financed and/or invested customers and counterparties, and to suppliers for what concerns indirect impacts.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Policy Implementers</b>                                | The policy was issued by the Board of Directors, and its latest update was approved by the Chief Executive Officer.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>References to third-party standards or initiatives</b> | <ul style="list-style-type: none"> <li>• European Green Deal</li> <li>• Paris Agreement</li> <li>• Bank of Italy Supervisory Expectations on Climate and Environmental Risks</li> <li>• Regulation (EU) 2020/852 on establishing a framework for sustainable investments ("EU Taxonomy")</li> <li>• Regulation (EU) 2019/2088 on sustainability reporting in the financial services sector ("SFDR")</li> <li>• Regulation (EU) 2023/2772 with regard to sustainability reporting principles ("ESRS")</li> <li>• Italian Legislative Decree no. 125/2024 implementing Directive (EU) 2022/2464 with regard to corporate sustainability reporting ("CSRD")</li> <li>• Directive (EU) 2024/1203 of the European Parliament and of the Council on the protection of the environment through criminal law</li> <li>• Principles for Responsible Investment (PRI)</li> <li>• Principles for Responsible Banking (PRB)</li> </ul> |



| Policy                                | Environmental and Climate Policy                                                                                                                                                             |
|---------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                       | <ul style="list-style-type: none"> <li>• United Nations Global Compact</li> <li>• United Nations Sustainable Development Goals (SDGs)</li> </ul>                                             |
| <b>Stakeholder engagement</b>         | In drafting the Policy, the Bank's internal functions were involved, requests from investors and rating agencies were collected and supervisory and regulators expectations were considered. |
| <b>Methods of access/distribution</b> | The policy is available on the 'Company Regulations' portal on the company intranet and published in Italian and English on the illimity corporate website.                                  |

| Policy                                                    | Facility Management Procedure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Main contents</b>                                      | The target of the Procedure is to regulate the proper management and maintenance of the real estate assets used by the Bank, the systems and any associated equipment, with particular attention to the impact on the environment and the management of natural resources. It also aims to promote awareness and individual conduct that are consistent with principles of correct corporate management and sustainable development.                                                                                                         |
| <b>Main recipients</b>                                    | The Procedure applies to illimity and its subsidiaries Fürstenberg SGR, Abilio and ARECneprix, for the parts falling under its competence and depending on the nature of the business carried out by each subsidiary.                                                                                                                                                                                                                                                                                                                        |
| <b>Policy Implementers</b>                                | The policy was approved in its first version and in subsequent updates by the Chief Executive Officer.                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>References to third-party standards or initiatives</b> | <ul style="list-style-type: none"> <li>• Legislative Decree No. 231/2001, as amended, for what concerns environmental offences and offences related to occupational health and safety.</li> <li>• Legislative Decree 192/2005, as amended, concerning the improvement of the energy performance of buildings.</li> <li>• Italian Legislative Decree 81/2008, as amended – Consolidated Law on Health and Safety in the Workplace.</li> <li>• Consolidated Environmental Law, pursuant to Legislative Decree 152/2006 as amended).</li> </ul> |
| <b>Stakeholder engagement</b>                             | In drafting the Policy, the Bank's internal functions were involved, requests from investors and rating agencies were collected, and supervisory and regulators expectations were considered.                                                                                                                                                                                                                                                                                                                                                |
| <b>Methods of access/distribution</b>                     | The policy is available on the 'Company Regulations' portal on the company's intranet and published in Italian and English on the illimity corporate website.                                                                                                                                                                                                                                                                                                                                                                                |

| Policy               | Credit Procedure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Main contents</b> | <p>The purpose of the procedure is to define and regulate the activities and processes relating to the lending activities carried out by illimity, identifying and describing the activities, roles and responsibilities of each unit in line with the Bank's strategic guidelines and the regulatory framework governing the exercise of banking activities.</p> <p>It includes ESG factors in the assessment of credit rating and ESG lending opportunities that aim to support companies in their transition to a low greenhouse gas emission economy through specific Green, Social or Sustainability-Linked credit facilities.</p> <p>The main impacts relate to consistency and compliance with the organisational and procedural rules governing lending activities, with the aim of managing and monitoring credit risk and other significant risks associated with lending activities.</p> <p>The main opportunities lie in the ongoing evolution and updating of the Bank's credit</p> |

| Policy                                                    | Credit Procedure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-----------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                           | processes and activities, supporting their efficiency and effectiveness, in line with the internal and external regulatory framework.<br>As far as monitoring is concerned, the procedure is subject to periodic review in response to external regulatory developments and internal organisational changes within the Bank, with the aim of reflecting the regulatory framework and the provisions issued by the Supervisory Authority currently in force.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Main recipients</b>                                    | The Procedure applies to illimity and its subsidiary ARECneprix, for the parts falling under its competence and depending on the nature of the activity carried out by the subsidiary.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Policy Implementers</b>                                | The policy was issued by the Board of Directors, and its latest update was approved by the Chief Executive Officer.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>References to third-party standards or initiatives</b> | <ul style="list-style-type: none"> <li>• Regulation (EU) 2019/2088 (Sustainable Finance Disclosure Regulation).</li> <li>• Regulation (EU) 2020/852 (Taxonomy of eco-friendly economic activities in the European Union).</li> <li>• <a href="#">Bank of Italy Circular 285 of 17 December 2013 and subsequent updates</a> – Supervisory provisions for banks</li> <li>• <a href="#">Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013</a> (and subsequent updates)</li> <li>• Consolidated Banking Law, Italian Legislative Decree 385 of 1 September 1993</li> <li>• Bank guidance on non-performing loans (NPLs), March 2017 (and subsequent updates)</li> <li>• Guidelines for Italian Less Significant Banks on the Management of non-performing loans, January 2018 (and subsequent updates)</li> <li>• EU Regulation 2024/1623 (CRR III or Basel IV)</li> <li>• <a href="#">Bank of Italy Circular 139 of 11 February 1991 and subsequent updates</a> – Central risk register. Instructions for credit intermediaries</li> </ul> |
| <b>Stakeholder engagement</b>                             | In drafting the Policy, the Bank's internal functions were involved, requests from investors and rating agencies were collected, and supervisory and regulators expectations were considered.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Methods of access/distribution</b>                     | The policy is available on the 'Company Regulations' portal on the company intranet and published in Italian and English on the illimity corporate website.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

These policies must be considered applicable where they do not conflict with the principles and guidelines referred to in the Group's regulations and Transitional Instructions (among these, reference is made in particular to the ESG Policy - Group Principles and Guidelines in the ESG field and Banca Ifis Policy on Sensitive Sectors). It should also be noted that, among the policies related to climate change mitigation and adaptation, the **ESG Investment Policy (proprietary finance)** and the **Sustainable Supply Chain Policy** are particularly important, both of which are described in the section entitled **"Corporate culture and business conduct policies [G1-1]"**.



## 2.2.4 Actions and resources in relation to climate change policies [E1-3]

[E1-3 DP 29a-c]

The main climate change mitigation actions undertaken by the illimity Group are as follows:

- choosing to operate 100% cloud-based and the absence of branch offices to minimise the emissions related to the staff's workplaces.
- the use of renewable energy: through the Sustainability Plan's target of achieving 100% of electricity consumed from renewable sources (Guarantees of Origin) at the illimity Group's main offices.
- the "Car policy" (an integral part of illimity's "Policy on the management of employee expenses and facilitated loans") provides for the assignment of a car based on sustainability principles and in line with the expected use for business reasons. For this reason, the Group adopted efficient cars, such as, for example, hybrid vehicles, plug-in hybrid vehicles and electric vehicles that meet the European emission standards for pollution.

As a result of the amendment to electricity purchase contracts covered by Guarantees of Origin, Scope 2 emissions calculated using the market-based methodology have decreased over the last few years from 100 tCO<sub>2</sub>e in 2022 to 97 tCO<sub>2</sub>e in 2023 (the base year for the net-zero target), and to 86 tCO<sub>2</sub>e in 2024 (despite the expansion of the reporting boundary, which has increased energy consumption and therefore Scope 1 and Scope 2 emissions). In 2025, Scope 2 (Market-Based) GHG emissions stood at 167 tCO<sub>2</sub>e, representing an increase of 72% compared to the base year and, more broadly, to previous years due to an expansion of the perimeter considered and also due to the methodological changes in measurement resulting from alignment with the parent company.

Scope 2 emissions, calculated using the market-based method, will be further reduced to zero, consistent with the goals of the Paris Agreement, by purchasing electricity with Guarantees of Origin.

[E1-3 DP 28]

[E1.MDR-A DP 68-69]

One of the measures adopted by the illimity Group concerns the selection and allocation of company cars for mixed use, governed by the "Car Policy".

The selection of vehicles favours solutions with a low environmental impact, in line with the sustainability principles. In particular, the choice of cars focuses on energy-efficient models such as hybrid, plug-in hybrid and electric vehicles that meet European standards on pollutant emissions, while spiders, convertibles, coupés, pick-up trucks and sports cars cannot be ordered.

This action will directly contribute to the illimity Group's climate objectives, promoting the reduction of CO<sub>2</sub> emissions and improving energy efficiency. The transition to less polluting vehicles supports the achievement of environmental goals and long-term sustainability policies.

This action will be implemented through the "Car Policy" by choosing low-emission vehicles over the next few years. Such action is not aimed directly at remedying past damage, but at preventing future environmental impacts.

In the short term, the illimity Group plans to gradually increase the number of plug-in electric and hybrid vehicles.

As of 31 December 2025, approximately 44% of the illimity Group's car fleet consists 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 the staff.

To encourage company car users to choose full-electric cars, illimity contributes with a 10% discount on the rental fee (up to a maximum of EUR 100 per month) if the employee chooses this type of car.

[E1.MDR-A DP 29 ci, cii]

The initiative started in 2024 and involved a limited number of full-electric cars.

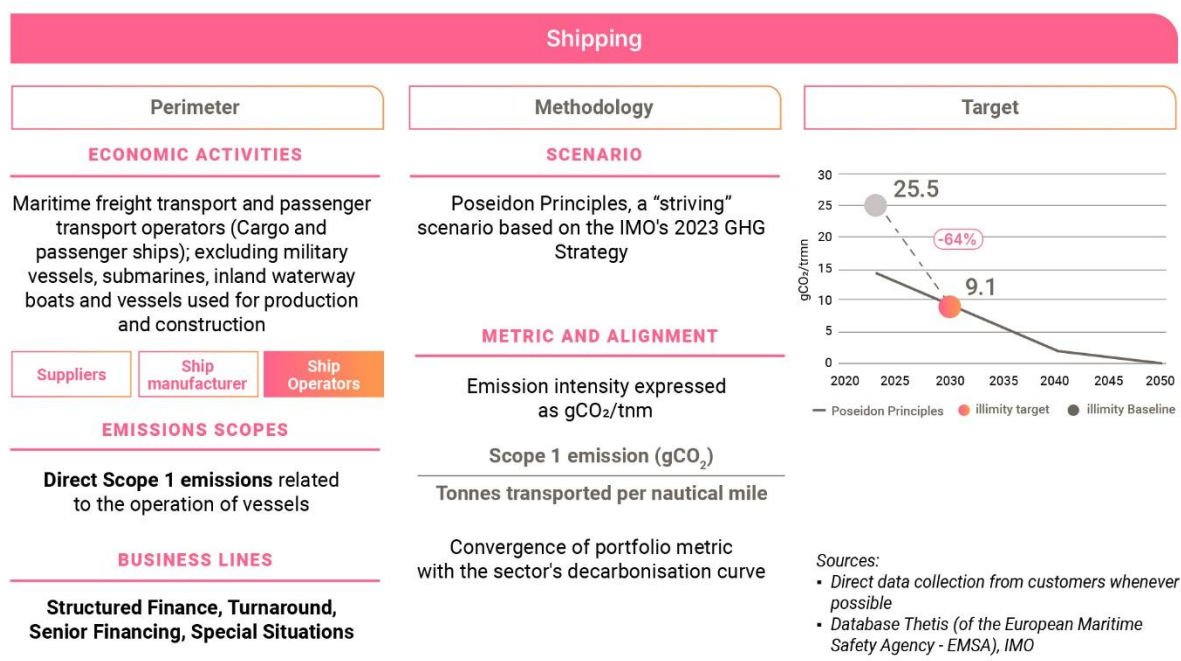
## 2.2.5 Targets related to climate change mitigation and adaptation [E1-4]

[E1-4 DP 32, 33]

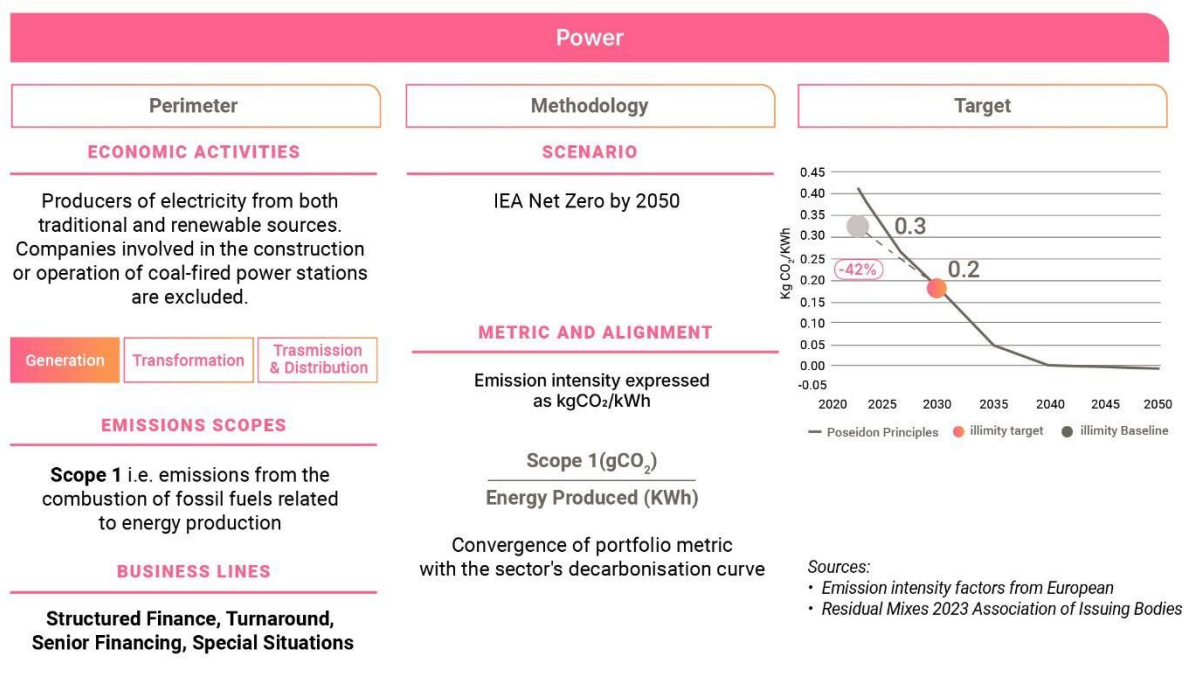
In addition to the environmental objectives set out in its Sustainability Plan for the three-year period 2023-2025, illimity has defined clear and measurable targets for reducing greenhouse gas (GHG) emissions through its Climate Strategy, which was approved by the Board of Directors in November 2024. In particular, the illimity Group has committed to:

- **achieving zero Scope 2 market-based emissions by 2030** by guaranteeing that 100% of its energy consumption comes from certified renewable sources (GO) through the revision of electricity supply contracts for secondary sites.
- using a scientific methodology to align its credit portfolio with sector-specific pathways, illimity has set **science-based targets for 2030 and 2050**, focusing on the most carbon-intensive sectors, as reported below.

| Sector-specific targets and limits |                                                                                                                                                                                                                                                                                                                                |                                                      |                                       |                                                                                                                                                                                   |                              |       |                              |        |
|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|---------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-------|------------------------------|--------|
| Sector                             |                                                                                                                                                                                                                                                                                                                                | Sector-specific scenario                             | Metric                                | illimity Baseline                                                                                                                                                                 | Target                       |       |                              |        |
|                                    |                                                                                                                                                                                                                                                                                                                                |                                                      |                                       |                                                                                                                                                                                   | 2030 % reduction vs baseline | 2030  | 2050 % reduction vs baseline | 2050   |
| Shipping                           | Operators of maritime freight transport of goods and passengers<br>   | Poseidon Principles (based on 2023 IMO GHG Strategy) | gCO <sub>2</sub> /tnm                 | 25.5                                                                                                                                                                              | -64%                         | 9.1   | -100%                        | 0.0    |
| Power                              | Energy production<br>                                                 | IEA NZE 2050                                         | kgCO <sub>2</sub> /kWh                | 0.3                                                                                                                                                                               | -42%                         | 0.19  | -100%                        | 0.0    |
| Steel                              | Steel production<br>                                                  | IEA NZE 2050                                         | tCO <sub>2</sub> /t of steel produced | The strategy aims to limit any future financing to these sectors, including only companies that commit to aligning with sector-specific decarbonisation targets for 2030 and 2050 | Limits                       |       |                              |        |
| Oil & Gas                          | Oil and gas extraction, oil refining<br>                              | IEA NZE 2050                                         | gCO <sub>2e</sub> /MJ                 |                                                                                                                                                                                   | n/a                          | 1.07  | n/a                          | 0.12   |
| Real Estate                        | Real estate renovation and development<br>                            | SBTi 1.5°C pathway for Italy                         | tCO <sub>2e</sub> e/m <sup>2</sup>    |                                                                                                                                                                                   | n/a                          | 0.007 | n/a                          | 0.0004 |

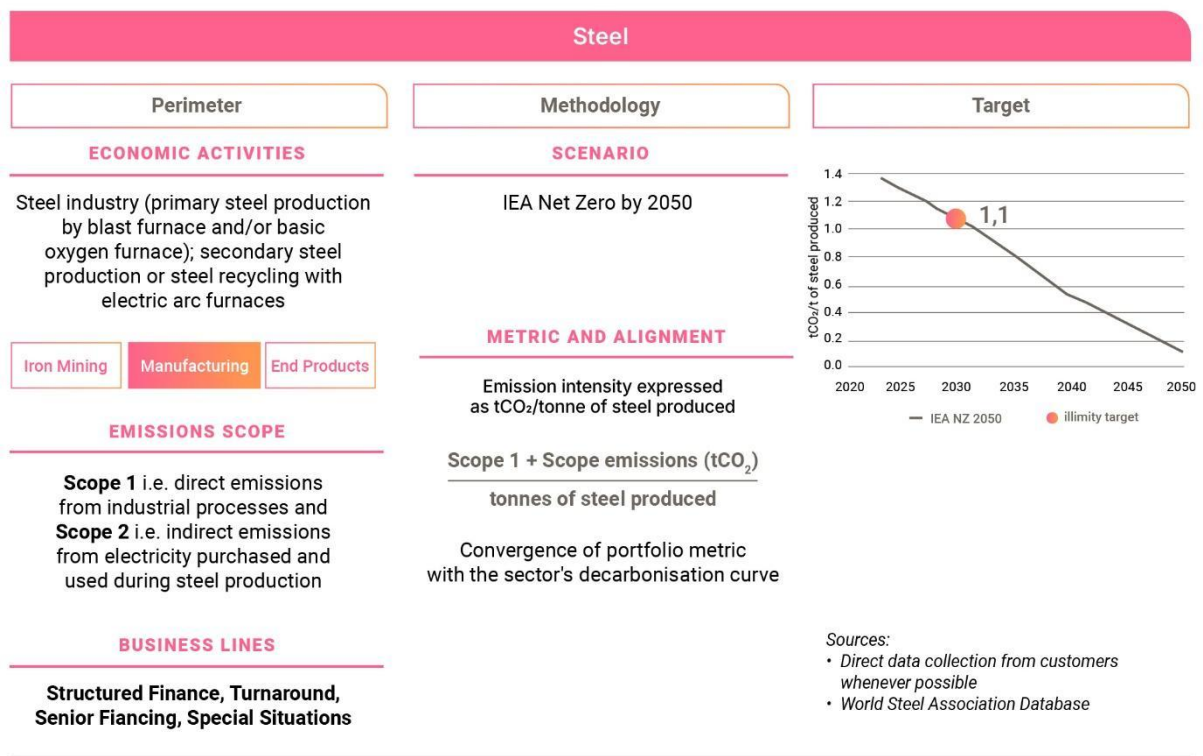


As of 31 December 2025, exposure to the Shipping sector represents 0.2% of the total consolidated portfolio assets (in terms of gross carrying amount), while it accounts for 1.2% of total financed emissions, i.e. Scope 3, Category 15. As these positions were originated prior to the adoption of the Transition Plan, and no new financing was granted to the sector during the reporting period, no progress has been recorded towards the achievement of the targets compared to the 2023 base year values.

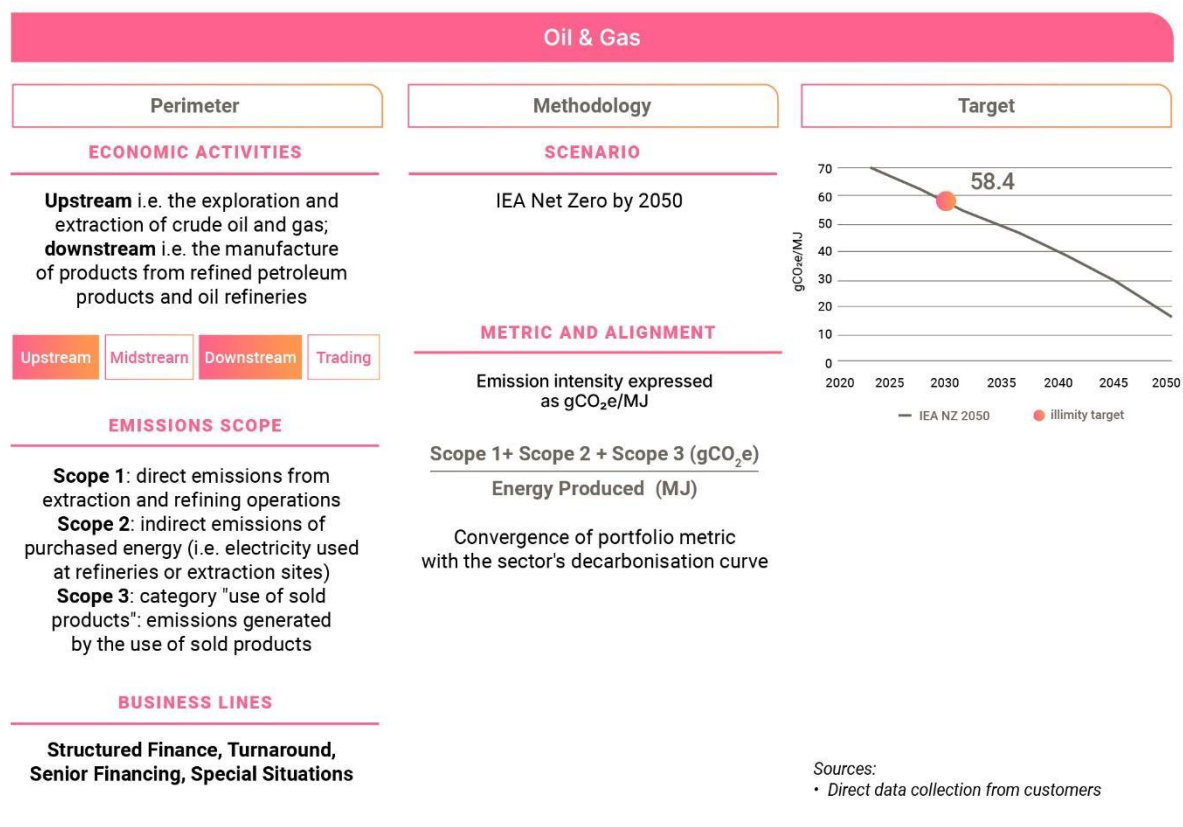


As of 31 December 2025, exposure to the Power Generation sector represents 0.2% of the total consolidated portfolio assets (in terms of gross carrying amount), while it accounts for 0.1% of total financed emissions, i.e. Scope 3, Category 15.

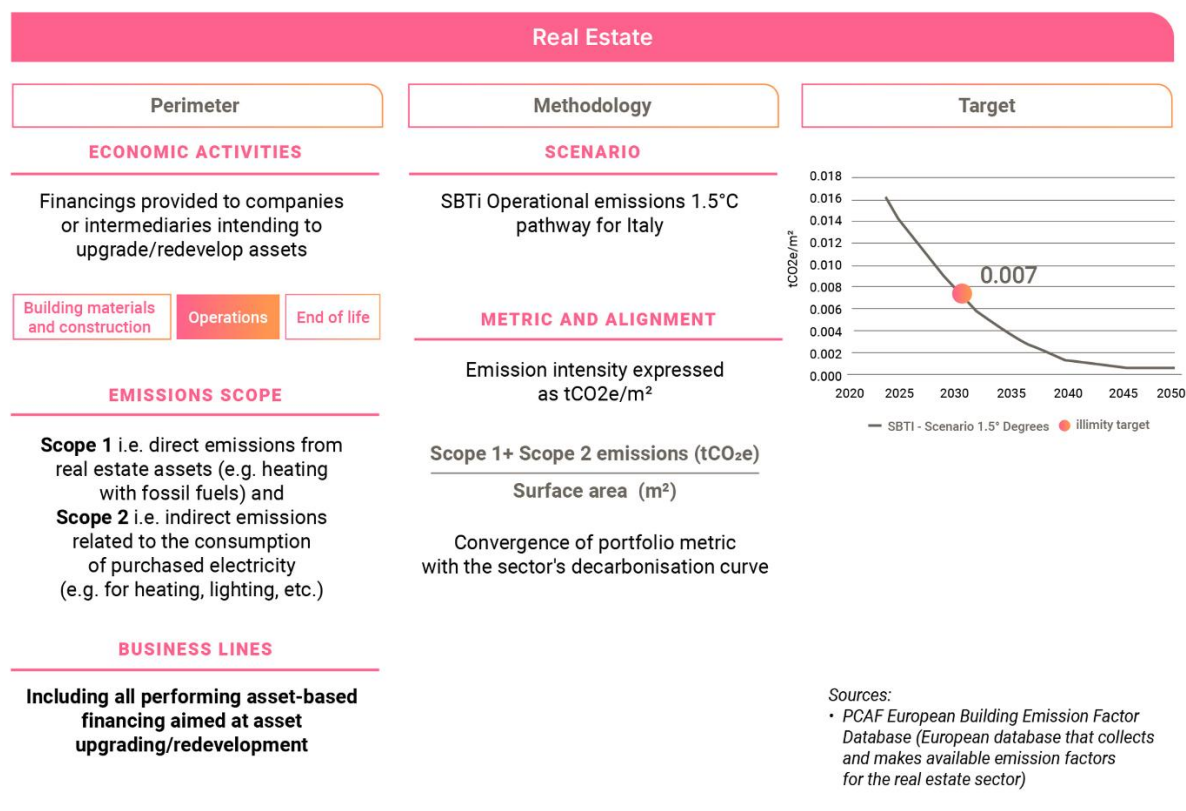
As these positions were originated prior to the adoption of the Transition Plan, and no new financing was granted to the sector during the reporting period, no progress has been recorded towards the achievement of the targets compared to the 2023 base year values.



The target is defined as a limit at the origination stage and, as of 31 December 2025, exposure to the Steel sector represents 0.01% of the total consolidated portfolio assets (in terms of gross carrying amount), while it accounts for 0.1% of total financed emissions, i.e. Scope 3, Category 15.



As of 31 December 2025, exposure to the Oil & Gas sector represents 0.02% of the total consolidated portfolio (in terms of gross carrying amount), while it accounts for 0.4% of total financed emissions, i.e. Scope 3, Category 15.





It should be noted that the reference limit for the Real Estate sector applies to properties underlying asset-based financing granted after the adoption of the Transition Plan, i.e. those originated during the reporting period. Accordingly, as of 31 December 2025, exposure to the Real Estate sector represents 0.2% of the total consolidated portfolio assets (in terms of gross carrying amount), while it accounts for 0.7% of total financed emissions, i.e. Scope 3, Category 15<sup>15</sup>.

[E1-4 DP 34b, RA24]

The Bank's greenhouse gas (GHG) emission reduction targets are fully consistent with the boundary of the emissions inventory, in particular with regard to Scope 2 emissions, which refer to greenhouse gas from the consumption of purchased energy (such as electricity, heat or steam). The 2030 net-zero target applies to 100% of total Scope 2 market-based emissions of the 2023 base year<sup>16</sup>. With respect to Scope 3, Category 15 ("Investments"), both the targets related to the Shipping and Power sectors and the limits defined at origination stage for the Steel, Oil & Gas, and Real Estate sectors are set for 2030 and 2050 and are expressed in terms of the emission intensity of financed counterparties. They are aligned with specific international scenarios that are officially recognised and used by major global operators to inform their targets, including the IEA report "Net Zero Roadmap: a global pathway to keep the 1.5° C Goal Reach", updated in 2023, the Poseidon Principles and the Science-Based Targets Initiative (SBTi)<sup>17</sup>. illimity has set targets and limits for physical emission intensity (CO<sub>2</sub> / unit of physical output), rather than absolute emissions as these allow for monitoring the actual commitment of undertakings to reducing the CO<sub>2</sub> emissions per unit of product by adopting innovative and sustainable technologies.

[E1-4 DP RA 25a-b]

The base value chosen to measure progress towards the GHG emission reduction targets was 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, 16a]

illimity's GHG emission reduction targets are science based and are consistent with the goal of limiting the global temperature increase to 1.5°C, as set by the Paris Agreement. In this regard, the Net Zero Emissions (NZE) scenario to 2050 of the International Energy Agency (IEA), which translates temperature commitments into a clear and measurable sectoral decarbonisation pathway, was taken as a reference. The methodology used to set these targets includes a sectoral decarbonisation pathway, with climate scenarios reflecting the need to align with global emission reduction commitments. illimity's targets have been externally reviewed by experts to ensure they are consistent with global climate targets and the financial sector's transition plan. In terms of key assumptions, illimity used internationally recognised sector-specific decarbonisation pathways as a reference and considered future developments in terms of technological innovation, climate policies and regulatory changes that could affect its emissions and its ability to reduce them. The reduction actions are therefore adaptable to any future changes that may alter the emissions and climate landscape, allowing the undertaking to remain in line with the goal of limiting global warming to 1.5°C.

[E1-4 DP 34f, 16b]

illimity has also identified a number of decarbonisation levers that will contribute to achieving its GHG emission reduction target, in particular with regard to Scope 3 emissions, Category 15, with the target of achieving zero emissions by 2030. In particular:

- **Excluding certain sectors with a high environmental impact:** illimity adopts restrictive financing policies or has introduced financing bans for sectors with significant negative environmental impacts, such as coal mining and coal- or oil-fired power plants.
- **Setting targets for carbon-intensive sectors:** the Bank identified carbon-intensive and hard-to-abate sectors by setting science-based decarbonisation targets. Investments are therefore directed towards undertakings that have defined decarbonisation plans in line with international standards.

<sup>15</sup> The average real estate emission intensity within the perimeter as of the reference date is 0.045 tCO<sub>2</sub>e/m<sup>2</sup>.

<sup>16</sup> The 2030 net-zero target for Scope 2 market-based emissions excludes electricity consumption from public charging stations for electric vehicles, as well as communal or residential property consumption not under the company's operational control.

<sup>17</sup> It should also be noted that the reference to SBTi relates solely to the development of decarbonisation scenarios for the Real Estate sector and does not imply any formal commitment to the Science Based Targets initiative.

- **Promoting transition finance:** illimity provides financings to undertakings in hard-to-abate sectors, helping them to improve their operational practices and make concrete commitments to reduce their climate impact.
- **Financing green projects:** the Bank will allocate resources to specific projects that have well-defined environmental and climate targets, such as Green Loans, to encourage initiatives that contribute to sustainability.

[E1-4 RA 30 c]

In defining its Climate Strategy, the Bank has drawn on internationally recognised decarbonisation scenarios developed by bodies such as the International Energy Agency (IEA), the Poseidon Principles and the Science-Based Targets Initiative (SBTi). These scenarios take into account environmental, social, technological, market and political developments, and define sector-specific pathways to achieve carbon neutrality by 2050. In particular, illimity adopted the IEA's Net Zero Emissions (NZE) scenario to 2050, which provides a roadmap for limiting global temperature increase to 1.5°C. This scenario was used to set emission intensity targets and limits for the following sectors:

- Shipping;
- Power;
- Steel;
- Oil & Gas

For the Real Estate sector, the SBTi Operational emissions 1.5°C pathway for Italy scenario was used, developed in collaboration with the Commercial Real Estate Emissions Model (CRREM), which takes into account the decarbonisation regulations and technologies adopted in Italy.

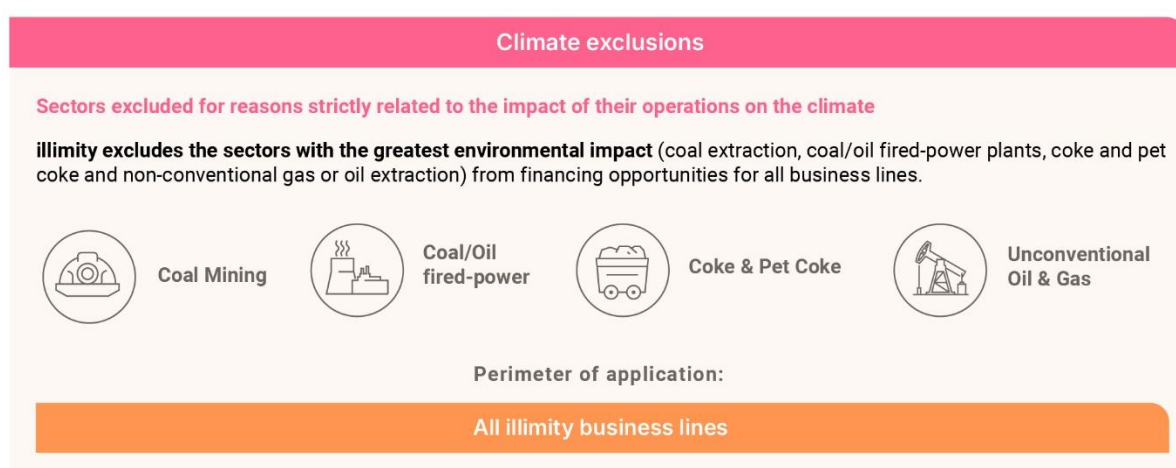
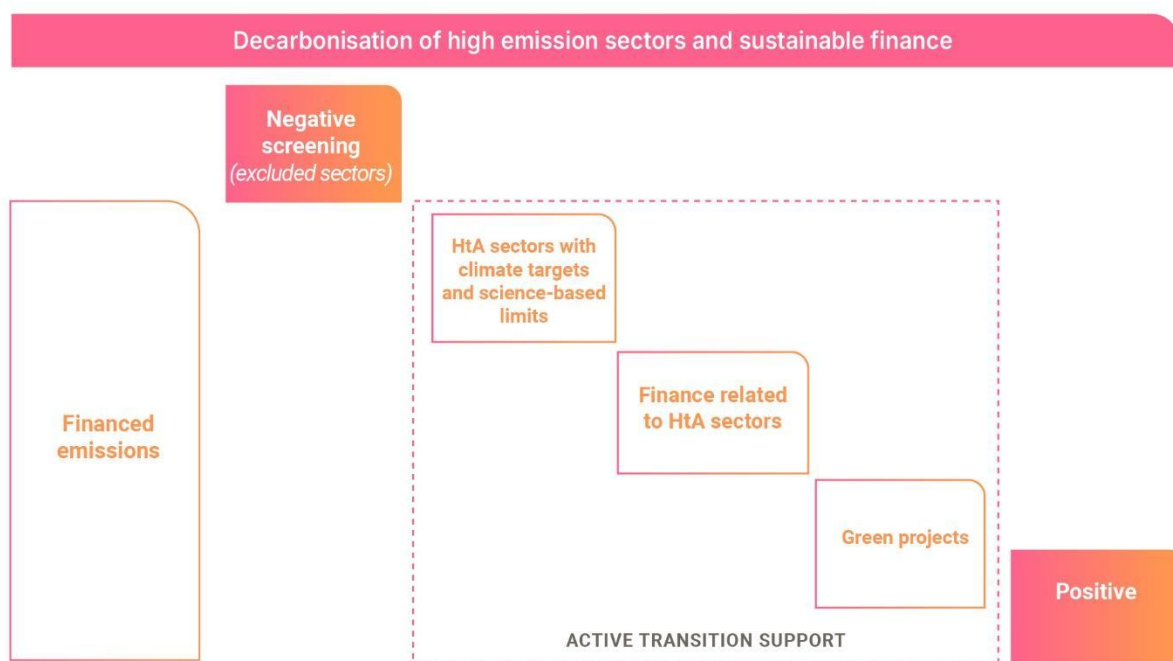
In addition to these scenarios, the Bank also considered other relevant factors, such as:

- the regulatory framework, with the EU's Fit for 55 package and the Energy Performance of Buildings Directive (EPBD);
- the technologies available for decarbonisation;
- the costs and benefits of mitigation options.

illimity is also committed to actively supporting the transition of the undertakings it finances or invests in by encouraging the definition and implementation of credible transition plans, based on decarbonisation targets aligned with science-based sector-specific limits and targets that are the levers of the Plan. In general, illimity's Climate Strategy emphasises a structured and science-based approach to decarbonising its portfolio, recognising that strategies must adapt to future developments.

Decarbonisation of high emission sectors will result from a combination of several mitigation actions (exclusion of sectors, targeting of specific carbon-intensive sectors, development of sustainable finance).





On the other hand, with regard to the target of achieving **net-zero Scope 2 emissions**, the decarbonisation lever used is related to the purchase of energy with Guarantees of Origin. The illimity Group has therefore committed itself to amending its electricity supply contracts to increase the use of GO until it covers its entire supply by 2030.

[E1-4 DP 34a, 34b]

| Reduction in Scope 2 emissions<br>Market-based method | UoM                | Base year<br>(2023) | 2030<br>Target | 2035<br>Target | 2040<br>Target | 2045<br>Target | 2050<br>Target |
|-------------------------------------------------------|--------------------|---------------------|----------------|----------------|----------------|----------------|----------------|
| Absolute value of GHG emissions                       | tCO <sub>2</sub> e | 96.8                | 0              | 0              | 0              | 0              | 0              |
| Percentage reduction in GHG emissions                 | %                  | -                   | 100            | 100            | 100            | 100            | 100            |

## Tracking effectiveness of policies and actions through targets

[E1.MDR-T DP 80a]

Since the beginning of its business in 2019, illimity has paid particular attention to environmental, social and governance (ESG) matters and has undertaken a process to integrate them into its strategies, processes and governance. In line with this target, the Bank has drawn up the 2023 - 2025 Sustainability Plan, approved by the Board of Directors in February 2023. Divided into environmental, social and governance issues, the plan sets ambitious targets that integrate the Bank's different business areas and meet the needs expressed by the various stakeholders.

Specifically, with particular reference to policies and actions relating to environmental aspects, between 2023 and 2025, illimity has identified and implemented the following Sustainability Plan objectives:

| Topic area                                 | Targets achieved by 2025                                                                                                                                                         |
|--------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Carbon Footprint</b>                    | Maintaining carbon neutrality (Scope 1 and Scope 2 emissions)                                                                                                                    |
|                                            | Measuring “financed emissions” (Scope 3)                                                                                                                                         |
|                                            | Addressing “financed emissions” (Scope 3)                                                                                                                                        |
| <b>Energy Desk</b>                         | Re-commissioning of renewable energy plants through the Energy Desk                                                                                                              |
| <b>ESG in RAF</b>                          | Integration of ESG factors in credit assessment and Risk Appetite Framework                                                                                                      |
| <b>Energy consumed</b>                     | Reaching 100% of electricity consumed from renewable sources (GO) for the main locations                                                                                         |
| <b>FSC Paper</b>                           | Keeping the use of FSC paper at 100%                                                                                                                                             |
| <b>Environmental Policy</b>                | Development of environmental policy                                                                                                                                              |
| <b>Environmental KPIs in Real Estate</b>   | Considering environmental and climate impacts when assessing and managing Real Estate assets                                                                                     |
| <b>Green loans and sustainable finance</b> | Developing the sustainable finance product range and framework (green/sustainability-linked)                                                                                     |
|                                            | Developing ESG support/advisory services to SMEs                                                                                                                                 |
|                                            | Achieving 15% of 2023-2025 cumulative origination volumes (disbursed/invested) for sustainable finance (Sustainability-linked loans, Green Loans/Investments, Taxonomy-eligible) |
| <b>ESG Asset Management</b>                | Launching (SGR) Fund with ESG characteristics                                                                                                                                    |
| <b>Reporting</b>                           | Reporting in line with TCFD recommendations                                                                                                                                      |

[E1.MDR-T DP 80b]

All the targets identified, relating to the areas described in the “Topic area” column, have been measured and monitored as part of the Sustainability Plan developed for the three-year period 2023-2025, presented periodically to the Board of Directors, including through the Sustainability and Corporate Governance Board Committee, which was active until the third quarter of 2025.

[E1.MDR-T DP 80c]

With reference to the targets for maintaining “carbon neutrality” and “energy consumed”, it should be noted that these were quantitative and absolute in nature. The other targets were of a qualitative nature as described by them.

[E1.MDR-T DP 80d-e]

For all the identified and described targets relating to climate change:

- no base value has been identified;
- the base year of reference was 2022;
- a three-year time horizon from 2023 to 2025 was identified.

All the objectives highlighted in the Sustainability Plan reached their natural conclusion at the end of the plan, i.e. in December 2025.

[E1.MDR-T DP 80f]

The targets identified and described were defined to meet the demands of the various stakeholders, the regulatory expectations on sustainable finance and climate and environmental risk management and the opinions of the main rating agencies (e.g. MSCI, CDP, ISS ESG, Standard ethics).

[E1.MDR-T DP 80g]

Moreover, the latter were not based on reliable scientific data as the Bank has considered qualitative and quantitative elements in formulating and defining them.

[E1.MDR-T DP 80j]

For more information, see the section "**Actions and resources in relation to climate change policies [E1-3]**".

## 2.2.6 Energy consumption and mix [E1-5]

[E1-5 DP 37 a-c, RA 34]

| Energy consumption                                          | UoM | 2025           | 2024           |
|-------------------------------------------------------------|-----|----------------|----------------|
| <b>Energy from fossil sources<sup>18</sup></b>              | MWh | <b>1,856.1</b> | <b>1,451.4</b> |
| <i>Share of fossil sources in total energy</i>              | %   | 77             | 66             |
| <b>Energy from nuclear sources</b>                          | MWh | <b>0</b>       | <b>0</b>       |
| <i>Share of nuclear sources in total energy consumption</i> | %   | 0              | 0              |
| <b>Energy from renewable sources</b>                        | MWh | <b>550.0</b>   | <b>757.5</b>   |
| <i>Share of renewable sources in total energy</i>           | %   | 23             | 34             |
| <i>Fuels, including biomass</i>                             | MWh | 0              | 0              |
| <i>Electricity, heat, steam and cooling<sup>19</sup></i>    | MWh | 550.0          | 757.5          |
| <i>Self-generated energy</i>                                | MWh | 0              | 0              |
| <b>Total energy consumption</b>                             | MWh | <b>2,406.1</b> | <b>2208.9</b>  |

Energy consumption in 2025 is slightly higher compared to the previous year, partly due to the expansion of the scope of fully consolidated assets compared to the previous financial year, methodological changes in measuring resulting from alignment with the Parent Company, and the use of the latest application guidelines for the banking sector<sup>20</sup>. It should be noted that, as detailed more extensively in the following paragraphs, estimates were made based on Energy Performance Certificates (APE) to quantify the consumption of owned and leased properties for which it was not

<sup>18</sup> This includes data relating to the vehicle fleet and electricity purchased that is not covered by Guarantees of Origin. It should be noted that, unlike the 2024 financial year, for which data on fuel consumption and greenhouse gas emissions for mixed-use vehicles were reported for 70% of the total consumption recorded, in line with the "ABI Lab 2024 Guidelines" document, in the 2025 financial year, the fuel consumption and related GHG emissions of the company fleet were reported at 100% in order to align the calculation methodology with that of the parent company Banca Ifis.

<sup>19</sup> Consider only electricity certified with Guarantees of Origin (GO) for illimity companies (Milan and Modena offices), Fürstenberg SGR, ARECneprix (headquarters in Milan), Abilio (headquarters in Faenza) and Quimmo Agency.

<sup>20</sup> ABI Lab, Supporting document for sustainability reporting in accordance with the European Sustainability Reporting Standards (ESRS) on environmental matters - Focus on disclosure requirements E1-5, E1-6, Version 11/12/2025.

possible to obtain accurate data from bills. In particular, consumption was calculated as the product of the respective surface areas (m<sup>2</sup>) and the relative energy performance indices.

## 2.2.7 Gross Scopes 1, 2, 3 and Total GHG emissions [E1-6]

[E1-6 DP 44, 48a, 49a-b, 50, 51, 52a-b]

Gross scope 1, 2 and 3 GHG emissions and total GHG emissions at the level of the scope of consolidation of the illimity Group are reported in the following table, broken down by scope 1 and 2 and by significant categories of scope 3.

Furthermore, retrospective data is reported, in comparison with the 2023 financial year (base reference year) and the targets set by illimity's Climate Strategy, as described in the previous paragraph **“Transition plan for climate change mitigation [E1-1]”**, including where such milestones are not foreseen or applicable (“n/a”).

[E1-6 RA 48]

| Gross GHG Scope 1, 2, 3 GHG emissions (tCO <sub>2</sub> e) | Retrospective    |                |                |               | Milestones and target years |      |                            |
|------------------------------------------------------------|------------------|----------------|----------------|---------------|-----------------------------|------|----------------------------|
|                                                            | Base year (2023) | 2025           | 2024           | % 2025 / 2024 | 2030                        | 2050 | Annual % target/ base year |
| <b>Gross Scope 1 GHG emissions</b>                         |                  | <b>384</b>     | <b>307</b>     | <b>25</b>     | n/a                         | n/a  | n/a                        |
| <b>Scope 2 GHG emissions</b>                               |                  |                |                |               |                             |      |                            |
| Gross GHG emissions from scope 2 based on location         |                  | 239            | 292            | -18           | n/a                         | n/a  | n/a                        |
| Gross GHG emissions from scope 2 based on market           | 97               | 167            | 86             | 94            | 0                           | 0    | -14                        |
| <b>Significant Scope 3 GHG emissions</b>                   |                  |                |                |               |                             |      |                            |
| <b>Total gross GHG indirect emissions (scope 3)</b>        |                  | <b>878,937</b> | <b>747,843</b> | <b>18</b>     | n/a                         | n/a  | n/a                        |
| Cat. 1 - Purchased goods and services                      |                  | 13,924         | 4,444          | 213           | n/a                         | n/a  | n/a                        |
| Cat. 2 - Capital goods                                     |                  | 2,347          | _(21)          | -             | n/a                         | n/a  | n/a                        |
| Cat. 3 - Fuel consumption and Energy-Related Activities    |                  | 142            | 122            | 16            | n/a                         | n/a  | n/a                        |
| Cat. 5 - Waste generated in operations                     |                  | 2              | 3              | -33           | n/a                         | n/a  | n/a                        |
| Cat. 6 - Business travel                                   |                  | 88             | 168            | -48           | n/a                         | n/a  | n/a                        |
| Cat. 7 - Employee commuting                                |                  | 418            | 465            | -10           | n/a                         | n/a  | n/a                        |
| Cat. 15 - Investments                                      |                  | 862,016        | 742,640        | 16            | n/a                         | n/a  | n/a                        |
| <b>Total GHG emissions</b>                                 |                  |                |                |               |                             |      |                            |
| <b>Total (location-based) GHG emissions</b>                |                  | <b>879,560</b> | <b>748,442</b> | <b>18</b>     | n/a                         | n/a  | n/a                        |
| <b>Total (market-based) GES emissions</b>                  |                  | <b>879,488</b> | <b>748,236</b> | <b>18</b>     | n/a                         | n/a  | n/a                        |

[E1-6 RA 45d]

It should be noted that, to cover the bank's energy needs, renewable electricity certified by guarantees of origin (GO) is purchased, without resorting to contractual instruments for the purchase or sale of energy with attributes associated with energy generation (bundled energy) in relation to scope 2 GHG emissions. In 2025, the coverage of renewable electricity with GO amounted to 59% of the illimity Group's energy needs.

<sup>21</sup> It should be noted that by applying the same methodology used for the first time in the reference year, the comparative figure for Scope 3 category 2 GHG emissions was 3,699 tCO<sub>2</sub>e for 2024, which decreased by about 37% year-on-year in 2025.

## Financed Emissions (Downstream Value Chain GHG Emissions, Scope 3 - Cat. 15)

With reference to 2025, illimity has quantified the GHG emissions associated with its portfolio, including loans to customers (businesses) and securities deriving from corporate and investment banking activities, as well as equity investments and proprietary investments (treasury). In particular, the measurement of financed emissions (Scope 3 category 15 - Investments) covered approximately 80% of total gross assets as of 31 December 2025, compared to 70% in the previous period. This coverage percentage is the best available, based on the calculation methods currently applicable to the activities of illimity's value chain, corresponding to almost all loans and securities held by customers and banks and all government securities. Given the broader coverage of the measurement scope at the reference date, total emissions financed in absolute terms show a 18% year-on-year change. It should also be noted that the Carbon Footprint<sup>22</sup> indicator of illimity's consolidated portfolio rose from 123 to 131 tonnes of CO<sub>2</sub> equivalent per EUR million in exposure (invested/financed, net of the component of government bonds), a change of approximately 6% compared to the previous period. The graph below shows the sector-specific distribution by exposure (gross assets), financed GHG emissions, relative percentage of total GHG emissions, and carbon footprint.

Net of financial assets, which also include receivables from equity investment holding companies (including senior notes of special purpose vehicles), equity and proprietary investments, the largest share of financed emissions, amounting to 19%, is attributable to the Manufacturing sector, in line with the core business of illimity and the overall average carbon footprint mentioned above. While the three sectors (agriculture, energy, water and waste) with the highest carbon footprints together account for only 1.6% of measured exposures (approximately 1.3% of total gross assets), they account for 9% of total financed emissions.

| Sector                                                                   | Exposure [€M] | Financed emissions  |             | Carbon Footprint                |
|--------------------------------------------------------------------------|---------------|---------------------|-------------|---------------------------------|
|                                                                          |               | [tCO <sub>2</sub> ] | %           | [tCO <sub>2</sub> /€M exposure] |
| K - Financial and insurance activities                                   | 2,034         | 195,873             | 23%         | 96                              |
| C - Manufacturing                                                        | 1,083         | 162,990             | 19%         | 150                             |
| G - Wholesale and retail trade; repair of motor vehicles and motorcycles | 502           | 73,022              | 9%          | 145                             |
| H - Transport and storage                                                | 166           | 55,540              | 7%          | 334                             |
| A - Agriculture, forestry and fishing                                    | 48            | 52,404              | 6%          | 1,090                           |
| F - Construction                                                         | 326           | 26,030              | 3%          | 80                              |
| M - Professional, scientific and technical activities                    | 262           | 17,351              | 2%          | 66                              |
| D - Electricity, gas, steam and air conditioning supply                  | 40            | 12,722              | 1%          | 315                             |
| I - Accommodation and food services activities                           | 59            | 12,206              | 1%          | 205                             |
| J - Information and communication services                               | 153           | 7,313               | 1%          | 48                              |
| N - Rental, travel agencies, business support services                   | 56            | 6,612               | 1%          | 119                             |
| E - Water supply, sewerage, waste management and sanitation activities   | 9             | 4,400               | 1%          | 464                             |
| Q - Health care and social assistance                                    | 61            | 2,283               | 0.3%        | 37                              |
| S - Other service activities                                             | 20            | 2,142               | 0.3%        | 107                             |
| L - Real estate activities                                               | 104           | 1,866               | 0.2%        | 18                              |
| R - Arts, sports, entertainment and leisure activities                   | 4             | 555                 | 0.1%        | 136                             |
| B - Mining and quarrying                                                 | 2             | 362                 | 0.04%       | 217                             |
| P - Education                                                            | 2             | 147                 | 0.02%       | 80                              |
| O - Public administration and defence; compulsory social insurance       | 0             | 1                   | 0.0001%     | 151                             |
|                                                                          | <b>4,932</b>  | <b>633,817</b>      | <b>-</b>    | <b>129</b>                      |
| Titoli di stato                                                          | 1,370         | 217,288             | 26%         | 159                             |
|                                                                          | <b>6,302</b>  | <b>851,105</b>      | <b>100%</b> | <b>135</b>                      |

[E1-6 RA 39b]

illimity adopts a transparent and rigorous approach to communicating its GHG emissions. Therefore, the methodologies, assumptions and emission factors used to calculate and measure GHG emissions are reported below.

<sup>22</sup> Metric of total GHG emissions financed normalised by the total value invested/financed in the portfolio, measuring the portfolio's impact in terms of GHG emissions per EUR million invested.

## Methods Used

To calculate GHG emissions, illimity adopts recognised international guidelines and standards, including the Greenhouse Gas Protocol (GHG Protocol), the ABI LAB guidelines and the PCAF Standard, which are used to determine and calculate Scope 1, Scope 2 and Scope 3 emissions.

## Emission Factors

- **Scope 1:** For direct emissions from business activities, such as fuel consumption and heating, illimity uses the emission factors provided within the ABI Lab guidelines on the application of the European Sustainability Reporting Standards (ESRS) in banking in relation to environmental matters 2025;
- **Scope 2:** For indirect emissions from the purchase of electricity, heat and steam, illimity uses the emission factors defined by ABI LAB, which are specific to the Italian banking and financial context;
- **Scope 3:** For emissions along the value chain (e.g. those related to business travel or suppliers), illimity refers to emission factors provided by the Department for Environment, Food & Rural Affairs (DEFRA), EEIO (Environmental Extended Input Output).

## Assumptions and tools

Currently, illimity does not use specific tools to calculate its greenhouse gas emissions, although automation logics have been implemented for some categories. In particular, an automated process was developed to calculate emissions related to category 15 (investments), allowing for more efficient data management. However, apart from these automated processes, the calculation of emissions is based on the application of recognised international guidelines and standards.

No special assumptions were made in the calculation methodology, which is based on the use of consolidated emission factors and company data on direct and indirect consumption, net of the estimated consumption of properties for which no specific data is available – using data provided by Infoprovider on energy efficiency available from energy performance certificates (APE) – a correction factor of 30% (assuming the use of the property on weekdays only) and having allocated 70% of consumption to Scope 1 and the remaining 30% to Scope 2, assuming that cooling is only activated in the summer months, from the end of May to the end of August.

Lastly, the main methodological changes made during the year compared to the previous year are reported below, in order to align the calculation methods with those of the parent company Banca Ifis:

- use of the emission factors provided within the ABI Lab guidelines on the application of the European Sustainability Reporting Standards (ESRS) in banking in relation to environmental matters 2025;
- 100% reporting of vehicle fleet emissions, unlike in previous years when fuel consumption and greenhouse gas emissions data for mixed-use vehicles were reported for 70% of total recorded consumption.

[E1-6 43c]

The Group's direct greenhouse gas emissions (Scope 1) can be attributed to the consumption of fuel (Diesel and Petrol) used to power the illimity Group's car fleet and, from 2024, also part (70%) of the consumption of buildings based on data provided by Infoprovider on energy efficiency available from energy performance certificates (APE) filed in public registers. Indirect greenhouse gas emissions (Scope 2), on the other hand, can be attributed to the consumption of electricity in buildings, mainly for office lighting and air conditioning, and, as mentioned above, to the consumption of guarantee-covered plants and residential real estate assets for illimity use (for 30%).

It should be noted that in the financial year 2025, the consumption of electric cars of the illimity Group was also integrated into the reporting.

[E1-6 RA 45e]



Biogenic CO<sub>2</sub> emissions relating to Scope 1 and 2 are not applicable as illimity does not use biomass, biofuels, biogas or other bioenergy sources. Similarly, for indirect Scope 3 greenhouse gas emissions, the categories reported do not include emission sources linked to the biodegradation of biomass or the use of fuels of biogenic origin.

[E1-6 RA 46i]

The significant categories included in illimity's inventory, based on the criteria set out in the "*Corporate Value Chain (Scope 3) Accounting and Reporting Standard*" of the Greenhouse Gas Protocol are:

- **Category 1:** Purchase of goods and services
- **Category 2:** Capital goods;
- **Category 3:** Fuel consumption and energy-related activities;
- **Category 5:** Waste generated in operations;
- **Category 6:** Business travel;
- **Category 7:** Employee commuting;
- **Category 15:** Investments.

[E1-6 RA 46g-h]

### **Category 1 - Purchase of goods and services**

In 2025, with the aim of aligning with the parent company's methodology, illimity calculated Scope 3 emissions Category 1 by applying the Spend-Based methodology provided for in the GHG Protocol. The methodology has provided for the use of the expenses of goods and services purchased during the base year (2025), according to the categorisation provided for in the Other Administrative Expenses (ASA) section of the Financial Statements. Some expenditure items were excluded as potentially attributable to a double counting with emissions already reported in Scope 1, 2 and 3 (e.g. "Company transfers" or "Real estate expenses"), or because they cannot be classified as purchases of goods and services (e.g. "Expenses" or "Taxes").

The emission factors, expressed in tCO<sub>2</sub> and per monetary unit, were accurately associated with the various categories of expenditure. It should be noted that the emission factors adopted include all greenhouse gases and are derived from a public database (source: Eurostat, Environmental Extended Input Output – EEIO database). It should be noted that, considering the methodology adopted, the use of primary data was not possible.

### **Category 2 - Capital goods**

This category includes emissions associated with the purchase of capital goods during the reporting period, which are not already included in Category 1, from the asset book related to tangible and intangible fixed assets. In line with the GHG Protocol, the calculation was implemented using the Spend-Based methodology, whereby expenditure items are associated with the relevant ATECO code and multiplied by the corresponding emission factors from the Eurostat database, Environmental Extended Input Output database (EEIO). It should be noted that, considering the methodology adopted, the use of primary data was not possible.

### **Category 3 - Fuel consumption and energy-related activities**

This category includes emissions from the production of fuels and energy purchased and consumed by the company during the reporting year, which are not already included in Scope 1 or Scope 2. illimity has adopted the Average-data Method for calculating these emissions, as required by the GHG Protocol. This method uses secondary emission factors to estimate upstream emissions per unit of consumption (e.g., kg CO<sub>2</sub>e/kWh). The emission factors used for the calculation are those published by the Department for Energy Security and Net Zero (DESNZ). It should be noted that the primary data for this category represent 92% of the total and mainly derive from consumption documentation, such as energy bills or fuel cards.

### **Category 5 - Waste generated in operations**

This category includes indirect emissions resulting from the treatment of waste generated by the organisation. illimity has adopted the Average-data Method for calculating these emissions, in line with the GHG Protocol guidelines. The calculation was made on the basis of the amount of waste generated, broken down both by type (e.g. paper, plastic, glass, organic and unsorted waste) and by the average



disposal methods declared by the main regional waste management operators, such as A2A (Lombardy) and Hera (Emilia Romagna). The illimity business model makes it possible to limit the production of waste, which is closely related to the activities of the staff in the offices.

The calculation process was developed as follows:

- the amount of waste generated by the illimity Group (expressed in tonnes) was calculated and broken down by type;
- each amount was multiplied by the relevant emission factor (expressed in kgCO<sub>2</sub>/tonne of waste produced), taking into account the type of waste and the method of disposal.

The emission factors used for the calculation are those published by the Department for Energy Security and Net Zero (DESNZ), specific to each type of waste and the disposal method applied. It should be noted that this category is entirely based on primary data deriving from waste weighing activities.

### **Category 6 – Business travel**

This category includes indirect emissions from transporting employees to and from work.

illimity adopted the Distance-based Method to calculate the emissions associated with business travel, in line with the GHG Protocol guidelines. This method involves multiplying the distance travelled (expressed in km) by an appropriate emission factor depending on the means of transport used. Distance travelled for work purposes was recorded and classified by mode of transport (air, rail or road). In case of travel by car, the fuel type of the car is also taken into account.

Specific emission factors were applied to each method, depending on the distance travelled, the means of transport used and the type of energy source.

The emission factors used in the calculation are those published in the Department for Energy Security and Net Zero (DESNZ), which are an internationally recognised benchmark.

It should be noted that the calculation was conducted without using estimates, using only primary data provided 100% by partners along the value chain.

### **Category 7 – Employee commuting**

This category includes indirect emissions from employees commuting between home and work. the illimity Group conducts an annual survey by sending out a questionnaire to the entire company population to collect information on the commuting habits of employees. The following data can be obtained from the questionnaire:

- number of working days spent in the office per month;
- the main means of transport used to reach the office;
- average distance between home and work;
- type of fuel used for private transport.

The data collected is processed using the Distance-based Method for information obtained from employees who responded to the questionnaire (72% of employees) and the Average Data Method to estimate the emissions resulting from the commute of those who did not respond to the questionnaire (the remaining 28% of employees), based on the average data obtained from the commuting model.

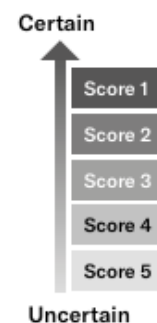
The emission factors used for the calculation are those published by the Department for Energy Security and Net Zero (DESNZ).

### **Category 15 – Investments**

illimity calculated the financed emissions in accordance with the PCAF standard. Firstly, the Group categorised its portfolio according to the asset classes and related financial products provided for by the PCAF.

In particular, for each asset class, the PCAF provides for 5 different calculation methods, corresponding to 5 levels of quality, depending on the counterparty data available, as shown below:

- Score 1: calculation based on reported and verified emissions of each counterparty;
- Score 2: calculation based on reported but unverified emissions of each counterparty or estimated emissions from energy consumption;
- Score 3: calculation based on estimated emissions from each counterparty's production data;
- Score 4: calculation based on estimated emissions from sector-specific emission intensity;
- Score 5: calculation based on sector-specific emission intensity (per unit of asset or revenue).



To quantify the financed emissions, illimity considered the consolidated gross assets (from conservative bases reconciled with the Consolidated Financial Statements) and the methods provided by the PCAF in a combined manner, enhancing specific counterparty data (Scores 1 and 2), where available, and sector-specific data (Scores 4 and 5) for the coverage of the remaining part of the portfolio. The measurement of financed emissions involved the use of (verified and unverified) specific emission data (Scope 1 and Scope 2) of the counterparties, obtained from external suppliers, internal accounting and management databases or, if not available, sector-specific emission intensities. The emission data was analysed in detail to understand its reliability. The audits showed that in some cases there was a high degree of uncertainty in the various data provided, which led the Group to take a conservative approach. In particular, the emission data was selected using the most conservative value or applying the sector-specific estimate. Regarding the use of sector-specific data, illimity, again in line with the PCAF, used the Environmentally Extended Input-Output (EEIO) tables from Eurostat, which provide average emission factors for the NACE sector, expressed as emission intensity per turnover at an average European level.

The weighted average PCAF data quality score for total consolidated gross assets measured in the calculation of Scope 3 category 15 as of 31 December 2025 is approximately 3 (medium level). It should also be noted that 46% of Scope 3 emissions - Cat. 15 was calculated using primary data provided and/or reported by the counterparties in the portfolio, while the remainder was quantified by applying the sector-specific estimate method of the PCAF standard.

[E1-6 RA 46i]

Finally, categories not reported by illimity are considered not applicable or irrelevant to its organisation and to the activities of the value chain. In particular, the following categories are not subject to measurement and reporting for the reference period:

- **Category 4 - Upstream transportation and distribution:** illimity did not assess the emissions related to this category because insofar as, within the Group's operations as a service provider, upstream transportation and distribution are not considered relevant to the assessment of illimity's carbon footprint. Moreover, the Group mainly purchases services that do not involve upstream transportation.
- **Category 8 - Upstream leased assets:** upstream leased assets are not part of illimity's business model and are therefore not considered relevant.
- **Category 9 - Goods sold and transported:** as part of illimity's activities as a service provider, emissions related to downstream transport and distribution are not applicable: the illimity Group does not sell any significant products that require transport.
- **Category 10 - Downstream transportation and distribution:** the treatment of products sold does not apply to financial products and therefore does not fall within the scope of illimity's activities as a service provider.
- **Category 11 – Processing of products sold:** emissions related to the use of products sold are not applicable to the Group as the use of illimity services (financial products) does not result in any direct emissions.
- **Category 12 – Use of sold products:** emissions related to end-of-life treatment are not applicable to the Group as illimity services (financial products) do not require end-of-life treatment.

- **Category 14 - Franchises:** this category does not apply to illimity's business as the Group does not grant any franchise rights.

### GHG intensity based on net revenues

[E1-6 DP 53, 55 RA 54, 55]

The illimity Group's emission intensity for total Scope 1, Scope 2 ("Location-based" and "Market-based" approach) and Scope 3 emissions was calculated as the ratio of total GHG emissions (numerator) to net revenues (denominator - determined by aggregating the accounting amounts in the Consolidated Financial Statements, defined in accordance with Council Directive 86/635/EEC including only the positive amounts of the following items consolidated as at 31 December 2025 (in millions of euros): interest and similar income, fees and commission income, net trading income, net hedging income, Net profit (loss) on other financial assets and liabilities measured at fair value through profit or loss, other operating income, gains on disposal or repurchase, gains on equity investments, gains on disposal of investments.

| GHG intensity compared to net revenues                        | UoM                                       | 2025  | 2024  |
|---------------------------------------------------------------|-------------------------------------------|-------|-------|
| Total GHG emissions (location-based) compared to net revenues | 1,000 tCO <sub>2</sub> e per EUR million. | 1.9   | 1.3   |
| Total GHG emissions (market-based) compared to net revenues   | 1,000 tCO <sub>2</sub> e per EUR million. | 1.9   | 1.3   |
| Net revenues used to calculate GHG emission intensity         | EUR million                               | 457.7 | 581.1 |

### 2.2.8 GHG removals and GHG mitigation projects financed through carbon credits [E1-7]

[E1-7 DP 56a-b]

The illimity Group did not develop projects aimed at GHG removal or storage as part of its own operations or along its value chain.

illimity has been actively committed to financing climate change mitigation projects outside its own value chain, in particular through the purchase of carbon credits. Among the significant initiatives supported by the Bank were the projects supported in 2021, "**Maputo Clean Cookstoves**" and 2024, "**Burn Stoves Project in Kenya**," which aim to reduce greenhouse gas emissions by improving the living conditions of local populations, and the "**Svilosa Biomass Bulgaria**" project (supported in 2022, 2023 and in the reference year 2025), which promotes the production of renewable energy from biomass, with the aim of reducing environmental impact. Moreover, illimity continues to offset its emissions (Scope 1 and Scope 2 location based) through the purchase of certified carbon credits.

[E1-7 DP 59a-b, RA 61]

The total amount of carbon credits purchased in 2025 by the illimity Group is 600 Gold Standard certificates, corresponding to 600 tCO<sub>2</sub>e, i.e. the illimity Group's Scope 1 and Scope 2 (location-based) emissions for 2024.

In accordance with the Sustainability Plan, which ended in December 2025, illimity has committed to purchasing, over the duration of the Plan, i.e. until 2025, an annual amount of certified carbon credits equal to the value of Scope 1 and Scope 2 (location-based) emissions for the previous reporting year. These purchased carbon credits have no impact on the calculation of the GHG emission reduction targets because, as previously mentioned, illimity is committed to achieving zero Scope 2 (Market-based) emissions by 2030 and to meeting the sector-specific decarbonisation targets (Scope 3 emissions) as set out in its Climate Strategy.

[E1-7 RA 62a-e]

| Cancelled carbon credits                                          | UoM                | 2025  | 2024  |
|-------------------------------------------------------------------|--------------------|-------|-------|
| Total                                                             | tCO <sub>2</sub> e | 600.0 | 554.0 |
| Share from emission reduction projects                            | %                  | 100.0 | 100.0 |
| Share from emission removal projects                              | %                  | 0     | 0     |
| Percentage of recognised quality standards                        | %                  | 100.0 | 100.0 |
| Share generated by projects within the EU                         | %                  | 0     | 0     |
| Share of carbon credits that qualify as corresponding adjustments | %                  | 0     | 0     |

[E1-7 RA 64]

The purchased carbon credits were cancelled on 21 May 2025 by registering the cancellation in the registry of the Gold Standard certification body and receiving a cancellation certificate, preventing them from being reused or resold.

[E1-7 DP 60]

illimity has not yet set itself targets concerning net-zero targets. As already indicated, illimity's Climate Strategy is based on the three fundamental pillars outlined in E1-1 DP 14 (Transition Plan for Climate Change Mitigation).

[E1-7 DP 61]

As mentioned above, in 2020 illimity launched a project to define a carbon neutrality strategy by calculating the company's carbon footprint and identifying activities to streamline and reduce emissions. As mentioned above, the very nature of the illimity's business model aims to minimise direct environmental impact and promote the responsible and efficient use of energy resources thanks to a 100% digital and fully cloud-based infrastructure. Scope 1 emissions mainly relate to fuel consumption for the company fleet and only minimally to consumption in residential properties used by illimity. Over the years, illimity has encouraged the use of cars with a low environmental impact (see the section **"Actions and resources in relation to climate change policies [E1-3]" [E1.MDR-A)]**.

Scope 2 emissions, on the other hand, relate to electricity consumption. Over the years, an increasing percentage of electricity supply has been covered by the purchase of GO at the main sites in order to mitigate the environmental impact associated with consumption. These decarbonisation levers have helped to keep total direct and indirect emissions stable or slightly increasing (despite the growth of operations). In order to offset non-avoidable emissions, illimity therefore committed to **selecting certified carbon credits** based on its carbon footprint (Scope 1 and Scope 2 Location-based).

[E1-7 DP 61a-c]

Public claims of greenhouse gas (GHG) neutrality involving the use of carbon credits are accompanied by undertakings and targets to reduce GHG emissions. For example, illimity pursues carbon neutrality through a strategy that includes monitoring and reporting on energy consumption and GHG emissions, purchasing certified renewable energy with Guarantees of Origin (GO), energy efficiency measures of relamping and offsetting unavoidable emissions (Scope 1 and 2) through certified voluntary carbon credits, supporting projects such as "Burn Stoves Project in Kenya", "Maputo Clean Cookstoves" and "Svilosa Biomass Bulgaria". The use of certified carbon credits does not hinder the achievement of these GHG reduction targets, but represents a further commitment to the fight against climate change. For detailed information on GHG emission reduction targets and carbon neutrality, please refer to the sections dedicated to the ESRS topics.

[E1-7 RA 57a-b]

Finally, the carbon credits purchased by the illimity Group are Gold Standard certified and illimity did not develop projects aimed at GHG removal or storage as part of its own operations or along its value chain.

## 3. Social information

### 3.1 Own workforce [S1]

#### 3.1.1 Strategy and material IROs related to the own workforce

[S1.SBM-3 DP 14a]

As at 31 December 2025, the illimity Group as a whole had 672 employees and 21 non-employees. 49.4% of employees are of the female gender and 50.6% of the male gender, while 21 employees are persons with disabilities (3.1% of the total). Of the non-employees, 10 are in internships and 11 are self-employed with collaboration contracts. For more information, see the section “**Characteristics of the undertaking’s employees [S1-6]**”.

[S1.SBM-3 DP 14]

Almost all of the illimity Group's employees have a full-time, permanent contract. Employees of illimity Bank and Fürstenberg SGR are covered by the "Collective Bargaining Agreement for Middle Managers and staff in professional areas employed by credit, financial and instrumental undertakings", while the own workforce of ARECneprix, Abilio, Quimmo Agency and Quimmo Prestige Agency are covered by the "Supplementary Credit Agreement" envisaged by Article 3 of the above-mentioned agreement.

[S1.SBM-3 DP 14 b, c]

No significant negative impacts on the own workforce were identified, while activities that lead to positive impacts on the promotion of diversity, equity, inclusion and equal opportunities for staff are related to:

- the drafting, promotion and continuous updating of a DE&I policy;
- implementing the Ambassador ESG programme to raise awareness and engage people on issues related to sustainability, inclusion and equity;
- the adoption and promotion of an Anti-Harassment Policy to ensure a safe working environment;
- the valorisation of workers with disabilities, supporting their accessibility to the illimity Group infrastructures, through physical solutions (e.g. facilitated access to offices and the use of a stairlift).

With regard to training and professional development activities for employees, in order to improve everyone's skills, illimity promotes:

- organising specific training courses for staff;
- a customised evaluation and growth plans linked to corporate targets, with a focus on sustainability;
- the identification and reporting of workshops and webinars according to the most interesting areas.

Lastly, to ensure the satisfaction and well-being of the people of the illimity Group, the following solutions have been implemented:

- the maintenance of corporate welfare programmes with levels above industry averages, supporting a wide range of services related to the physical and mental well-being of the workforce;
- remote working methods, with up to 14 days of smart working per month, flexible working hours, parental/family leave and extra leave.

[S1.SBM-3 DP 14d]

The opportunities identified in relation to the own workforce are as follows:

- achieve increased productivity by improving working conditions and developing an appropriate corporate training programme;
- increased retention and attraction by offering workers an adequate work-life balance that brings greater well-being and safety;
- the strengthening of the sense of belonging through inclusion, diversity and collaboration of its own workforce on value projects shared by the company.

The only potentially relevant risk identified relates to operational and reputational profiles and derives from the possible activation of legal proceedings by employees and non-employees in relation to compliance with working conditions.

[S1.SBM-3 DP 14e]

There were no significant impacts on its own workforce resulting from the illimity Group's transition plan, referred to in paragraph E1-1 above, nor were there any material risks related to the own workforce.

[S1.SBM-3 DP 15, 16]

All relevant opportunities and material risks arising from the impacts and dependencies in terms of own workers concern the entire own workforce.

### 3.1.2 Policies related to own workforce [S1-1]

[S1-1 DP 20, 20a]

The Bank has enshrined its commitment to respecting human rights and fundamental labour rights in its code of ethics (illimity Way), which has been adopted by its subsidiaries ARECneprix, Fürstenberg SGR, Abilio, Quimmo Agency and Quimmo Prestige Agency. Furthermore, as of the date of approval of this document, both the Bank and the aforementioned subsidiaries have also adopted and apply the Banca Ifis Group Code of Ethics.

These documents recognise the importance of the values of fairness and the protection of human rights. To this end, illimity is committed to eliminating all discrimination and to respecting differences based on gender, age, ethnicity, religion, political and trade union membership, sexual orientation and identity, language or disability, and to operating in full respect of the fundamental freedoms enshrined in the Universal Declaration of Human Rights approved by the United Nations General Assembly in 1948.

The illimity Group aims to preserve an inclusive work environment that enhances uniqueness and plurality as forms of human development and, in line with the ILO (International Labour Organisation) Declaration on Fundamental Principles and Rights at Work, ensures respect for the personality and dignity of each worker in order to develop a "healthy" work environment, characterised by mutual trust and loyalty.

Furthermore, in line with the international principles expressed by the United Nations, the OECD (Organisation for Economic Co-operation and Development), the ILO and European Union policies, illimity has set itself the following objectives:

- uphold the human rights of its workers in all areas in which it operates;
- respect the freedom of association and the personal political involvement of its employees;
- ensure that everyone works in a safe and healthy environment;
- work towards greater solidarity based on the recognition of cultural diversity, awareness of the unique nature of mankind and the development of intercultural exchanges to ensure an inclusive environment;
- avoiding any form of discrimination, slavery or child labour, with a strong focus on these matters even when identifying parties for collaboration, to establish a work environment founded on dignity and respect for people;
- ensure gender equality in pay;
- respect labour laws and promote sustainable working hours;
- ensure and maintain an environment free from all forms of harassment, sexually inappropriate behaviour and bullying;
- ensure the protection of personal data.

Furthermore, in compliance with banking sector-specific regulations, illimity has adopted efficient governance rules that clearly define the roles and responsibilities of the corporate bodies and management while always supporting their alignment with illimity's interests and with the principles of honesty, transparency, fairness and independence.

Lastly, since 2021, the Bank has also joined the UN Global Compact, committing to respect and promote its ten universally accepted principles, including those on the protection of human rights by undertakings (Principles 1 and 2). The illimity Group therefore certifies that its workforce policies comply



with recognised international instruments, including the United Nations Guiding Principles on Business and Human Rights.

[S1-1 DP 22]

In line with these principles, illimity upholds the freedom of association of workers and recognises the right to collective bargaining, the elimination of all forms of forced labour and compulsory labour, the effective elimination of child labour, and the elimination of all forms of discrimination in respect of employment and occupation.

[S1-1 DP RA 14]

The communication of policies and procedures is guaranteed to the entire company population both through the “document package” that each employee receives and signs upon hiring and when significant updates are made, and through the illimity Internal Regulations portal on the company’s intranet. Furthermore, each update to internal regulations is duly reported via a periodic e-mail alert system entitled “Internal Regulations: *what’s new?*” sent by the Human Resources function. illimity’s main policies and procedures are also sent to business partners at their request, and, considering their materiality for external stakeholders, are published in Italian and English on the illimity corporate website on a page dedicated to company policies.

[S1-1 DP 20c, 24b,24c,24d RA17c]

In order to remedy the impact on human rights and to guarantee a work environment free from any form of discrimination or harassment, illimity is committed to going beyond physical, communicative and cultural barriers by adopting an approach that promotes inclusion and reinforces the application of the principle of non-discrimination through the following measures:

- the adoption of measures integrated within the Code of Ethics and the Diversity, Equity & Inclusion (DE&I) Policy – also in line with the Group Policy for the promotion of diversity and inclusiveness of the parent company Banca Ifis – aimed at promoting an internal and external culture that complies with current regulations and national and international best practices at all levels of the organisation. Values such as diversity, equity and inclusion are anchored in the identity of the illimity Group and therefore form the basis of its approach to human capital, with the aim of promoting a meritocratic working environment consistent with a work-life balance, which values, rather than discriminates against, the distinctive characteristics of each person and their respective abilities, experiences and aspirations, including gender, age, identity and sexual orientation, nationality, ethnicity, disability, political or religious affiliation and socio-economic status, or more simply any background that characterises a person's identity.

Training on Diversity, Equity & Inclusion, starting in 2023 and continuing until 31 December 2025, has been made mandatory for the entire own workforce, with the aim of increasing knowledge on these issues and disseminating the tools for a culture of inclusiveness, thereby exploring the social pillar of illimity’s ESG commitment in a more structured way. The course is diversified according to the organisational impact of the recipient (in particular, whether the employee manages resources or not) and according to the role held in the company. In this regard, Human Resources employees follow a specific programme that complements the one dedicated to the entire own workforce and helps to manage an inclusive and bias-free employee experience. Failure to complete the mandatory training programme will affect the annual bonus, which may even be cancelled;
- the adoption of an Anti-Harassment Policy by illimity Bank, Fürstenberg SGR, ARECneprix and Abilio, delivered during the recruitment phase and reiterated through ad hoc internal communications, with the aim of preventing and promptly identifying harassment, sexually inappropriate behaviour and bullying, and protecting whistleblowers through the adoption of fair and consistent behaviour in the recruitment and human resources management process, preventing favouritism, abuse and discrimination. At the same time, as at 31.12.2025, the Bank and Fürstenberg SGR have implemented and applied the Policy on combating discrimination, violence and harassment in the workplace of the Ifis Bank Group. With regard to the topics contained in the policy, all employees participate annually in mandatory training via webinars on the topics covered by the policy. In 2025, the entire own workforce was provided with the online course, organised in collaboration with the illimity Group, entitled “The violence at your fingertips: internet, social media and digital communication”. The interactive webinar highlighted how the internet and social media



can amplify forms of psychological and relational violence – such as hate speech, cyberbullying and digital abuse – making them immediate, pervasive and often invisible behind the screen. Furthermore, in order to maintain a high level of awareness of these issues and to be able to offer concrete support to particularly vulnerable groups in the future, thanks to the partnership with Fondazione Libellula, which has been active since 2024, some employees have carried out specific training and are trained as illimity ‘antennae’, i.e. they represent a first point of contact for receiving any signs of complex situations inside and outside the workplace.

Furthermore, the Anti-Harassment Policy continues to be integrated with a view to continuous improvement in the prevention of gender-based violence.

Finally, it is worth mentioning that illimity also signed the Memorandum of Understanding for the prevention of and opposition to violence against women and domestic violence, which has also been signed by the Ministry for the Family, Birth Rate and Equal Opportunities and the Chair of the Italian Banking Association (ABI). The Protocol, signed in 2023, has a three-year duration and represents a tool for developing cross-cutting and comprehensive actions in the field of prevention policies. illimity undertakes to give prominence and visibility to the various initiatives undertaken by ABI, including the development and promotion of good practices in preventing and combating violence and the dissemination of communication and information campaigns on these issues.

With a view to prevention, the Human Resources department will promptly notify the Supervisory Body (SB) of any violations of the rules of conduct and the procedures governed by them. All staff are required to report any violation of the principles contained in internal regulations, in the Banca Ifis Group Code of Ethics and in that of the illimity Group (illimity Way) and in the respective Organisation, Management and Control Models adopted by the Bank, Fürstenberg SGR, ARECneprix and Abilio pursuant to Italian Legislative Decree 231/2001. In the absence of breaches, the responsible departments (Human Resources and Internal Audit, each within their respective areas of competence) sends at least one communication per year certifying the absence of reports and/or relevant information to be submitted to the respective Supervisory Board.

- the adoption of a Bank Remuneration Policy that maintains a strong focus on gender equity and employee engagement, in order to ensure a working model that is firmly committed to inclusivity.

[S1-1 DP 21]

Given the operating and business model of the illimity Group, and contextualisation at national level, respect for these rights is deeply rooted in the human resources management policies, supported by national collective bargaining agreements, international principles and regulations on occupational health and safety, within the applicable regulatory framework.

[S1-1 DP 23, RA17d]

The illimity Group operates in compliance with occupational health and safety regulations (Health & Safety – H&S) and, based on the provisions of Italian Legislative Decree 81/08, has defined responsibilities and procedures for preparing for and responding to potential accidents and emergency situations, as well as responsibilities and procedures for preventing damage and injuries that may result, as set out in the Health & Safety Procedure of the individual companies (illimity Bank, ARECneprix, Abilio, Fürstenberg SGR). The internal health and safety management system is supervised by the Employers of the individual companies, their delegates, where appointed, the Health and Safety Officer (Responsabile del Servizio di Prevenzione e Protezione, RSPP), the Occupational Health Physician and the Supervisors, with the support of the Workers' Safety Representatives (Rappresentanti dei Lavoratori per la Sicurezza, RLS), the Emergency and First Aid Managers and all the Function Heads. The adoption of the health and safety system is intended to enable the Group to provide safe and healthy workplaces, prevent injury and illness and improve its OSH performance and is designed to ensure the health and safety of workers, customers and other visitors with disabilities through the Manual of Management Procedures and Operating Instructions on *Health & Safety* and with Emergency Operations Manuals such as the one implemented in 2020 for the Covid-19 pandemic.

[S1-1 DP 24a, RA17a]

With a constant focus on gender equality, in 2020 illimity signed the Valore D ‘Manifesto for Female Employment’. Since 2009, Valore D has been a pioneer in addressing gender balance and promoting a culture of inclusion to support innovation, progress and growth in organisations and in our country. With this Manifesto, the signatory companies undertake, progressively and in accordance with their

specific size and sector, to adopt clear and measurable targets, with performance indicators and periodic monitoring, to be shared internally.

[S1-1 DP 20b]

illimity promotes engagement, development and well-being of illimiters and their families. In particular, the illimity journey is a journey that maps out all the important moments and starts with the valorisation of people right from the selection process, which aims to identify resources that have the skills, the mindset and motivation to add value to the illimity Group and, at the same time, derive value from it.

Specifically, employee involvement is encouraged and measured through various initiatives:

- training activities aimed at understanding the principles of Diversity, Equity & Inclusion (DE&I);
- periodic surveys;
- work-life balance;
- illimiter as Ambassador: Career Day with the businesses, newsletters, cross-division projects, events and internal initiatives;
- recognition actions (e.g. Total Reward; Performance Management; dedicated growth programmes).

There are also regular meetings such as staff meetings and team building events. Involving illimiters is fundamental to understanding their interests, expectations and information needs; it mostly takes place in the course of normal business. Communication is constant and transparent, allowing the Group to maintain a stable and proactive dialogue. When discussing the measurement of this engagement, it is worth noting that, since 2019, illimity has been recognised as a Great Place To Work®. This recognition certifies companies with a high-quality work environment. The latest recognition issued by Italy's leading consultancy firm in the study and analysis of corporate climate was obtained in 2024 and is valid until mid-2025.

This type of involvement has highlighted how, over the years, Illimiters have particularly appreciated the attention the company pays to issues of Diversity, Equity & Inclusion. They are proud to work for the company and have a strong sense of team spirit. More specifically, the data revealed a particularly positive perception, exceeding industry benchmarks.

Analysis of the results also made it possible to identify potential areas for improvement. Specifically, the results of the survey relating to the latest certification highlighted the need to focus on improving the efficiency of internal processes and the quality of communication and level of involvement on the part of facility managers. In this regard, in terms of processes, a cross-divisional team has been set up to define and monitor a pipeline of efficiency improvement projects.

## Employee Training

[S1-1 DP RA 17h]

illimity has maintained a strong focus on training, promoting an approach that combines cross-disciplinary programmes aimed at strengthening technical skills and spreading ESG culture, with compulsory courses for all employees on key issues such as DE&I, environmental sustainability and harassment prevention. The offer is divided into four main pillars:

- compulsory training: this covers 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 tailored to the role and needs of the individual, accessible on demand. In terms of performance management, each employee can work with their manager to develop a development plan, choosing from the course catalogue and also accessing the LinkedIn Learning platform, which is useful for independent and creative learning. In addition, there is language training, with English courses assigned based on the results achieved in the test taken upon joining the company.
- development programmes: courses dedicated to new Team Leaders, Managers and high-potential employees ('Top Rising Stars'), selected using assessment tools and with the support of managers. The offer is completed by exchange and growth initiatives such as Cross Mentoring and internal Erasmus programmes.

- training initiatives to support “digital boost”: a selection of courses from the LinkedIn Learning library and a webinar cycle with the aim of stimulating how to work more efficiently with the opportunities offered by technological innovation.

[S1-MDR-P DP 19]

[S1.MDR-P DP 65a-f]

The policies adopted by the illimity Group to manage sustainability matters relevant to the own workforce are described in the following tables. These policies must be considered applicable where they do not conflict with the principles and guidelines referred to in the Group regulations and the Transitional Instructions.

| Policy                                                    | Code of Ethics                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Main contents</b>                                      | illimity Way is the code of ethics that promotes a corporate culture of integrity, sustainability, legality and long-term value creation, enhancing responsibility towards customers, shareholders, the environment and the community. It includes commitments to inclusion, gender equality and the prevention of discrimination. Monitoring is carried out through training, internal control, Model 231 and a whistleblowing system. |
| <b>Main recipients</b>                                    | It applies to the illimity Group, covering the entire value chain without excluding any business function or stakeholder. It is binding on every level of the organisation, including partners and suppliers within the limits of their contractual relationships.                                                                                                                                                                      |
| <b>Policy Implementers</b>                                | The Board of Directors is responsible for implementing the illimity Way, supported by internal governance committees that ensure compliance with the principles outlined.                                                                                                                                                                                                                                                               |
| <b>References to third-party standards or initiatives</b> | The policy is in line with international standards such as the Global Compact, the UN Sustainable Development Goals (SDGs) and the OECD Guidelines, consolidating an approach to sustainable growth and corporate social responsibility.                                                                                                                                                                                                |
| <b>Methods of access/distribution</b>                     | illimity Way is available on the company intranet and public website, and every new employee and partner receives a copy during the recruitment phase. The policy is supported by regular training events to raise employee awareness and ensure compliance.                                                                                                                                                                            |

| Policy                                                    | Diversity, Equity & Inclusion Policy                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Main contents</b>                                      | The DE&I policy aims to promote an inclusive and meritocratic environment that values diversity; ensures equal opportunities; encourages leadership that promotes the well-being and sense of belonging of employees. The impact is on professional and personal growth, well-being and employee satisfaction, which in turn affects overall productivity. The opportunities lie in retaining and attracting talent, providing the best working conditions and improving our reputation in these topics. |
| <b>Main recipients</b>                                    | The policy applies to the workforce of the illimity Group, which, while not having the power to control the conduct of third parties, does not tolerate any conduct by external stakeholders with whom it collaborates that is contrary to the principles set out in this policy.                                                                                                                                                                                                                        |
| <b>Policy Implementers</b>                                | The policy is approved by the Board of Directors.                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>References to third-party standards or initiatives</b> | UN Universal Declaration of Human Rights<br>Gender Equality Code.                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Stakeholder engagement</b>                             | The DE&I policy was developed through a collaborative process involving staff from the internal departments responsible for this area, including IR & Sustainability, Human Resources, Compliance & AFC and Internal Audit.                                                                                                                                                                                                                                                                              |
| <b>Methods of access/distribution</b>                     | This policy is included in the recruitment kit, available to all employees via the company intranet and an extract is also published on the website.                                                                                                                                                                                                                                                                                                                                                     |

| Policy                                                    | Anti-Harassment Policy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Main contents</b>                                      | Anti-Harassment Policy wards off harassment at work, adopting a zero tolerance of inappropriate behaviour and monitoring compliance through anonymous surveys and whistleblowing channels. This policy focuses on impacts such as reducing the risk of internal conflict, improving employee well-being and increasing trust and company morale. Monitoring is continuous, using tools such as anonymous surveys, whistleblowing channels and the involvement of the HR department, with the target of preventing and dealing with any uncomfortable situations in a timely manner. |
| <b>Main recipients</b>                                    | The policy applies to the workforce of the illimity Group, which, while not having the power to control the behaviour of third parties, does not tolerate any harassment, sexually inappropriate behaviour, bullying or mobbing involving those third parties.                                                                                                                                                                                                                                                                                                                      |
| <b>Policy Implementers</b>                                | The policy is approved by the Board of Directors.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>References to third-party standards or initiatives</b> | ILO - C190 - Convention on the Elimination of Violence and Harassment in the World of Work, 2019.<br>ILO - R206 - Recommendation on the Elimination of Violence and Harassment in the World of Work, 2019.<br>Guiding Principles on Business and Human Rights<br>Joint Statement on Gender-based Harassment and Violence in the Workplace - Abi and Fabi, First-Cisl, Fisac-Cgil, Uilca, Unisin Falcra Silcea Sinfub.<br>UN Universal Declaration of Human Rights<br>Gender Equality Code.                                                                                          |
| <b>Stakeholder engagement</b>                             | The Anti-Harassment Policy was developed through a collaborative process involving staff from IR & Sustainability, Human Resources, Compliance & AFC, Corporate Affairs and Internal Audit.                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Methods of access/distribution</b>                     | The Anti-Harassment Policy is available to all employees via the company intranet and is included in the onboarding package for new hires. Regular training sessions are planned to raise awareness throughout the company, as well as the possibility of involving external stakeholders, such as consultants and auditors, to ensure proper implementation.                                                                                                                                                                                                                       |

| Policy                                                    | Remuneration Policy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Main contents</b>                                      | <p>Remuneration Policy: aligns the interests of management and employees with those of shareholders, maintaining a strong focus on gender equity and employee engagement, as well as attracting, motivating and retaining illimity Group employees.</p> <p>The policy considers the risks related to financial performance and sustainability, envisaging risk alignment mechanisms such as malus and claw-back clauses. The implementation of the policy is monitored by the Remuneration Committee, which periodically assesses its adequacy and consistency.</p> |
| <b>Main recipients</b>                                    | <p>The Remuneration Policy applies to all staff of the illimity Group, with particular attention to the “Material Risk Takers” identified in accordance with the relevant regulations and internal guidelines. There are no specific exclusions in terms of activity, value chain or geographical area. The stakeholders involved include shareholders, employees, customers and regulatory authorities.</p>                                                                                                                                                        |
| <b>Policy Implementers</b>                                | <p>The policy is approved by the Board of Directors.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>References to third-party standards or initiatives</b> | <p>The Remuneration Policy complies with applicable regulatory provisions, including Legislative Decree No. 49 of 10 May 2019, which updated Article 123-ter of Legislative Decree 58/1998, and the 37th update of Circular 285 of Bank of Italy.</p>                                                                                                                                                                                                                                                                                                               |
| <b>Stakeholder engagement</b>                             | <p>In defining the Remuneration Policy, illimity considers the interests of the main <i>stakeholders</i>, promotes sustainable and prudent risk management and supports consistency with strategic business and sustainability targets; in particular, in this regard, the requests of investors, proxy advisors and analysts have been taken into account.</p>                                                                                                                                                                                                     |
| <b>Methods of access/distribution</b>                     | <p>The Remuneration Policy is disclosed in the document “Report on the 2025 Remuneration Policy and the compensation paid in 2024”, available on the illimity website, in the Governance section.</p> <p>The stakeholders can access the document to understand the bank's remuneration guidelines.</p> <p>The contribution of the stakeholders is considered through engagement and feedback processes that can influence future revisions of the Policy.</p>                                                                                                      |

| Policy                                                    | Health & Safety procedure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Main contents</b>                                      | <p>The main objective of the illimity Group's "Health &amp; Safety" procedure is to protect occupational health and safety, in accordance with Legislative Decree 81/2008, through the prevention of occupational risks and the promotion of a safe work environment. The impacts considered include the reduction of occupational accidents and work-related diseases, improving employee well-being. Monitoring is entrusted to the Prevention and Protection Service (SPP), which carries out periodic audits, risk assessments and ensures compliance with current regulations.</p> |
| <b>Main recipients</b>                                    | <p>The procedures apply to all activities carried out at company premises and cover all staff, including contractors and visitors. The procedures do not specify any exclusions but mainly focus on the areas and operating activities of the various the illimity Group.</p> <p>The stakeholders involved include employees, collaborators, customers and suppliers, with particular attention to training and raising awareness among workers.</p>                                                                                                                                    |
| <b>Policy Implementers</b>                                | <p>The ultimate responsibility for implementing the policy lies with the Employer, identified in the top management. The Employer uses the Prevention and Protection Service and other figures provided for by Legislative Decree 81/2008, such as the Health and Safety Officer (RSPP).</p>                                                                                                                                                                                                                                                                                            |
| <b>References to third-party standards or initiatives</b> | <p>The procedures comply with Italian Legislative Decree 81/2008, which represents the Italian regulatory framework on occupational health and safety at work, and other related regulations. The illimity Group also adopts nationally and internationally recognised guidelines and best practices to continuously improve its standards.</p>                                                                                                                                                                                                                                         |
| <b>Stakeholder engagement</b>                             | <p>The policies take into account the interests of employees, focusing on their safety and health through participatory risk assessments and dedicated training programmes. Suppliers and collaborators are also involved, through contractual requirements and specific audits.</p>                                                                                                                                                                                                                                                                                                    |
| <b>Methods of access/distribution</b>                     | <p>The procedures are made available to employees through internal company channels and regular communications. Stakeholders, such as the workers' safety representatives (RLS), are actively involved in defining and updating the policy. Input is collected during specific meetings, audits and risk assessments.</p>                                                                                                                                                                                                                                                               |



| Policy                                                    | Privacy Policy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Main contents</b>                                      | <p>The policy defines the principles underlying the processing of personal data and describes the organisational model, processes and procedures governing the performance of all related activities. The main impacts concern the breach and loss of sensitive data due to cyber-attacks and/or non-compliance with current privacy regulations (GDPR). The main opportunities consist in the definition and continuous application of technical and organisational safeguards aimed at ensuring a correct and transparent approach to business activities involving the processing of personal data. With regard to monitoring, illimity ensures that the policy is regularly updated and implements all the necessary measures, both technological and organisational, to ensure that all its customers and all individuals in general are adequately informed of the data processing activities implemented by illimity.</p> |
| <b>Main recipients</b>                                    | <p>The policy applies to the entire illimity workforce, as well as to all corporate and retail customers to which the Bank offers products and services.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Policy Implementers</b>                                | <p>The policy is approved by the Board of Directors.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>References to third-party standards or initiatives</b> | <p>illimity confirms its alignment with current legislation on the processing and protection of personal data (GDPR).</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Stakeholder engagement</b>                             | <p>The policy was developed through a collaborative process involving the Compliance &amp; AFC, Risk Officer, Human Resources and Corporate Affairs departments, as well as the communications and marketing function.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Methods of access/distribution</b>                     | <p>The policy is available on the illimity website and the corporate intranet portal. The Bank also provides, at least once a year, specific training to all staff involved in the processing of personal data.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

### 3.1.3 Processes for engaging with own workers and workers' representatives about impacts [S1-2]

[S1-2 DP 27, 27a,27b]

The illimity Group collects the views of its own workforce through an ongoing process of interaction and dialogue with the organisation to understand its interests and concerns. A key tool in this area is the process of assessing the Double Materiality of environmental sustainability matters, which involves administering a questionnaire to a sample of employees, the 'ESG Ambassadors', to investigate the most significant impacts generated by the illimity Group. In 2025, the questionnaire was proposed online to about 15% of the own workforce (employees) at the reporting date of the year. For further details regarding the involvement of the own workforce, please refer to the paragraph **"Processes to identify and assess material IROs [IRO-1]"**. At the same time, all illimity Group employees participated in the annual anonymous "Great Place to Work" (GPTW) survey from 2019 to 2024, developed by an independent third party, to express their opinions and perceptions of their work experience, as described in more detail in paragraph S1-4.

[S1-2 DP 27c]

The operational responsibility for ensuring that this involvement takes place and that the results guide the company's approach is entrusted to the Sustainability department, for the Double Materiality questionnaire on sustainability matters, and to the Human Resources department, for the Great Place to Work questionnaire.

[S1-2 DP 27e]

The effectiveness of involvement is assessed through the response rate for both questionnaires. In addition, the trust index, which corresponds to the percentage of positive responses given to the various items of the questionnaire, is an additional indicator present in the GPTW. The analysis of the results, which is communicated to the relevant internal committees and top management, allows us to identify the main significant impacts and pain points, as well as potential areas for improvement.

[S1-2 DP 28]

The illimity Group has not identified any specific additional measures beyond those mentioned above to better understand the perspectives of its own workers who may be particularly vulnerable to impacts and/or marginalised.

### 3.1.4 Processes to remediate negative impacts and channels for own workers to raise concerns [S1-3]

[S1-3 DP 32a]

As explained in the previous paragraphs, the illimity Group did not identify any negative impact on its own workforce as a result of the Double Materiality analysis. However, it has set up channels for workers in its own workforce to communicate any concerns or needs they may have. To ensure effective monitoring and timely management of any critical situations, the illimity Group and Fürstenberg SGR have adopted a structured system for reporting and managing violations. To this end, the Boards of Directors of illimity Bank, ARECneprix, Abilio and Fürstenberg SGR have appointed their respective Internal Audit Managers as 'internal reporting system managers'. They are responsible for receiving, examining and evaluating reports received and reporting directly to the corporate bodies through appropriate escalation mechanisms.

[S1-3 DP 32d]

illimity Bank has adopted the Whistleblowing Policy, implemented by ARECneprix and Abilio, which governs the process of reporting and investigating reported incidents, while as at 31 December 2025, Fürstenberg SGR has implemented and applies Banca Ifis' Group Policy for the management of reports of violations (Whistleblowing). To ensure a proper understanding of the whistleblowing system, both Policies are made available to staff via:

- the company Intranet, in the specific section “Whistleblowing - system for reporting breaches”;
- on the Companies’ institutional websites (illimity.com, arecneprix.com, furstenbergmgr.eu, abilio.com), in the ‘Whistleblowing’ section.

In any case, the communication of the whistleblowing policies and procedures to the entire company population is guaranteed by the “document package” provided upon recruitment. With regard, on the other hand, to business partners, these policies and procedures are sent at their request.

During 2024, a specific webinar was held for all illimity Group staff on “The whistleblowing management system pursuant to Italian Legislative Decree 24/2023”. Starting in 2025, this training has been provided for all new hires. In addition to mandatory training on the subject, each update of internal rules is duly reported through a regular email alerting system sent by the Human Resources function.

[S1-3 DP 32b]

To support the Whistleblowing system, a specific platform has been set up, consisting of a Digital Room for illimity Bank, ARECneprix and Abilio called ‘@Whistleblowing’ for sending and managing reports, including behaviour that violates the Code of Ethics. As regards Fürstenberg SGR, a dedicated web application is publicly accessible (available at <https://bancaifis-whistleblowing.integrityline.com>).

The aforementioned digital platforms allow staff, members of corporate bodies and any external parties to report – via a guided online process – suspected unlawful conduct or irregularities, violations of internal rules and company regulations in general, and violations of external regulations. The system is structured to ensure that reports are received, examined and evaluated through specific, autonomous and independent channels that differ from ordinary reporting lines. The use of platforms allows those involved in managing the report to easily exchange documents and information, ensuring greater traceability throughout the entire process and a higher level of confidentiality for the identity of the whistleblower, who can also choose to proceed completely anonymously. illimity Bank, ARECneprix, Abilio and Fürstenberg SGR, in fact, provide specific protection measures for those involved in compliance with Italian Legislative Decree 196 of 30 June 2003, EU Regulation 2016/679 on the protection of personal data and subsequent measures issued on the subject ('Privacy Regulations'), adequately protecting the whistleblower 'against retaliatory, discriminatory or otherwise unfair conduct resulting from the report', in an atmosphere of respect for the whistleblower's dignity. The people involved in the verifications are required to keep the information received confidential, also as regards the whistleblower's identity and in any case, the whistleblower must be protected from any retaliation, discrimination or unfair conduct as a result of the report.

[S1-3 DP 32c]

It is also possible to make a hard copy report, by sending a letter addressed to the Head of internal whistleblowing system or, with regard to illimity Bank, ARECneprix and Abilio only, by calling the dedicated telephone number, which is not subject to registration. Fürstenberg SGR also offers the option of submitting a report via the dedicated application using the voice messaging system or requesting a meeting with the person responsible for the internal reporting system. Information and documents relating to reports are stored on the platforms/applications used by the Group and in confidential files accessed by the person responsible for the internal reporting system.

[S1-3 DP 32e, 33]

The person responsible for the internal reporting system views the reports received via a dashboard in the @Whistleblowing tool, which is also accessible (in read-only mode) to members of the Control Body and the Supervisory Body of illimity Bank, ARECneprix and Abilio. As regards Fürstenberg SGR, the head of the internal reporting system views the reports received via a dashboard in the tool adopted by Banca Ifis and provided by EQS. If, following further investigation, the report is found to be unfounded, it will be closed and no action of any kind will be taken. Alternatively, if a breach is found, the Head of the internal whistleblowing system shall immediately inform the Supervisory Body, the Body endowed with strategic control functions, the Supervisory Board and any organisational units involved, as well as the whistleblower and, if applicable, the persons reported, also in order to identify and apply the most appropriate measures, in accordance with the provisions of the Sanctions System, in force at the Company from time to time, and to inform the Authorities if there is an obligation to report. In both cases, at the end of the procedure, the whistleblower is informed that the procedure has been closed. In addition to the disciplinary sanctions described above, investigations may also reveal the need to

implement and enforce organisational and procedural measures to prevent further breaches. For illimity Bank, ARECneprix and Abilio, if the report concerns the person responsible for the internal whistleblowing system, an “alternative” management process is provided for, whereby the report is visible (in read/write mode) to the Chairman of the aforementioned Control Body and (in read-only mode) to the other members of the same, as well as to the members of the Supervisory Body. In such a case, the activities normally carried out by the Head of Whistleblowing should be carried out by the Chair of the specific Supervisory Body. In any case, the result is communicated to the whistleblower within a period not exceeding three months from the confirmation of receipt of the report.

### 3.1.5 Taking action on material IROs related to own workforce [S1-4]

#### Actions and resources related to own workforce policies

[S1-4 DP 38a]

The illimity Group has not identified any significant negative impacts on its own workforce but has taken steps to have a positive impact on its workforce, as explained below.

[S1-4 DP 38c]

The actions taken to have a positive impact on its own workforce mainly include initiatives to promote diversity, equity and inclusion, training and professional development for its own workforce, and a focus on ensuring the satisfaction and well-being of its own workforce.

[S1-4 DP 38d, 39]

The evaluation of the effectiveness of the actions taken to produce positive impacts on the own workforce is the responsibility of the Human Resources function, which constantly monitors the various initiatives implemented, including through the Great Place to Work survey. Furthermore, as part of the Sustainability Plan, the KPIs relating to the Plan's social objectives for the financial year in question are monitored on a quarterly basis and the results have been brought to the attention of illimity's internal Sustainability Board Committee, which will remain active until the third quarter of 2025.

[S1-4 DP 40 a, b]

Based on the results of the Double Materiality Analysis, the illimity Group has identified a significant operational and reputational risk related to its workforce and arising from legal actions brought by employees and non-employees concerning non-compliance with working conditions, including adequate working hours, social dialogue, freedom of association, compliance with collective agreements and health and safety protection. In order to mitigate this risk and, at the same time, seize significant opportunities related to its own workforce, illimity has defined and implemented a series of actions and undertaken initiatives aimed at:

- improving the workplace, taking into account the new dynamics associated with different ways of working and strengthening measures to protect the health and safety of employees;
- strengthening the retention and attraction of new talent through the implementation of initiatives aimed at the wellbeing, health and safety of workers, as well as through the creation of systems and tools designed to promote a healthy work-life balance;
- promoting a sense of belonging to the illimity Group through projects that support the values of gender equality, inclusion and the promotion of diversity.

[S1-4 DP 41]

The illimity Group ensures that its practices do not cause or contribute to significant negative impacts on the workforce through the adoption of controls, processes and resources guaranteed by a strong system of internal rules. The company implemented strict policies and procedures to prevent and mitigate any negative impact on its own workforce, providing support to ensure that staff, collaborators, including those in its value chain, are not subjected to child, forced or compulsory labour conditions or major accidents. Furthermore, the effectiveness of its actions is constantly monitored through specific

objectives and metrics, ensuring that business practices meet the highest standards of fairness, wellbeing and safety. These efforts are an integral part of illimity's commitment to the responsible and sustainable management of human resources.

[S1-4 DP 43]

Among the resources assigned to managing significant impacts, the Human Resources function plays a key role, committed to defining the set of actions that make up the HR ecosystem, and which aim to promote the enhancement, engagement, development and well-being of the own workforce. Together with the Human Resources function, the Sustainability Function and the ESG Ambassadors, identified within the various functions responsible for developing specific ESG initiatives and promoting a culture of sustainability within their teams, contribute to the management of significant impacts, within the scope of their responsibilities.

[S1-MDR-A DP 37]

[S1.MDR-A DP 68a-c]

The main actions and related time horizons identified by illimity that have helped achieve the policy targets described in section **"Errore. L'origine riferimento non è stata trovata."** and **[S1-MDR-P]** and the social targets of the 2021-2025 Strategic Plan and the 2023-2025 Sustainability Plan:

- doubling the number of people of the female gender in management roles: the action was based on mentoring, coaching and specific training programmes for female employees and collaborators of the female gender with managerial potential, carried out between 2021 and 2024. The target was to promote an inclusive environment and equal opportunities for accessing management roles, thereby directly contributing to the company's gender equity policy and to the reduction of gender inequality;
- maintaining a gender balance in the talent pool and a maximum gender pay gap of 5%: through annual monitoring and impartial assessment tools, the illimity Group has ensured fairness in its selection and promotion processes. This aligned the remuneration policy with the "equal pay for equal work" principle and with the illimity Way code of ethics;
- maintain the UNI\_PdR 125:2022 Gender Equality Certification by an accredited third party has been guaranteed until the fourth quarter of 2025, including through internal audits that verify compliance with gender equality standards, contributing to the transparency and credibility of the company's commitment to DE&I;
- development of a company Anti-Harassment Policy: the policy defines clear guidelines to prevent harassment, inappropriate sexual behaviour and bullying, and to deal promptly with any reports. This has strengthened a safe and inclusive work environment since 2023. This policy provides for escalation and support for victims of misconduct, with immediate intervention to resolve critical situations and enable the Bank to remedy them;
- maintaining an average of 42 hours of training per employee, including 3 hours of ESG training: the illimity Group provides cross-disciplinary training programmes to enhance technical skills within the company and the financial sector and promote ESG culture, contributing to sustainable growth objectives.

The **scope and time horizon of the main actions** mentioned are shown below:

- promotion of Equal opportunities (long time horizon: 2021-2025);
- monitoring and analysis: continuous measurement of the gender pay gap, annual audits and engagement surveys to identify and resolve critical issues (time horizon: long); 2021-2025);
- certifications: maintaining the UNI\_PdR 125:2022 certification for gender equality, with annual reviews (time horizon: medium); 2023-2025);
- policies and tools: implementation of the Anti-Harassment Policy and updating of the illimity Way code of ethics (time horizon: medium); 2023-2025);
- training: mandatory courses on DE&I, ESG, and harassment prevention for everyone in the group (time horizon: medium). 2023-2025);

With regard to the above actions, the main progress achieved by the illimity Group during the financial year in question is outlined below:

- gender equity: over the past four years, the presence of women in management roles has progressively increased. Specifically, as of 31 December 2025, managers of the female gender will account for 24.6% of all managers, compared to the baseline of 20.8% in 2022. The gender pay gap, measured as the Equal Pay Gap (adjusted), remained stable at below 5%. It should be noted that, instead, this Sustainability Statement at the reference date covers the Gender Pay Gap (unadjusted) indicator measured according to European standards (ESRS).
- UNI\_PdR 125:2022 certification: the Gender Equality certification has been maintained as valid until November 2025, without any critical issues being identified and highlighting the soundness of the company's policies;
- policies: preparation of an ad hoc Anti-Harassment Policy in 2023 and mandatory training for 100% of the workforce from 2023 to 2025;
- training: the target of maintaining an average of at least 42 hours of training per employee was achieved. The illimity Group provided a total of 37,849 hours of training to 672 employees, recording an average of 56.3 hours of training per employee in the reporting period, of which 2,971 hours were ESG training, equal to 4.4 hours per employee.

[S1.MDR-A DP 69a,b]

As previously indicated and in line with previous periods, and in consideration of its strategic materiality, the illimity Group confirms that it will continue to adopt and implement the above measures on an ongoing basis for the year 2025. Specifically, in addition to the internal resources allocated to monitor these activities, the **current financial resources** allocated and used in the reporting period for actions to maintain an average of at least 42 hours of training per employee, including 3 hours of ESG training, amount to a total of approximately **EUR 0.7 million**, as part of the operating expenses (OpEx) and included in the Financial Statements items 160 a.) "Other personnel expenses" and 160.b) "Other administrative expenses": At the same time, no material capital expenditure (CapEx) directly associated with these individual actions was recorded in the reporting period.

### 3.1.6 Material IROs targets related to own workforce [S1-5]

[S1-5 DP 47a, 47c]

In February 2023, illimity's Board of Directors approved the 2023-2025 Sustainability Plan following careful analysis and the maturity achieved in non-financial reporting. This had made it possible to start from a solid baseline aimed at defining objectives that integrated with the various aspects of the business and met the requests expressed by the various stakeholders, as well as meeting regulatory expectations. The Plan, which ended on 31 December 2025, was structured around environmental, social and governance (ESG) issues and included both objectives with a single completion period and cyclical annual objectives with specific operational projects and actions necessary to achieve them. The social objectives concerned the following areas:

- Gender equality.
- Development of human capital.
- Gender Pay Gap
- Workforce engagement
- Development of social impact projects.
- Training
- Sustainable mobility
- Supply Chain

[S1-5 DP 47b]

The Sustainability function coordinated the implementation of the Sustainability Plan, as well as its monitoring and reporting process, in constant collaboration with the various departments of the illimity Group. This monitoring was presented to the Sustainability Board Committee on a quarterly basis until mid-2025, and to the Board of Directors at least once a year.

[S1-5 DP RA 49c]

The social and workforce goals of illimity are based on key principles integrated in the 2023-2025 Sustainability Plan and in the company's policies, including the Code of Ethics and the DE&I policy, which guarantee inclusion, gender equality and respect for fundamental rights.

### Tracking effectiveness of policies and actions through targets

[S1.MDR-T DP 46]

[S1.MDR-T DP 80a]

The illimity Group has identified and included objectives in its Sustainability Plan that are based on qualitative and quantitative data and are also the result of internal and external benchmarking analyses considered in their formulation and definition. These targets were intended to meet the expectations of various regulatory and market stakeholders.

| Topic area                              | Targets achieved by 2025                                                                                                         |
|-----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|
| <b>Gender Equity</b>                    | Doubling the number of people of the female gender in management roles                                                           |
| <b>Talent Pool &amp; Gender Pay gap</b> | Maintaining the gender balance in the formalised "talent pool" and a gender pay gap <sup>23</sup> with a maximum deviation of 5% |
| <b>Engagement Index</b>                 | Maintaining the Group's employee engagement index above 70%;                                                                     |
| <b>The Foundation</b>                   | Real estate impact projects through the Foundation                                                                               |
| <b>Gender equality certification</b>    | Maintain the UNI_PdR 125-2022 gender equality certification                                                                      |
| <b>Policy Anti-Harassment</b>           | Development of a company policy to combat harassment, sexually inappropriate behaviour and bullying                              |
| <b>Training</b>                         | Maintain an average of 42 training hours/employee                                                                                |
|                                         | Ensure 3 hours of ESG training per employee                                                                                      |
| <b>Sustainable mobility</b>             | Awareness-raising initiatives on sustainable mobility (home-work) for employees                                                  |
| <b>Supply Chain</b>                     | >50% of total expenditure on goods and services as of 2025 assessed with ESG criteria                                            |

[S1.MDR-T DP 80b, c, d, e]

All the targets identified and described are measurable and refer to the topic areas described in the first column of the table.

In relation to these targets:

- no base value was envisaged,
- the base year of reference was 2022;
- a three-year time horizon had been identified: 2023 – 2025. It should be noted that for each objective, the final implementation date was set by the BoD for 31/12/2025.

<sup>23</sup> Measured as Equal Pay Gap.



[S1.MDR-T DP 80f]

These targets were defined primarily on the basis of market trends in the social sphere and the opinions formulated by the main rating agencies (e.g. MSCI, CDP, ISS ESG, Standard Ethics), while also taking into account the **‘Oversight Expectations on Climate and Environmental Risks’** formulated by the Bank of Italy.

[S1.MDR-T DP 80g]

These targets are not based on firm scientific data as the Bank considered qualitative and quantitative elements in formulating and defining them.

[S1.MDR-T DP 80j]

The 2023–2025 Sustainability Plan therefore ended on 31 December 2025 and, to date, there have been no changes to the sustainability targets related to real social topics formalised in it.

Please refer to the section **“Taking action on material impacts, risks and opportunities related to own workforce [S1-4]”** which describes the main actions on material impacts for own workforce and approaches for mitigating material risks and pursuing material opportunities in relation to own workforce, as well as the effectiveness of these actions.

### 3.1.7 S1-6 Characteristics of the undertaking's employees

[S1-6 DP 50a, 50b, 51]

| Total employees        | UoM | 2025       | 2024       |
|------------------------|-----|------------|------------|
| Female                 | No. | 332        | 364        |
| Male                   | No. | 340        | 415        |
| Other                  | No. | 0          | 0          |
| Not disclosed          | No. | 0          | 0          |
| <b>Total employees</b> | No. | <b>672</b> | <b>779</b> |

The breakdown by contract type and gender of illimity Group employees as at 31 December 2025 is shown below.

| Employees by contract type by gender | UoM | 2025       | 2024       |
|--------------------------------------|-----|------------|------------|
| <b>Permanent contract</b>            | No. | <b>668</b> | <b>776</b> |
| Female                               | No. | 330        | 361        |
| Male                                 | No. | 338        | 415        |
| Other                                | No. | 0          | 0          |
| Not disclosed                        | No. | 0          | 0          |
| <b>Fixed-term</b>                    | No. | <b>4</b>   | <b>3</b>   |
| Female                               | No. | 2          | 3          |
| Male                                 | No. | 2          | 0          |
| Other                                | No. | 0          | 0          |
| Not disclosed                        | No. | 0          | 0          |
| <b>Total employees</b>               | No. | <b>672</b> | <b>779</b> |

The data provided refers to the number of employees actually employed as at 31 December 2025. Permanent workers also included apprentices. Furthermore, the illimity Group did not employ any variable-hour employees, i.e. employees without a guaranteed minimum or fixed number of working hours, during the reporting period.

At the end of 2025, the illimity Group had 672 employees, a decrease of 13.7% compared to the previous year.

[S1-6 DP 50f]

For a cross-reference, see item 190 "Personnel expenses" - Section 12 (Administrative expenses) - Part C (Information on the consolidated income statement) of the Explanatory Notes to the Consolidated Financial Statements of the illimity Group.

[S1-6 DP 50c]

During 2025, there were 124 employees whose employment contract was terminated.

| Turnover rate                         | UoM | 2025        | 2024        |
|---------------------------------------|-----|-------------|-------------|
| <b>Number of terminated employees</b> | No. | <b>124</b>  | <b>79</b>   |
| Volunteer <sup>24</sup>               | No. | 118         | 67          |
| Due to dismissal <sup>25</sup>        | No. | 6           | 12          |
| Due to retirement                     | No. | 0           | 0           |
| Due to death                          | No. | 0           | 0           |
| <b>Employee turnover rate</b>         | %   | <b>18.5</b> | <b>10.1</b> |

[S1-6 DP 50d]

The turnover for outgoing staff stands at 18.5%. The figure is calculated as the ratio of the number of employees who terminated their employment with the illimity Group to the total number of employees as of 31 December 2025.

### 3.1.8 Characteristics of non-employee workers in the undertaking's own workforce [S1-7]

[S1-7 DP 55a-b, 56]

| Non-employees                                      | UoM | 2025 | 2024 |
|----------------------------------------------------|-----|------|------|
| Total number of non-employees in the own workforce | No. | 21   | 40   |

The figure refers to the number of non-employees at all illimity Group companies as at 31 December 2025 and includes 10 interns and 11 workers on self-employment contracts.

### 3.1.9 Collective bargaining coverage and social dialogue [S1-8]

[S1-8 DP 60a, 60b, 63a, RA 70]

All employees of the illimity Group are covered by national collective bargaining agreements (CCNL). Employees of illimity Bank and Fürstenberg SGR are covered by the "Collective Bargaining Agreement for Middle Managers and staff in professional areas employed by credit, financial and instrumental companies", while employees of ARECneprix, Abilio, Quimmo Agency and Quimmo Prestige Agency are covered by the "Supplementary Credit Agreement" envisaged by Article 3 of the above-mentioned agreement.

| Collective bargaining and social dialogue     | UoM | 2025 | 2024 |
|-----------------------------------------------|-----|------|------|
| Employees covered by collective bargaining    | %   | 100  | 100  |
| Employees covered by workers' representatives | %   | 100  | 100  |

<sup>24</sup> The count indicated the total number, in number of people, who left the company due to voluntary resignation and consensual termination. Fixed-term contracts that had reached natural expiry were excluded.

<sup>25</sup> The count included the number of persons dismissed for failing to pass the probationary period and for just cause.

| Coverage rate | Collective bargaining coverage |                     | Social Dialogue                     |
|---------------|--------------------------------|---------------------|-------------------------------------|
|               | Employees - EEA                | Employees - non-EEA | Workplace Representation (EEA only) |
| 0-19%         | -                              | -                   | -                                   |
| 20-39%        | -                              | -                   | -                                   |
| 40-59%        | -                              | -                   | -                                   |
| 60-79%        | -                              | -                   | -                                   |
| 80-100%       | Italy                          | -                   | Italy                               |

[S1-8 DP 63b]

Please note that there are no agreements with its employees for representation by a European Works Council (EWC), a European Company Works Council (ECWC) or a European Cooperative Society Works Council (ESCWC).

### 3.1.10 Diversity metrics [S1-9]

[S1-9 DP 66°, RA 71]

The gender breakdown of illimity's senior executive management is shown below.

| Senior management diversity | UoM | 2025       | 2024 <sup>26</sup> |
|-----------------------------|-----|------------|--------------------|
| Female                      | No. | 1          | 1                  |
|                             | %   | 14.3       | 14.3               |
| Male                        | No. | 6          | 6                  |
|                             | %   | 85.7       | 85.7               |
| Other                       | No. | 0          | 0                  |
|                             | %   | 0          | 0                  |
| Not disclosed               | n   | 0          | 0                  |
|                             | %   | 0          | 0                  |
| <b>Total</b>                | No. | <b>7</b>   | <b>7</b>           |
|                             | %   | <b>100</b> | <b>100</b>         |

The data shown in the table has been calculated as the absolute value of male and female employees who are part of illimity's senior management, defined as the first line reporting to the Chief Executive Officer of illimity Bank S.p.A., and as a percentage value given by the ratio between the absolute value and the total number of senior management employees, i.e. seven people.

[S1-9 DP 66b]

The distribution of the illimity Group's employees by age bracket is shown below, with representation by absolute value (number of people actually employed as of 31 December 2025) and as a percentage.

<sup>26</sup> It should be noted that for the 2024 financial year, the definition of "top management" was represented as "senior management" in the Remuneration Policy with a snapshot as of 31 December 2024.

| Total employees by age group | UoM | 2025       | 2024       |
|------------------------------|-----|------------|------------|
| Under 30 years               | No. | 81         | 115        |
|                              | %   | 12.1       | 14.8       |
| Between 30 and 50 years      | No. | 516        | 591        |
|                              | %   | 76.8       | 75.9       |
| Over 50 years                | No. | 75         | 73         |
|                              | %   | 11.2       | 9.4        |
| <b>Total</b>                 | No. | <b>672</b> | <b>779</b> |
|                              | %   | <b>100</b> | <b>100</b> |

The reported figures refer to staff employed as of 31 December 2025.

### 3.1.11 Adequate wages [S1-10]

[S1-10 DP 69]

All illimity Group employees receive with fair and adequate wage, determined in accordance with applicable benchmarks and in full compliance with current regulations. The company is committed to promoting a remuneration that reflects the principles of fairness, transparency and sustainability, enhancing the contribution of each employee and ensuring economic conditions in line with industry best practices.

### 3.1.12 Social protection [S1-11]

[S1-11 DP 74a-e]

All illimity Group employees have social protection coverage in the event of illness, unemployment, occupational injury and disability, leave and retirement as also envisaged by national legislation.

### 3.1.13 Persons with disabilities [S1-12]

[S1-12 DP 79, 80]

| Persons with disabilities among employees | UoM        | 2025       | 2024       |
|-------------------------------------------|------------|------------|------------|
| Female                                    | No.        | 13         | 15         |
|                                           | %          | 1.9        | 1.9        |
| Male                                      | No.        | 8          | 11         |
|                                           | %          | 1.2        | 1.4        |
| Other                                     | No.        | 0          | 0          |
|                                           | %          | 0          | 0          |
| Not disclosed                             | No.        | 0          | 0          |
|                                           | %          | 0          | 0          |
| <b>Total</b>                              | <b>No.</b> | <b>21</b>  | <b>26</b>  |
|                                           | <b>%</b>   | <b>3.1</b> | <b>3.3</b> |

[S1-12 RA 76]

The data reported refers to staff with disabilities expressed by gender actually employed as of 31 December 2025, represented in both absolute and percentage terms. The count includes workers belonging to both types of protected categories: Civilian invalidity (No. 20) and workers employed pursuant to Art. 18 of Law 68/99 (No. 1).

### 3.1.14 Training and skills development metrics [S1-13]

[S1-13 DP 83a]

| Regular reviews of performance and career development                   | UoM | 2025 | 2024 |
|-------------------------------------------------------------------------|-----|------|------|
| Female                                                                  | %   | 99.7 | 99.2 |
| Male                                                                    | %   | 99.4 | 98.3 |
| Other                                                                   | %   | 0    | 0    |
| Not disclosed                                                           | %   | 0    | 0    |
| Revisions of services conducted per employee                            | %   | 99.6 | 98.7 |
| Revisions in proportion to the number of reviews agreed with management | %   | 100  | 100  |

The data reported refers to the number of employees eligible for the Performance Management process for 2025, i.e. those hired by 1 October 2025.

Employees who do not participate in the 2025 performance appraisal still have the opportunity to take part in the feedforward interview receiving feedback on performance and conduct and defining their own individual development plan (within a catalogue of training and development initiatives to be activated during the year or over a long-term period).

[S1-13 DP 83b]

The average training hours for illimity Group employees, broken down by gender, are shown below.

| Average hours of training by employee by gender | UoM | 2025      | 2024      |
|-------------------------------------------------|-----|-----------|-----------|
| Female                                          | No. | 66        | 49        |
| Male                                            | No. | 47        | 53        |
| Other                                           | No. | 0         | 0         |
| Not disclosed                                   | No. | 0         | 0         |
| <b>Average number of training hours</b>         | No. | <b>56</b> | <b>51</b> |

The average training hours are calculated as the ratio between the total training hours and the number of employees by gender actually employed as at 31 December 2025.

### 3.1.15 Health and safety metrics [S1-14]

[S1-14 DP 88a]

The illimity Group operates in compliance with occupational health and safety (OSH) regulations and on the basis of the requirements of Italian Legislative Decree No. 81/08. It should be noted that the percentage of own workers covered by the health and safety management system in accordance with legal requirements and (or) recognised standards or guidelines is 100%.

[S1-14 DP 88b-e]

| Injuries                                                     | UoM | 2025       |               | 2024       |               |
|--------------------------------------------------------------|-----|------------|---------------|------------|---------------|
|                                                              |     | Employees  | Non-employees | Employees  | Non-employees |
| Number of recordable work-related injuries for own workforce | No. | 4          | 0             | 3          | 0             |
| <b>Rate of recordable work-related injuries</b>              | No. | <b>3.7</b> | <b>-</b>      | <b>4.3</b> | <b>-</b>      |

The number of injuries is taken as those reported to INAIL (National Institute for Insurance against Accidents at Work). The injury rate is calculated as the ratio of the number of accidents to the total number of hours worked. In order to improve comprehensibility, the fraction obtained is multiplied by 1,000,000.

| Work-related illnesses                                                                                                                                                  | UoM | 2025  | 2024 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-------|------|
| Number of cases of recordable work-related illnesses of employees                                                                                                       | No. | 0     | 0    |
| Number of deaths in the own workforce due to work-related injuries and ill health                                                                                       | No. | 0     | 0    |
| Number of deaths due to work-related injuries and illnesses of other workers operating on the company's sites                                                           | No. | 0     | 0    |
| Number of days lost due to injuries and deaths at work resulting from occupational accidents, work-related illnesses and deaths due to employee illnesses <sup>27</sup> | No. | 2,030 | 130  |

The above figures for the two financial years are not comparable due to the calculation updates applied for 2025 for the purposes of methodological alignment with the Parent Company.

It should also be noted that, during 2025, the absenteeism rate stood at 1.2%, calculated as the ratio between the number of days of absence due to illness and accidents recorded and the total number of working days in the year, i.e. 166,753 days.

### 3.1.16 Work-life balance metrics [S1-15]

[S1-15 DP 93a]

| Employees who have taken leave for family reasons     | UoM | 2025        | 2024        |
|-------------------------------------------------------|-----|-------------|-------------|
| Female                                                | %   | 16.6        | 17.9        |
| Male                                                  | %   | 5.0         | 7.5         |
| Other                                                 | %   | 0           | 0           |
| Not disclosed                                         | %   | 0           | 0           |
| <b>Total</b>                                          | %   | <b>10.7</b> | <b>12.3</b> |
| <b>Employees entitled to leave for family reasons</b> | %   | <b>100</b>  | <b>100</b>  |

[S1-15 DP 93b]

The number of employees entitled to family leave represents the total number of employees in the illimity Group. During 2025, 72 employees (55 women and 17 men) took family leave, representing about 10.7% of employees.

<sup>27</sup> It should be noted that for the 2024 financial year, only days lost due to work-related accidents and illnesses were counted. In 2025, on the other hand, all cases of illness, including those not related to work, are included. There were 109 days lost due to work-related injuries/injuries while travelling to and from work.



### 3.1.17 Compensation metrics (pay gap and total compensation) [S1-16]

[S1-16 DP 97a]

| Gender pay gap | UoM | 2025 | 2024 |
|----------------|-----|------|------|
| Gender pay gap | %   | 33.2 | 37.3 |

[S1-16 DP 97c]

The table shows an overall Gender Pay Gap (unadjusted) of 33.2%, calculated as the difference between the average gross hourly wage of male employees and the average gross hourly wage of female employees, relative to the average gross hourly pay of male employees. It should be noted that this pay gap only takes into account the gender of staff. However, calculated in this way, it includes categories of staff that are not homogeneous, i.e. without considering the pay gap for the same job or work of equal value.

[S1-16 DP 97b]

| Annual total remuneration      | UoM | 2025 | 2024 |
|--------------------------------|-----|------|------|
| Total annual remuneration rate | No. | 13.1 | 23.1 |

The indicator shows the ratio of the total annual remuneration of the highest paid person in the illimity Group to the median total annual remuneration of all employees (excluding the highest paid person).

### 3.1.18 Incidents, complaints and severe human rights impacts [S1-17]

[S1-17 DP 103a-c]

| Discrimination                                                                                                                            | UoM | 2025 | 2024 <sup>28</sup> |
|-------------------------------------------------------------------------------------------------------------------------------------------|-----|------|--------------------|
| Total number of incidents of discrimination, including harassment, reported in the reporting period                                       | No. | 0    | 1                  |
| Number of reports submitted through channels established for employees to raise concerns                                                  | No. | 2    | 0                  |
| Number of complaints submitted to the National Contact Points for Multinational Enterprises of the OECD                                   | No. | 0    | 0                  |
| Amount of fines, sanctions and compensation for damages resulting from cases of discrimination, including harassment and complaints filed | EUR | 0    | 0                  |

During the reporting period, two reports were submitted through the whistleblowing channels adopted by the illimity Group companies. In particular: for an alert submitted in the first half of 2025 via Whistleblowing, the investigations have been concluded; to date, no monetary payments (in the form of fines, penalties and compensation for damages) have been made in relation to this report. The other alert – submitted in the second half of 2025, also via Whistleblowing, and relating to an episode of verbal harassment, which does not, however, constitute an episode of work-related discrimination within the meaning and for the purposes of the relevant legislation – is still under investigation as at 31 December 2025.

<sup>28</sup> At the end of 2024, the Bank's HR department received a report of an alleged incident of discrimination, which was handled in accordance with internal procedures by the aforementioned department and subsequently following the publication of the report for the 2024 financial year. The case was concluded in 2025 with an agreement between the parties and the drafting of a conciliation report.

[S1-17 DP 104a-b]

| Human rights                                                                                                                           | UoM | 2025     | 2024     |
|----------------------------------------------------------------------------------------------------------------------------------------|-----|----------|----------|
| <b>Number of serious human rights incidents related to the own workforce</b>                                                           | No. | <b>0</b> | <b>0</b> |
| of which cases of non-respect of UN Guiding Principles on Business and Human Rights                                                    | No. | 0        | 0        |
| of which cases of non-compliance with the ILO Declaration on Fundamental Principles and Rights at Work                                 | No. | 0        | 0        |
| of which cases of non-compliance with the OECD guidelines for multinational enterprises                                                | No. | 0        | 0        |
| Amount of fines, penalties and compensation for damages relevant to serious human rights issues and incidents related to own workforce | EUR | 0        | 0        |

During the 2025 financial year, there were no serious human rights incidents involving the illimity Group's own workforce. illimity Group entities did not have to pay any fines due to penalties and compensation relating to such incidents.

## 3.2 Affected Communities [S3]

### 3.2.1 Strategy and material IROs related to the affected communities

[S3.SBM-3 DP 9]

The communities potentially affected by the impacts generated by the illimity Group — including those attributable to operating activities, value chain, products, services and business relationships — are considered in analysing and managing corporate sustainability impacts, in line with the ESRS. illimity adopts an integrated approach to sustainability including measuring impacts, managing ESG risks and identifying opportunities related to stakeholders such as local communities.

[S3.SBM-3 DP 9a]

The affected communities subject to significant impacts resulting from the operations of the illimity Group, represent, through the distribution of the economic value generated, the main stakeholders, including suppliers, communities of individuals and businesses throughout the country.

Furthermore, the support that illimity offers to SMEs (small and medium-sized enterprises) in difficult situations contributes to their recovery and to the competitiveness of the Italian business fabric, safeguarding jobs and generating new ones. In this way, illimity has an indirect positive impact on local communities.

Finally, the most significant impact on communities derives from the support that, since 2021, illimity has been providing to the *fondazione illimity* (“Foundation”), an entity not controlled by the Bank and external to both the illimity Group and the Banca Ifis Group. The Foundation aims to generate social value through the donation and regeneration of real estate assets, transforming them into spaces dedicated to inclusion, cohesion and shared well-being, for the benefit of the most disadvantaged local communities. A significant example is the building donated by the Bank, in the past, to the *Consorzio Il Nodo di Catania* to host care leavers (Project Barrio21), showing how the Bank transforms resources, deriving from its operations, into opportunities for those who most need it.

[S3.SBM-3 DP 9a i-iv]

In the context of illimity's operations and activities, no affected community is subject to significant impacts from the operating sites of the illimity Group.

[S3.SBM-3 DP 9c]

The socio-economic development of the affected communities is a material area for illimity as financial support to small and medium-sized enterprises can generate significant positive impacts on the local economic and social fabric. In fact, support for SMEs in situations of difficulty is aimed not only at safeguarding, but also – as already mentioned – the development of jobs and business continuity.

In parallel, illimity aims to actively support the sustainable transition of SMEs that promote social impact projects, contributing to fostering innovation, resilience and sustainability in the long term. These activities complement community support initiatives, collaborations with third parties, and donations of the Foundation. The impact is mainly concentrated in the national territory where illimity operates.

[S3.SBM-3 DP 9d]

Relevant risks and opportunities for illimity are closely linked to financing activities and projects supported by the Foundation. One potential risk, although not significant thanks to internal controls and internal due diligence processes, relates to the Bank's possible exposure to counterparties that violate community rights (e.g. appropriate housing, food, water and sanitation) or do not have adequate measures to prevent their breach. If such situations occurred, they could generate negative impacts on local communities and, consequently, potential reputational or regulatory risks for illimity. On the other hand, supporting the sustainable transition of SMEs engaged in social impact projects represents an important opportunity, as it contributes to the creation of long-term economic and social value. Moreover, through partnerships with local organisations, and industrial and professional associations, the Foundation can promote the creation of territorial networks capable of generating shared value, support economic and social empowerment initiatives and strengthen its presence as a responsible player in the national context.

[S3.SBM-3 DP 10]

illimity, based on the materiality assessment required by the ESRS 2 IRO-1 disclosure requirement, identifies the main types of communities potentially negatively affected through a systematic analysis of the ESG risks associated with its activities. This assessment considers the operations carried out and the characteristics of the territories in which the illimity Group operates. The Group makes use of materiality analysis tools, constant monitoring, and direct involvement of stakeholders to understand how particular contexts (e.g. areas subject to environmental degradation) or specific characteristics of communities (such as economic vulnerability or limited access to essential resources) can amplify exposure to environmental and social risks. This approach enables the development of targeted strategies to mitigate negative impacts and promote responsible management of relations with the affected communities.

[S3.SBM-3 DP 11]

The illimity Group also recognises that some risks and opportunities arising from impacts and dependencies in relation to affected communities may be more significant for certain groups than others. For example, financing companies that are less attentive to ESG issues may entail significant environmental or social risks for local communities located in the contexts in which these companies operate. Similarly, the opportunities arising from supporting the sustainable transition of SMEs promoting social impact projects tend to have more pronounced effects on vulnerable local communities, which can benefit from greater economic and social inclusion. The approach adopted by illimity is based on an accurate analysis of the specific characteristics and needs of the communities involved, with the aim of maximising positive impacts and minimising negative ones.

### 3.2.2 Policies related to affected communities [S3-1]

[S3-1 DP 16]

the illimity Group is committed to respecting and furthering human rights in all its activities, in line with:

- the UN Guiding Principles on Business and Human Rights;
- the ILO Declaration on Fundamental Principles and Rights at Work;
- the OECD Guidelines for Multinational Enterprises.

The policies adopted to manage the impacts, risks and opportunities relating to the affected communities of illimity (communities of individuals and businesses in Italy) are described in the tables below in this section:

- protection against discrimination, child and forced labour;
- the promotion of wage and gender equality;
- the guarantee of safe and healthy working conditions.

In relation to the processes and monitoring mechanisms adopted, illimity has structured safeguards that help prevent exposures to counterparties that may violate community rights or not align with the Group's key principles and ESG guidelines. In particular, the entire ESG due diligence process applied in the assessment and monitoring of counterparties makes it possible to promptly identify potential environmental and social critical issues, reducing the risk of financing companies that adopt non-compliant practices.

This is complemented by the handling of reports through whistleblowing channels, which are publicly accessible for illimity Bank, ARECneprix, Abilio and/or Fürstenberg SGR. These channels enable the reporting of any violations of the rules that damage or may damage the public interest or the integrity of companies, supporting the protection of the whistleblower from any form of retaliation.

These joint tools strengthen the illimity Group's ability to identify and prevent any negative impacts on the affected communities, ensuring greater responsibility and transparency in decision-making processes.

[S3-1 DP 16b]

illimity constantly promotes dialogue with local and global stakeholders, particularly by means of:

- initiatives to foster the economic and social development of local communities, with a specific focus on small and medium-sized enterprises and sustainable entrepreneurship (e.g. Open-es);
- stakeholder engagement referred to in the section “**Processes for identifying and assessing material IROs [IRO-1]**”, through discussions with sector associations, foundations, academic bodies and/or NGOs;
- surveys with regard to SMEs and households, including non-customers.

[S3-1 DP 14, 17]

[S3.MDR-P DP 65a-f]

In addition, existing policies relating to the affected communities include the Code of Ethics, for the contents of which please refer to the table in the section “**Policies related to own workforce [S1-1] [S1.MDR-P]**”. These policies must be considered applicable where they do not conflict with the principles and guidelines referred to in the Group regulations and the Transitional Instructions. During the reporting period, no cases of non-compliance with these principles were reported in illimity’s own operations or upstream and downstream of the value chain. illimity is committed to generating a positive impact on the entrepreneurial fabric through the distribution of economic value to key stakeholders, including suppliers and communities of individuals and businesses across the country, who, as mentioned above, collectively represent the affected communities for illimity. Through dialogue, collaboration and analysis of the impact on these communities, we aim to understand and enhance the spill-over effects of our activities, fostering sustainable and inclusive growth.

### 3.2.3 Processes for engaging with affected communities about impacts [S3-2]

[S3-2 DP 21]

illimity uses the views of the affected communities to guide its decisions and activities. This is done through:

- questionnaires assessing the materiality of impacts related to sustainability matters, administered online or focus groups with regard to the affected communities to gather opinions on key sustainability matters;
- direct engagement with stakeholders including suppliers and communities of individuals and businesses across the country, as well as associations and foundations, to also identify risks and opportunities and improve existing policies accordingly.

[S3-2 DP 21a]

In doing so, illimity directly involves the affected communities through legitimate representatives or their credible proxies, such as, for example, industry associations, particularly during the assessment phase of social and environmental impacts linked to the Group’s activities and its value chain.

[S3-2 DP 21b]

The phases in which engagement takes place are those of strategic planning and monitoring of ESG policies, which take place through theme-based questionnaires, interviews and workshops (focus groups), to assess relevant ESG impacts and on an annual basis.

[S3-2 DP 21c]

The ultimate responsibility for the stakeholder engagement, including the affected communities, is always with the Board of Directors, supported by the Sustainability Committee and, operationally, by the Sustainability Team. The BoD also oversees the implementation of the policies and ensures that the results of involvement are integrated into business decisions.

[S3-2 DP 21d, 22]

In this regard, the evaluation of the effectiveness of involvement is carried out by defining specific KPIs that measure the results of policies and the effectiveness of action taken, such as positive feedback from the communities involved.

In conclusion, illimity, not having detected within its activities or its value chain the presence of affected communities that may be particularly vulnerable to impacts and/or marginalised, has not adopted any further measures to involve such groups within the affected communities.

### 3.2.4 Actions and resources in relation to material sustainability matters [S3-4]

[S3-4 DP 32c]

In 2025, illimity also supported the Foundation, considering its commitment to generating social value for local communities through concrete and ongoing initiatives. These activities foster the creation of local networks that can generate shared value and promote economic and social empowerment. For illimity, in addition to financial support for the functioning of the Foundation, this commitment translates into tangible actions such as the donation of real estate – coming from guarantees of non-performing loans – to associations and Entities of the Third Sector, subject to the use of assets for social purposes (i.e. Project Barrio21 mentioned above).

Through the “Make it Double” programme, in recent years illimity has doubled the donations made by its employees to the Foundation projects, multiplying the impact of the initiatives.

[S3-4 DP 34b]

illimity implements actions aimed at seizing material opportunities, developing sustainable financial products – such as social loans or sustainability-linked loans with social targets – and promoting advisory services aimed at supporting local companies, with consequent potential benefits to the corresponding communities.

[S3-4 DP 36]

During the reporting period, no serious human rights incidents emerged in the affected communities defined by illimity. The resources allocated to the management of these significant impacts include, in addition to the Bank’s internal resources, also the annual contribution intended for the Foundation, aimed mainly at its operation and the development of social impact initiatives, with technical and financial support.

[S3-4 DP 32d]

[S3-MDR-A DP 31]

[S3.MDR-A DP 68a-c]

The Bank’s support of the Foundation and, consequently, to the social regeneration projects that it independently manages, has had the purpose of building strong and inclusive relationships with communities of individuals and businesses and to the promotion of initiatives in the area that foster sustainable development, innovation and shared growth. Below are the main projects of the Foundation that were active at the end of 2025, which are supported by the Bank and have pursued this purpose:

- **“Albergo Etico Cesenatico” project:** in the heart of the Romagna Riviera, the Foundation promoted the regeneration of an unused building (owned by a company of the illimity Group) in Cesenatico. The project has thus returned it to the community in the form of the hotel Albergo Etico, in collaboration with the Albergo Etico Italia Onlus and various actors, including some experts in real estate regeneration of the illimity Group. The hotel, open to customers since 2023, is an inclusive place where young people with disabilities can train professionally and acquire autonomy, managing hospitality, catering and hospitality activities. The facility also houses a multi-purpose room open to the city, born from co-designing with local institutions, schools and associations, for community, culture and shared well-being activities.

- **“(RE)GENERATION CAMP” project (Rome):** the project has been developed by the Foundation since 2022 at the Talenti Village Shopping Centre (formerly Dima Shopping) in the Bufalotta area in Rome; thanks also to the support, in previous years, of an illimity Group vehicle for the renovation of the premises (at the reference date of the Sustainability Statement, no longer owned by illimity Group), which were used as a multifunctional space dedicated to younger people, designed to foster integration, socialisation and creative development. In 2025, the project continued to offer creative and socialisation workshops for children and adolescents, involving an annual average of 18 participants per laboratory (compared to a capacity of 20) and strengthening the network of collaboration with local associations, consolidating the centre as a permanent meeting point for families in the neighbourhood.
- **“Barrio21” (Catania) project:** initiated in 2023 in Catania, the Barrio21 project is an innovative model of co-housing and accompanying autonomy for young care leavers – young men and women who have just turned 18 and are leaving residential communities or reception centres, or who come from vulnerable situations. The project – carried out in collaboration with Consorzio Il Nodo and the territorial network of the Foundation, thanks to the donation of a property by a company of the illimity Group – offers young people the opportunity to live in shared spaces, receive educational and psychological support, and undertake training, study and employment paths with the aim of helping them to develop their independence. In 2025, the project consolidated the co-housing model for young care leavers, offering 5 boys and girls the opportunity to live in 2 apartments and be accompanied by a multidisciplinary team in housing, training and work autonomy. Through partnerships with local businesses, universities and associations, Barrio21 contributes to creating an ecosystem of youth inclusion and autonomy, capable of generating sustainable social value for the community.
- **“H EDU” project (Treviso):** This project created by the Foundation was aimed at the transformation of a property in Treviso – donated in 2024 by a company of the illimity Group to the Kirikù Social Cooperative and renovated – in an educational space for minors and families. It is a multi-purpose educational and counselling centre that welcomes beneficiaries with family difficulties, with attention paid to the care and protection of minors and families and the promotion of shared spaces between school and family. The centre was opened to the public in the local community on 1 March 2025.

In relation to the above-mentioned actions implemented during 2025, the main areas of impact related to the affected communities are:

- youth and labour inclusion;
- sustainability and access to credit for SMEs;
- urban regeneration from a social perspective.

[S3-4 DP 38]

[S3.MDR-A DP 69a,b]

All actions implemented by illimity aim to generate a positive impact on the affected communities. In addition to the internal resources allocated for the supervision of these activities, the **current financial resources** allocated and deployed in the reporting period for the actions of annual support to the illimity Foundation relative to 2025, amount to a total of approximately **EUR 0.2 million**, within the sphere of operating expenses (OpEx) and included under Financial Statement items 160.b) “Other Administrative Expenses” and 200.c) “Other expenses and income”: At the same time, no material capital expenditure (CapEx) directly associated with these individual actions was recorded in the reporting period.

### 3.2.5 Material IROs targets related to the affected communities [S3-5]

[S3-5 DP 42a]

illimity uses a structured approach to define targets relating to managing negative impacts, enhancing positive impacts and managing the material risks and opportunities. The process includes:



- **double materiality analysis:** identification of material impacts, risks and opportunities through the direct involvement of key stakeholders including employees, suppliers, customers and local communities;
- **stakeholder engagement:** direct interaction with legitimate representatives of the affected communities (e.g. social cooperatives, associations);
- **alignment with corporate strategies:** the targets are integrated into the 2023-2025 Sustainability Plan, ensuring consistency with ESG priorities and the regulatory frameworks.

[S3-5 DP 42b]

As already mentioned, illimity monitors the effectiveness of the Sustainability Plan's targets. Furthermore, during 2025, these targets were periodically measured and analysed, the performance of which was monitored and reported periodically through the ESG *Tableau de Bord*, which includes KPIs and risk indicators (KRIs) related to the Sustainability Plan.

[S3-5 DP 42c]

The Sustainability Plan was concluded and, during 2025, a retrospective analysis of the results achieved was carried out in order to highlight the main successes and identify any areas for improvement. This review has made it possible to fully exploit the experience gained, including in the field of social impact on the affected communities, by providing a useful basis for integration into the Ifis Bank Group.

### **Tracking effectiveness of policies and actions through targets**

[S3-5 DP 41]

[S3.MDR-T DP 80a, b, c]

Within the scope of the affected communities, illimity defined, first in the 2021-2025 Strategic Plan and then in the Sustainability Plan 2023-2025, a priority strategic target: the development of social impact projects in Real Estate through the Foundation, with the aim of contributing to urban regeneration, reducing situations of vulnerability and generating value for local communities through inclusive initiatives and dedicated spaces.

[S3.MDR-T DP 80d, e]

In relation to this target:

- no base value was envisaged,
- the base year of reference was 2022;
- a five-year time horizon 2021 - 2025 had been identified with the final implementation date set by the BoD for 31/12/2025.

[S3.MDR-T DP 80f]

In 2025, in addition to monitoring the real estate social impact projects carried out by the Foundation, as part of the periodic monitoring of the progress of the Bank's Sustainability Plan – concluded as at 31 December 2025 – a structured analysis of these projects was also carried out in collaboration with the parent company, which applied proprietary methodology for measuring social impact.

[S3.MDR-T DP 80g]

This target is not based on fixed scientific data as the Bank considered qualitative and quantitative elements in formulating and defining it.

[S3.MDR-T DP 80j]

The 2023–2025 Sustainability Plan therefore ended on 31 December 2025 and, to date, there have been no changes to the sustainability targets related to real estate topics formalised in it.

### 3.3 Consumers and end-users [S4]

#### 3.3.1 Policies related to consumers and end-users [S4-1]

[S4-1 DP 15]

Policies adopted to manage impacts, risks and opportunities relating to consumers and end-users or rather **retail customers** (i.e. consumers; natural persons carrying out professional or craft activities; micro-enterprises) and **corporate customers** (i.e. large businesses and SMEs) of the Bank are described in the tables below in this section.

[S4-1 DP 16]

Specifically, illimity is aware of the importance of the values of fairness and protection of human rights and is committed to avoiding and eliminating all discrimination and to respecting differences in gender, age, ethnicity, religion, political and trade union membership, sexual orientation and identity, language or diversity. The Bank works to ensure that there is full respect for the fundamental freedoms proclaimed in the Universal Declaration of Human Rights approved in 1948 by the United Nations General Assembly, as set out in the illimity code of ethics (illimity Way). Since 2021, the Bank has been a member of the **United Nations (UN) Global Compact**, pledging to respect and promote its ten universally accepted principles, including those relating to the protection of human rights by businesses (Principles 1 and 2).

Moreover, in compliance with banking sector-specific regulations, illimity follows efficient governance rules that clearly define the roles and responsibilities of the corporate bodies and management while always supporting their alignment with the interests of the Bank, with the principles of honesty, transparency, fairness and independence. Given the Bank's operating and business model, observance of these rights is firmly rooted in the policies for managing relations with its customers and third parties, both in contractual and relational terms, within the applicable national and supranational regulatory framework. illimity integrates, in fact, respect for human rights into its policies and operations, ensuring that financing does not contribute to breaches. It implements due diligence processes to identify and mitigate human rights risks in relation to operations, corporate customers and the supply chain. In conclusion, it implements remedial mechanisms, supporting access to the complaints channel and continuously monitoring its activities.

[S4-1 DP 16a]

illimity, in line with the international principles expressed by the United Nations, the OECD and the ILO, therefore aims to:

- safeguard **human rights** in all areas in which it operates;
- work towards greater solidarity based on the **recognition of cultural diversity**, awareness of the **unique nature of mankind** and the **development of intercultural exchanges**;
- avoid any **discrimination, forms of slavery or child labour**, paying great attention to these issues also when identifying the parties, including consumers and end-users, with whom it deals;
- adopt policies and internal procedures on investments and granting loans governing the non-execution of commitments to certain types of counterparties falling under "**excluded sectors**", taking into account the principles on the approach to business and human rights and on a consistent basis with the Bank's strategic guidelines. To this end, during the preliminary investigation, illimity carries out **in-depth checks on counterparties**, including consulting external lists, where available, and paying attention to the purposes of credit intervention and the industrial sector and activity exercised by the counterparty to be financed.

[S4-1 DP 16b]

illimity is also guided by the international principles described above so as to meet the **engagement needs of its consumers and end-users** through a service model designed around the needs of corporate and retail customers. In particular, the Bank adopts a **digital approach** combined with the human touch, an intuitive, consumer-centric user experience available always and everywhere, and a range of digital services.

Specifically, the involvement of consumers and end-users takes place mainly through:

- sending targeted **communications of interest** to retail customers, on the basis of the privacy and commercial consent expressed by the parties concerned, by means of a system of rules defined for each individual contact channel and according to the evolution of the relationship;
- **personalised assistance** according to the needs of the individual customer through the **Smart Care** service, which makes it possible to gather and address the requests from all channels made available to the customers;
- organisation of **physical on-site and online events**, of **research** and **surveys** to gather the views of consumers and end-users, so as to understand their main interests, expectations and needs.

The main **contact channels** used by illimity in the reporting period to relate to and engage with its customers are listed below:

- Smart Care (assistance via telephone, chat and/or e-mail);
- website (illimity.com), home banking (illimitybank.com) and corporate banking (bilty.illimity.com);
- illimity APP for retail customers and b-ilty APP for corporate customers;
- social networks;
- direct e-mail marketing;
- physical on-site and online events;
- surveys on brand reputation and satisfaction level.

[S4-1 DP 16c]

In order to remedy potential human rights impacts, illimity promotes a responsible investment policy, privileging proposals for granting credit or investment to companies that meet certain environmental, social and governance sustainability requirements; makes specific channels available to customers (including prospects) that allow any critical issues identified to be reported to the Bank (e.g. in the area of privacy, complaints and/or accessibility); and in addition it adopts policies and procedures aimed at promptly analysing and resolving possible issues identified.

[S4-1 DP 17]

Therefore, illimity integrates respect for human rights into its policies and operations with its customers, both consumers and end-users (business customers), and avoids financial support to those involved in the violation of these rights. In particular, the implementation of due diligence related to companies enables illimity to identify in good time and mitigate any human rights risks arising from its operations and/or ongoing interaction with customers and its supply chain.

[S4-1 DP 17]

As a result of the actions taken, illimity confirms that it has found no breaches of the principles of the UN Global Compact and the OECD Guidelines affecting consumers and end-users in the value chain.

[S4-MDR-P DP 15]

[S4.MDR-P DP 65a-f]

| Policy                                                    | ICT Security Policy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-----------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Main contents</b>                                      | The policy pursues the targets of safeguarding the confidentiality, integrity and availability of data, relating both to illimity's customers and to the performance of internal business and strategic activities. The main impacts relate to enhancing the cyber security of data and infrastructures used by illimity, as well as the ability to prevent and combat cyber fraud to the detriment of customer data. The main opportunities focus on maintaining and enhancing the security of IT systems, with benefits in terms of corporate reputation and creating relationships of trust with customers. As far as monitoring is concerned, illimity has defined processes and put in place control measures to constantly prevent possible cyber security threats. |
| <b>Main recipients</b>                                    | The policy applies to the entire illimity workforce, as well as to all corporate and retail customers to which the Bank offers products and services.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Policy Implementers</b>                                | The policy was issued by the Board of Directors, and its latest update was approved by the Chief Executive Officer.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>References to third-party standards or initiatives</b> | The legislation related to the Policy includes Circular no. 285/2013 of the Bank of Italy, which defines the prudential supervision requirements for banks, and the EU Regulation 2022/2554 (DORA – Digital Operational Resilience Act) on digital operational resilience. Also mentioned are the provisions on the protection of personal data set forth in the Privacy Code (Legislative Decree 196/2003) and the GDPR (General Data Protection Regulation). The framework is completed by the Guidelines of the Guarantor on email and internet, the requirements on System Administrators (SAs), the provision on video surveillance and Legislative Decree 231/2001 on the liability of the bodies.                                                                  |
| <b>Stakeholder engagement</b>                             | The policy was developed through a collaborative process by the ICT Governance, Compliance & AFC, Risk Officer, and Human Resources functions, taking into account the activities outsourced to the Bank's main IT supplier.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Methods of access/distribution</b>                     | The policy is available on the illimity website and the corporate intranet portal. The Bank also provides its own workforce with customised training on the topics of phishing, business e-mail compromise, malware, data protection and business continuity.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

| Policy                                                    | Transparency of Banking and Financial Operations and Services Policy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-----------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Main contents</b>                                      | The policy aims to guarantee transparency in the offer of products and services to illimity's customers, and to ensure fair, clear and transparent management of relations with them. The main impacts relate to the protection of customer relations, the reduction of legal and reputational risks for the Bank and the increase of public confidence in banking and financial operators. The main opportunities lie in the strengthening of the Bank's reputation with its customers, in the creation of a bank-customer relationship based on transparency and the communication of complete, accurate and comprehensible information to enable customers to make informed decisions on the products and services offered. As far as monitoring is concerned, the policy is subject to periodic review, at least annually, in order to ensure the adequacy and compliance of the solutions adopted by the Bank vis-à-vis its customers. |
| <b>Main recipients</b>                                    | The policy applies to the entire workforce of illimity and Fürstenberg SGR, with reference to customer relations, in particular with customers classified as consumers or retail customers, including potential customers, to whom these companies offer products and services.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Policy Implementers</b>                                | The policy was issued by the Board of Directors and approved by the same in the last update                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>References to third-party standards or initiatives</b> | illimity confirms its alignment with current regulations on transparency and consumer protection.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

| Policy                                | Transparency of Banking and Financial Operations and Services Policy                                                                                                                                                                  |
|---------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Stakeholder engagement</b>         | The policy was developed by means of a collaborative process by the Compliance & AFC, Human Resources, Organization, Legal, Financial Administration & ALM functions, as well as the business, communication and marketing functions. |
| <b>Methods of access/distribution</b> | The policy is available on the illimity website and the corporate intranet portal.                                                                                                                                                    |

| Policy                                                    | Complaints Management Policy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Main contents</b>                                      | The aim of the Complaints Management Policy is to define the procedures for receiving and handling complaints submitted by customers, in order to ensure prompt and comprehensive responses, to promote the overcoming of critical issues identified on the basis of complaints received, and to safeguard the quality of customer relations. The main impacts concern the timely handling of issues reported by customers in order to avoid situations and/or risks of non-compliance or problems related to business operations. The main opportunities lie in maintaining solid relationships of trust with customers over time, as well as avoiding similar problems in the future. As far as monitoring is concerned, the policy is subject to periodic review, at least annually. |
| <b>Main recipients</b>                                    | The policy applies to the entire illimity workforce, as well as to all corporate and retail customers to which the Bank offers products and services.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Policy Implementers</b>                                | The policy was issued by the Board of Directors, and its latest update was approved by the Chief Executive Officer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>References to third-party standards or initiatives</b> | illimity confirms its alignment with current regulations regarding the handling of complaints.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Stakeholder engagement</b>                             | The policy was developed by means of a collaborative process by the Compliance & AFC, Human Resources and Organization functions.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Methods of access/distribution</b>                     | The policy is available on the illimity website and the corporate intranet portal.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

These policies must be considered applicable where they do not conflict with the principles and guidelines referred to in the Group regulations and the Transitional Instructions.

In addition to the Code of Ethics of the Banca Ifis Group, which is also available on the illimity website, the policies in place relating to consumers and end-users also include the illimity Code of Ethics (named illimity Way), and the Bank's Privacy Policy, the contents of which refer to the table in the section "**Policies related to own workforce [S1-1]**" and "**[S1-MDR-P]**". In addition, the Credit Procedure is also applicable, for the contents of which please refer to the table in the section "**Policies related to climate change mitigation and adaptation [E1-2]**" and "**[E1-MDR-P]**".

### 3.3.2 Processes for engaging with consumers and end-users about impacts [S4-2]

[S4-2 DP 20]

The views of consumers and end-users play a crucial role in guiding illimity's decisions and activities. In particular, customer involvement is key to understand their interests, expectations and needs, and to identify and manage potential impacts, risks and opportunities. For these reasons, illimity adopts a **customer-centric approach** based on **constant and transparent communication**, which allows the Bank to maintain **stable and proactive dialogue** with its customers. Finally, with particular reference

to retail customers, illimity carries out periodic analyses of said customers' satisfaction through quarterly Net Promoter Score (NPS) surveys.

[S4-2 DP 20a]

Consumers and end-users are directly involved by illimity during the **stakeholder engagement** initiatives promoted to gather their views, interests and needs.

[S4-2 DP 20b]

Specifically, the Bank constantly engages with its customers through channels such as on-site and online physical events, surveys, interviews and engagement calls.

[S4-2 DP 20c]

The Sustainability structure of illimity, together with the centralised communication and marketing function of the Parent Company, represent the functions within the Bank with operational responsibility for ensuring that consumers and end-users engagement takes place and that the results guide the Bank's approach and choices on material sustainability matters.

[S4-2 DP 20d]

One of the main tools used by illimity to assess the effectiveness of consumers and end-users' engagement is to measure the **response rate** to the above-mentioned **stakeholder engagement** initiatives.

[S4-2 DP 21]

illimity adopts an inclusive approach in involving its consumers and end-users, thus not excluding or marginalising any individual. The point of view of each corporate and retail customer is strongly taken into account by the Bank, as it is considered essential and indispensable to intercept and address the interests, needs and possible impacts of more specific or demanding customer groups. With particular reference to retail customers, illimity adopts an approach geared towards **continuously listening to customers** through its Customer Service, which is always available and can be contacted through the various channels available (e-mail, chat, telephone).

### 3.3.3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns [S4-3]

[S4-3 DP 25a]

illimity has adopted a Complaints Management Policy which pursues the purpose of defining the procedures for receiving and handling complaints submitted by customers, which also has the purposes of ensuring **prompt and comprehensive responses**, furthering the **overcoming of critical issues** identified on the basis of complaints received, and safeguarding the **quality of customer relations**.

The Bank has adopted various channels for receiving complaints from customers, who are informed of the existence of these channels through pre-contractual and contractual documentation and the Bank's website in the Complaints section. This section also indicates the modalities for having recourse to Banking and Financial Ombudsman, Financial Disputes Ombudsman or other forms of out-of-court dispute resolution. illimity has therefore adopted a precise internal policy that allows the Complaints Department, in cooperation with the legal functions of the illimity Group, to **actively and promptly manage the response to complaints** received from customers and provide for effective remedial actions, where appropriate, including to identify points of attention and areas for improvement to be addressed in the plan of activities and controls.

[S4-3 DP 25b]

The Complaints Department, which is independent of the business divisions, handles complaints, including specific concerns or needs, received from consumers and end-users concerning banking and financial activities, investment services activities and insurance mediation activities. The main targets are to ensure quick and comprehensive answers, improve customers relations and solve reported

critical issues. Specifically, illimity customers may submit a complaint to the Bank free of charge in one of the following ways:

- ordinary mail, to the address illimity Bank S.p.A., Complaints Department; Re: "Complaint", Via Soperga 9, 20124 Milan MI, Italy;
- registered letter with acknowledgement of receipt (R/R) to the address illimity Bank S.p.A., Complaints Department; Re: "Complaint", Via Soperga 9, 20124 Milan MI, Italy;
- e-mail to [reclami@illimity.com](mailto:reclami@illimity.com);
- ordinary/certified e-mail to [illimity@pec.illimity.com](mailto:illimity@pec.illimity.com).
- digital module in the Personal Area, available on the website and app for retail customers of [illimitybank.com](http://illimitybank.com) and on the website for corporate customers of [b-ilty](http://b-ilty.com).

The Complaints Department does not disregard any communication/request that comes to its attention, even if it is not to be classified as a complaint. In order to protect the reasons of customers as well as to safeguard the quality of relations with them, the Complaints Department forwards such communications/requests to the CRM system, whereby the customer's communication is handled and acknowledged.

[S4-3 DP 25c]

illimity makes the above-mentioned channels available to its consumers and end-users directly on the Bank's website in the special section dedicated to Complaints; they are also informed of the existence of these channels through pre-contractual and contractual documentation. To ensure that its entire workforce that does business with customers is adequately informed about these processes, as well as to guarantee maximum dissemination and compliance, the Complaints Management Policy is published on the corporate intranet platform and on the website of illimity. Participation in the relevant training courses provided by the Bank is also required.

[S4-3 DP 25d]

The main control and monitoring methods adopted by illimity with regard to issues raised by customers provide for the Complaints Department to draw up a **Register** and an **Annual Report** illustrating the activity carried out, with particular regard to the number of complaints deemed grounded and ungrounded. On the basis of this report, which is attached to the Annual Report of the Compliance & AFC function (within which the Complaints Department is organisationally structured), evidence is provided to the Board of Directors concerning:

- the **overall situation** of complaints received and their outcomes;
- the rulings of the **Banking and Financial Ombudsman and of the Judicial Authority** that have defined in a favourable sense to the customers the issues subject of a previous complaint, deemed ungrounded;
- the main **critical issues that emerged** from the complaints received;
- the **adequacy of the procedures** and organisational solutions adopted by the Bank.

In view of the above, the Complaints Department is directly attached to the Compliance & AFC function, which enables it to continuously analyse the issues raised by customers in order to identify any recurring criticalities and promptly take the necessary steps to overcome them. The Internal Audit function also carries out verification activities relating to the complaints management process and the functioning of the Complaints Department.

[S4-3 DP 26]

Consumers and end-users are informed of the existence of the aforementioned channels through the pre-contractual documentation, the contractual documentation and the Bank's website in the Complaints section. This section also indicates the modalities for having recourse to Banking and Financial Ombudsman, Financial Disputes Ombudsman or other forms of out-of-court dispute resolution.



[S4-3 DP 26]

illimity promotes an approach that is always oriented towards safeguarding and protecting its customers and, with this in mind, it has adopted a **Privacy Policy** that defines the principles underpinning the **processing of personal data** and describes the organisational model, as well as the processes and procedures governing the performance of all related activities, in compliance with the fundamental principles of **lawfulness, fairness and transparency**. Specifically, with the aim of ensuring a consistent management of relations with all the various stakeholders, illimity has appointed a Data Protection Officer (DPO), identified in the Bank's Chief Compliance & AFC Officer, who constitutes the apex of the organisational model adopted for the correct management of issues and regulatory compliance with regard to the processing of personal data, transparency and protection of all categories of parties with which illimity has relations. Furthermore, with regard to complaints received from customers, illimity has adopted the **Complaints Management Policy**, which aims to define the **procedures for receiving and handling complaints submitted by customers** and, in particular, in addition to guaranteeing prompt and exhaustive answers and promoting the overcoming of critical issues found on the basis of complaints received, it aims to **safeguard the quality of customer relations**.

### 3.3.4 Interventions on material IROs related to consumers and end-users [S4-4]

[S4-4 DP 31a]

illimity has identified material impacts, both positive and negative, on its consumers and end-users, as described below.

[S4-4 DP 31c-d]

Specifically, for each positive and negative impact, the main actions adopted and the related monitoring methods are shown:

- **improvement of the level of customer satisfaction** thanks to the offer of tailor-made products/services and/or the timely and effective handling of complaints (**positive impact**): the main remedial measures adopted by illimity consist of the adoption of safeguards of marketing, development, management and customer care of customers to improve customer satisfaction and stimulate the attraction of new customers. Also essential is the presence of experienced staff in the contact centres, available via various channels (email, chat, telephone) to support customers, from onboarding to the operational management of the services offered, as well as the use of controls to monitor the Group's reputational profile (e.g. indicators of sentiment analysis) and promptly manage feedback on any complaints received. In relation to the main methods of monitoring the identified interventions, illimity monitored the results of the customer satisfaction surveys and Sentiment and Net Promoter Score (NPS) surveys for the Bank's services and analysis of any customer reports received through support channels. A Register and an annual Report are also prepared by the Complaints Office, summarising evidence relating to the complaints management activity received (e.g. number of complaints deemed grounded and ungrounded);
- **contribution to increasing the country's entrepreneurship and support in the sustainable transition** by strengthening credit access channels, with a focus on SMEs (**positive impact**): the main remedial measures adopted by illimity consist of the disbursement of loans to enhance customers with high growth potential, foster their competitiveness and stimulate their investment, access to credit and sustainable development. Structuring financial solutions such as the disbursement of new finance or the taking over of existing financings. In relation to the main methods of monitoring the actions identified, illimity monitored the credit disbursements to corporate customers, including the share of sustainable finance, and related periodic information flows to the administrative and management bodies;
- **contributing to the creation of a situation of digital divide for certain disadvantaged user categories**, due to the progressive digitalisation of the Bank's processes (**negative impact**): The main remedial actions taken by illimity are the development and use of intuitive IT platforms accessible to all customers of the Bank. fundamental to this are the digitalisation and technological modernisation efforts undertaken by the Bank, on the basis of the integration direction guided by the new parent company and in particular the "Accessibility" project, in order to enable, including for disadvantaged user categories, a simple, immediate and user-friendly digital experience. In

relation to the main methods of monitoring the identified interventions, illimity monitored reports to Smart Care on any difficulties in terms of accessibility, usability and navigability of the platforms made available to customers.

[S4-4 DP 32a-c, 34]

in order to respond to the negative impacts that may affect consumers and end-users, the Bank adopts specific processes to constantly monitor and improve their experience.

Specifically, any reports received through the Smart Care channel are used to implement corrective actions and improve the accessibility of digital tools and platforms available to all categories of users, as well as promote their digital inclusion.

[S4-4 DP 33a]

For each material risk relating to consumers and end-users, illimity has identified the following mitigation actions:

- **risk of operational losses** due to unauthorized access to customers' data (data breach) by internal personnel or personnel appointed by the illimity Group to obtain a personal advantage (**operating risk**): the mitigation interventions identified by illimity consist in strengthening the security of IT systems to reduce the risks of operational disruption, safeguard the confidentiality, integrity and availability of data of both its customers and related business activities. Specifically, the main mitigation elements are: advanced data protection and monitoring systems; protocols to manage data breaches; strengthened encryption and authentication and safeguards of compliance with GDPR and DORA regulations;
- **compliance risk related to non-compliance with regulatory requirements** on market integrity, fairness, transparency and prevention of market abuse (**compliance risk**): the mitigation actions identified by illimity consist of alignment with banking transparency regulations and payment systems in order to ensure the sharing of clear, complete and comprehensible information on the products and services offered. The following mitigation elements are also envisaged: implementation of a monitoring system for cases related to market abuse; adoption of policies and procedures in the field of IT security and data management in order to ensure the resilience of IT systems; verification of implementation of unfair competition actions. Finally, in defining the product offering, illimity takes into account the targets and characteristics of customers, any inherent risks that could affect customers and create potential conflicts;
- **reputational risk due to non-compliance with customers interests**, unfair market practices and absence of codes of conduct (including debt recovery activities) (**reputational risk**): the mitigation measures identified by illimity consist in the adoption of transparency and communication guidelines according to the reference standard with a particular focus on the area of sustainability. In this regard, for each type of communication towards customers there is a specific control process that starts with the person who produces the content and ends with the Compliance & AFC, Legal and all relevant offices, which ensure compliance with the rules on transparency and consumer protection.

[S4-4 DP 33b]

For each material opportunity relating to consumers and end-users, illimity has identified the following actions to be implemented:

- **improvement of customer retention** by optimising company organisational and technical measures in terms of privacy, data security and quality information: the main interventions adopted by illimity consist in the adoption of a Privacy Policy, periodically updated, setting out the basic principles for the processing of personal data and upgrading the Bank's IT infrastructure to prevent the loss and/or theft of sensitive customers data. In addition, to guarantee the aforementioned safeguards, illimity appoints a Data Protection Officer (DPO), who is at the top of the organisational model for managing issues and regulatory compliance relating to personal data processing and information security;
- **improvement of retention and relations with customers** resulting from clear and transparent communication: the main interventions adopted by illimity consist of the adoption of guidelines for transparency and communication towards customers and, in particular, the preparation of an internal control process for the production of corporate and commercial communication content, in

order to ensure compliance with the regulations on transparency and consumer protection. Specifically, timely and transparent communication applies to all documentation addressed to the Bank's customers (e.g. advertising material, pre-contractual disclosure, contractual documentation). Such an approach is crucial to ensure proper business processes and to increase the sense of trust on the part of the stakeholders about the transparency of the banking and financial operations and services offered by the Bank.

[S4-4 DP 35]

illimity did not detect any serious problems or human rights incidents related to its consumers and end-users based on evidence gathered through the complaints channel and Data Protection Officer (DPO).

[S4-4 DP 37]

For the management of positive and negative material positive on consumers and end-users, the main resources identified and allocated by illimity are as follows:

- **Risk and Compliance & AFC functions:** the former ensures constant oversight of the Bank's risk management policies, while the latter prevents, manages and mitigates the risk of non-compliance and ensures compliance with regulatory obligations regarding the protection of personal data;
- **ICT Governance function:** oversees the risks and regulatory compliance of the Group's ICT, governs and guides the development of IT tools and implements of the Digital Bank services. It also monitors first-level ICT risk and IT security controls to prevent breaches and/or losses of customer data;
- **centralised Communication and Marketing function at Parent Company:** defines, promotes and supports the Bank's communication plan according to the principles of clear, simple and transparent communication;
- **business divisions:** responsible for specific initiatives towards the Bank's customers and, in particular, for defining a commercial offer aligned to the latter's interests and needs, also with a view to supporting a sustainable transition path.

## Policies related to consumers and end-users

[S4.MDR-A DP 68a-b]

The main actions and related areas identified by illimity to contribute to the achievement of the policy targets described under section "**Errore. L'origine riferimento non è stata trovata. [S4.MDR-P]**":

- **Cybersecurity and Data Protection:** the main actions carried out during the reporting period, as well as on an ongoing basis, in order to ensure and enhance the security of the data and information of illimity's customers are:
  - application of internal rules on **IT security, data protection** (e.g. data breach) and **business continuity**;
  - **employee awareness** through customised training on phishing topics, compromised business e-mails, malware, data protection and business continuity;
  - **incident simulation and assessment of IT and security vulnerabilities** (Vulnerability Assessment and Penetration Test - VAPT)
  - ongoing Third-Party Risk Management process for **monitoring the security posture of suppliers, services or products provided** by the Bank;
  - **control** measures (e.g. access protocols defence systems, activities of the Compliance Function with reference to the requirements defined by GDPR and prudential regulations and IT systems with access profiling).
- **transparency, communication and consumer protection:** the main actions carried out during the reference year, as well as on an ongoing basis, in order to facilitate relations with illimity's customers, through clear and transparent communication of corporate and commercial information, are:

- **internal checks and controls of compliance** of communications and marketing and compliance functions, compliance with **consumer protection** requirements in advertisements and in all commercial communications addressed to customers, as well as in order to avoid unfair commercial practices;
  - adoption of a **clear and simple communication approach**, based on sharing all key information and detailed pre-contractual documentation related to the products offered so that the benefits and risks associated with these instruments are immediately understood by the customer;
  - development and use of **intuitive IT platforms** and **accessible** to all customers in order to provide a simple, immediate and user-friendly digital experience.
- **support for entrepreneurship and financial inclusion:** the main actions carried out in the reference year, as well as on an ongoing basis, to support corporate customers and offer accessible and inclusive financial solutions are:
    - disbursement of **financings**, also with public guarantees and facilities, mainly to corporate customers, to support them in their **restructuring, revitalisation and growth process**;
    - disbursement of **financial instruments and products** such as Green Loan, Sustainability-linked Loan and Social Loan designed to support companies in their **sustainable transition path**;
    - provision of **financial instruments** (i.e. deposit accounts), also with guarantee scheme (e.g. through the Interbank Deposit Protection Fund), to **retail customers**.

[S4.MDR-A DP 68c]

For each action and scope of intervention identified, the time horizons identified by illimity to implement these actions are given below:

- **Cybersecurity and Data Protection:** medium/long-term time horizon
- **transparency, communication and consumer protection:** medium/long-term time horizon;
- **support for entrepreneurship and financial inclusion:** long-term time horizon.

[S4.MDR-A DP 69a-b]

During the reporting period, no specific resources were dedicated exclusively to the above-mentioned sustainability topics.

### 3.3.5 Strategy and material IROs related to consumers and end-users [S4-SBM-3]

[S4-SBM-3 DP 10]

Within the scope of this Sustainability Statement, all the **consumers and end-users** who may suffer **material impacts** from illimity are included.

[S4-SBM-3 DP 10ai-iv]

The Bank has not identified any material impacts, caused by its own operations or along the value chain, on consumers and end-users of illimity. In particular, no material impacts were identified on:

- consumers and/or end-users of products that are intrinsically harmful to people and/or increase the risks of chronic diseases;
- consumers and/or end-users of services that could have a negative impact on their rights to privacy, personal data protection, freedom of expression and non-discrimination;
- consumers and/or end-users who need accurate and accessible information on products or services, such as manuals and product labels, to avoid the potentially harmful use of a product or service;
- consumers and/or end-users particularly vulnerable to the impacts on health or privacy or to the impacts of commercial and sales strategies, such as children or the financially vulnerable.

[S4-SBM-3 DP 10b]

In detail, for consumers and end-users of illimity, the materiality assessment process did not reveal any **relevant negative impacts** that are alternatively:

- widespread or systemic in the context in which the Bank sells or provides its products or services;
- related to individual accidents or specific business relationships.

[S4-SBM-3 DP 10c]

On the contrary, activities were identified that generate **relevant positive impacts** on all consumers and end-users (undertakings and retail customers) of the Bank, described below:

- strengthening of customer satisfaction and attracting new customers (undertakings and retail customers) through high quality services/products offered; as well as through clear, timely and transparent communication aimed at actively supporting undertakings and retail customers in the management of their resources and in their financial education;
- financial support in the recovery and relaunch of corporate customers in difficulty and related value generation through the structuring of financial solutions such as the disbursement of new finance, the taking over of existing financings, and the financing of working capital;
- access to financial services for undertakings and retail customers through continuous technological innovation of the Bank's processes, products and services;
- generate value for retail customers by offering products on which safeguards are also in place to ensure confidentiality, integrity and data security.

[S4-SBM-3 DP 10d]

Furthermore, all the **risks** and **opportunities** arising from the above-mentioned impacts are commercially material to consumers and end-users of illimity and are described in detail in the section **"Interventions on material IROs related to consumers and end-users [S4-4]"**.

[S4-SBM-3 DP 11]

The materiality assessment process conducted by illimity identified a potential negative impact, as described above, on certain categories of disadvantaged users. Specifically, this impact is linked to the possible digital divide resulting from the gradual digitalisation of the Bank's processes and activities. In this regard, illimity is able to promptly intercept these categories of users through continuous monitoring of any reports received through existing dialogue channels, including the Smart Care channel, in order to understand their needs and promptly implement the necessary remedial actions.

[S4-SBM-3 DP 12]

Finally, the material risks and opportunities arising from the positive impacts identified apply to all types of consumers and end-users of illimity i.e. undertakings and retail customers to which illimity Group offers products and/or services.

### 3.3.6 Material IROs targets related to consumers and end-users [S4-5]

[S4-5 DP 41a]

The process of internal and external analysis followed by illimity to draw up the Bank's Sustainability Plan 2023 - 2025, which includes, among others, the targets related to end-users and consumers described in the table in the section **"Tracking effectiveness of policies and actions through targets [S4-MDR-T]"**, enabling it to meet regulatory requirements related to sustainable finance and climate and environmental risk management, as well as to respond to the requests expressed by stakeholders identified by illimity. During the three-year period 2023 – 2025, all of the Bank's **central business and control functions** were involved in working tables for **specific interests and needs** necessary to organise and initiate operational projects and actions to achieve the pre-established targets. In particular, the targets regarding end-users and consumers defined by illimity are as follows:

1. development of the offer and framework of **sustainable finance products**;

2. develop **ESG support / advisory services** for SMEs;
3. reaching **15% on volumes of origination** (disbursed/invested) cumulative 2023-2025 for sustainable finance.

The objectives included in the Bank's 2023-2025 Sustainability Plan and their state of progress, during the three-year period 2023 – 2025, have been periodically reported within the Risk Tableau de Bord as a KRI RAF (Risk Appetite Framework).

[S4-5 DP 41b]

The implementation, monitoring and reporting of the Sustainability Plan were coordinated by the Sustainability function in continuous **cooperation with the functions** assigned by the individual ESG targets. Specifically, in the reference year as for the two previous years, the state of progress of the Plan was periodically presented to the Board of Directors, also through the Sustainability Board Committee active until the third quarter of 2025.

[S4-5 DP 41c]

For each target described above, during the three-year period 2023 – 2025, illimity has identified the following material areas for improvement:

- **customer satisfaction:** improving customer satisfaction through the reinforcement of listening systems, activities of insights and surveys to identify customers' needs and requirements;
- **support for entrepreneurship:** enhancement of Italian Small and Medium Enterprises (SMEs) through an offer of investment and financing products that favour access to credit and the adoption of practices with a high social and environmental impact.

### Tracking effectiveness of policies and actions through targets

[S4-MDR-T DP 41]

[S4.MDR-T DP 80a]

Since the beginning of its business in 2019, illimity has paid particular attention to environmental, social and governance (ESG) matters and has undertaken a process to integrate them into its strategies, processes and governance. In line with this target, the Bank has drawn up the **2023 - 2025 Sustainability Plan**, approved by the Board of Directors in February 2023. Divided into **environmental, social and governance issues**, the plan sets ambitious targets that integrate the Bank's different business areas and meet the needs expressed by the various stakeholders. Specifically, with particular reference to policies and actions relating to consumers and end-users, between 2023 and 2025, illimity has identified and implemented the following Sustainability Plan objectives:

| Topic area                          | Targets achieved by 2025                                                                                                                                                         |
|-------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Green loans and sustainable finance | Development of the offer and framework of sustainable finance products (green / sustainability-linked)                                                                           |
|                                     | Develop ESG support / advisory services for SMEs                                                                                                                                 |
|                                     | Achieving 15% of 2023-2025 cumulative origination volumes (disbursed/invested) for sustainable finance (Sustainability-linked loans, Green Loans/Investments, Taxonomy-eligible) |

[S4.MDR-T DP 80b]

All targets identified and described in the table above are measurable targets that relate to the same thematic area, **green loans** and **sustainable finance**.



[S4.MDR-T DP 80c]

In relation to the eventual level to be achieved for each target, it should be noted that targets 1 and 2 do not have a target to be achieved, while target 3 envisages the achievement of 15% of volumes (expressed in millions of euros) of business origination (disbursed/invested), cumulated over the period 2023-2025, attributable to sustainable finance.

[S4.MDR-T DP 80d,e]

For all consumers and end-users' targets:

- no base value has been identified;
- the base year of reference is 2022;
- a three-year time horizon was identified (2023 – 2025).

It should be noted that for each objective, the final implementation date was set by the BoD for 31/12/2025.

[S4.MDR-T DP 80f]

These targets were defined, first of all, from the “**Supervisory Expectations on Climate and Environmental Risks**” formulated by the Bank of Italy and simultaneously considering the market trends in sustainable finance and green investments, as well as the opinion formulated by leading rating agencies (e.g. MSCI, CDP, ISS ESG, Standard ethics).

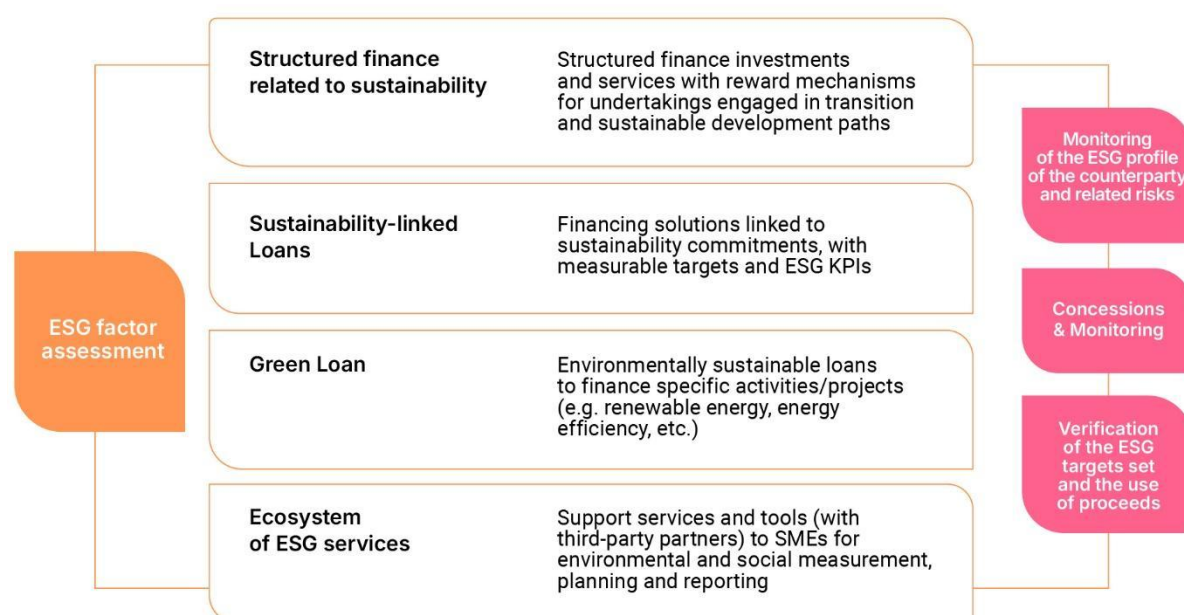
[S4.MDR-T DP 80g]

These targets are not based on firm scientific data as the Bank considered qualitative and quantitative elements in formulating and defining them.

[S4.MDR-T DP 80j]

With respect to the identified targets, the main performances achieved over the three-year period 2023 - 2025 are as follows:

1. **development of the offer and framework of sustainable finance products:** in the third quarter of 2023, illimity completed the definition of the “Green, Social & Sustainability-linked Loan Framework”, which was included in the internal regulations and in particular in the Credit Procedure (PUC). This framework enabled illimity to define guidelines for the disbursement of loans and/or investments that support projects with positive impacts on the environment and society, as well as providing incentives for undertakings to improve their sustainability practices;





2. **develop ESG support / advisory services for SMEs:** between 2023 and 2024, illimity provided the services to support SMEs in their transition to social, environmental sustainability and governance in the Open-es platform. In addition, to raise awareness among SMEs (both Open-es member companies and SMEs customers of illimity) on the subject, a survey was carried out to identify the main financial needs in the area of sustainability and consequently make the specific Open-es services and its partners available to them (e.g. development hub services: advisory, training, calculation of emissions and ESG scoring). Finally, companies financed by the iSC Fund, managed by Fürstenberg SGR, benefited from the support of an ESG Advisor specialised in defining KPIs and targets for improving their ESG performance;
3. **reaching 15% on volumes of origination (disbursed/invested) cumulative 2023-2025 for sustainable finance.** during the three-year period 2023 - 2025, the achievement of this target was monitored on a quarterly basis and reported periodically in the Tableau de Bord. The graph below shows the situation at the end of the reporting period regarding the share of ESG-linked financings and investments, totalling EUR 398 million, in relation to the total of the business origination net cumulative from 2023 to 2025.



## 4. Governance information

### 4.1 Corporate Governance [G1]

#### 4.1.1 Politics on corporate culture and corporate governance [G1-1]

[G1-1 DP 9]

The value of integrity and the promotion of a corporate culture based on fairness and compliance with external and internal regulations are fundamental pillars for the illimity Group. These principles guide staff behaviour and are reflected both in internal relations and with external stakeholders, with the aim of proactively managing the associated risks. To this end, a Code of Ethics has been adopted, a true “charter of relations” expressing the corporate values of responsibility, legality, transparency, value creation and sustainability. This document guides behaviour towards customers, shareholders, employees and collaborators, suppliers, business partners, Supervisory Authorities, Public Administration, media and the community, describing the corporate culture that illimity promotes at all levels. The document is available on illimity's website and shared with all employees, collaborators and stakeholders who actively contribute to its dissemination.

Furthermore, an Organisational, Management and Control Model has been adopted pursuant to Legislative Decree 231/2001 (hereinafter also referred to as the “OMCM” or “Model”), which defines the general principles of conduct and identifies the controls aimed at preventing the risk of offences, including those of a corrupt and financial nature. The OMCM describes, among other things, the Corporate Governance system adopted, the internal whistleblowing system and the system of sanctions. The set of internal regulations (i.e. company regulations, procedures and policies), including the Anti-Corruption Policy, the Code of Ethics and other internal regulations (i.e. the Delegations and Powers Regulation), also constitute an integral part of the OMCM. The effective and concrete implementation of the OMCM is guaranteed by the Supervisory Board, appointed by the Board of Directors and endowed with autonomous powers of initiative and control over the correct application of the Model.

Compliance & AFC, in cooperation with all corporate functions, ensures the organisation's alignment with regulations through a system of compliance by design, training activities and second-level controls. Furthermore, the illimity Group promotes an inclusive and respectful corporate culture, combating all forms of discrimination and promoting environmental, health and safety at work protection.

[G1-1 DP 10a]

With regard to the implementation of mechanisms that identify and report any concerns regarding unlawful behaviour or behaviour contrary to internal rules, please refer to the DP: **[S1-3 DP 32b, 32e, 33]**.

[G1-1 DP 10c i]

illimity's whistleblowing policies and procedures, already described in the section **“Processes to remediate negative impacts and channels for own workers to raise concerns [S1-3]”**, are communicated to the entire company population via the “document package” provided at recruitment, publication on the company intranet and an email alerting system for regulatory updates. Moreover, compulsory training on the subject ensures widespread dissemination. For business partners, information is available on request or published on the illimity website.

[G1-1 DP 10c ii]

Furthermore, illimity's digital platform allows staff, corporate bodies and external parties to report misconduct, regulatory or Code of Ethics breaches, including any grievances, through a guided online path. In addition to the protection of confidentiality, safeguards are in place to protect whistleblowers from retaliation or discrimination, in accordance with privacy legislation. Each report is analysed and its outcome communicated within three months after confirmation of receipt.

[G1-1 DP 10e]

The Whistleblowing Policy of illimity Bank, implemented by ARECneprix and Abilio, and the Group Policy for the management of reports of breaches (Whistleblowing) of Banca Ifis, implemented by Fürstenberg SGR, provide that all investigations, including those relating to cases of corruption and bribery, must be conducted promptly, without taking longer than is reasonably necessary given the subject matter of the report. The investigation must be conducted in an impartial and independent manner. No person with a conflict of interest should be involved in the investigation or decision-making process, nor should anyone who might be responsible for not taking measures to prevent or detect alleged breaches. Conflicts of interest, whether actual or potential, must be promptly reported by any person involved in an investigation to the Head of the internal reporting system or to the Chairman of the Board of Statutory Auditors of the company to which the report refers, in the event that the Head himself finds himself in a situation of conflict. The outcome of the investigation will be communicated to the whistleblower within a period of no more than three months from the confirmation of receipt of the report. Confidentiality applies to the facts under investigation, the person(s) involved and/or mentioned, the subject of the report, the procedure followed, the materials and information gathered and the results of the procedure. All those involved in the investigation are obliged not to disseminate any information to persons who are not directly involved in the investigation.

[G1-1 DP 10g]

In order to promote an adequate compliance culture, the illimity Group also pays particular attention to staff training and awareness with courses dedicated to the main applicable regulations (e.g. anti-money laundering, anti-corruption and administrative liability of the entity pursuant to Legislative Decree 231/01), as well as specific initiatives aimed at fostering the effective dissemination of principles and best practices that must underpin corporate conduct. The annual compulsory training plan provides for articulated training initiatives, differentiated in terms of content and level of depth, in relation to the roles held by staff and the sectors of activity in which they operate, with the participation also of highly specialised third-party trainers. In addition to the standard training provided through online courses, illimity aims to focus training initiatives on internal needs and peculiarities according to a progressive logic, with the aim of significantly affecting the behaviour of illimiters; to this end, numerous meetings and initiatives are organised each year for education and on-the-job training characterised by live webinars aimed at encouraging constant interactivity and discussion with participants. The training plan defined for 2025, promoted and disseminated to all levels of the organisation, focused on specific courses web-based and webinars in order to:

- delve into the risks to which the organisation is exposed, identifying the sensitive business activities for each risk and the safeguards adopted to mitigate them;
- spread a corporate culture of responsibility, legality, transparency, value creation and respect for the environment;
- deepen illimity's values and commitment towards customers, shareholders, suppliers and business partners, towards the Supervisory Authority and the Public Administration as well as towards the Media and the Country.

[G1-1 DP 10h]

Finally, again in the context of ensuring proper business conduct, the functions most sensitive to the corruption risk and bribery are identified by the organisation within the Anti-Corruption Policy, including through a dedicated risk assessment. In particular, the process owners are identified, i.e. the control and business functions involved in the following company processes: (i) gifts, entertainment and other Utilities; (ii) charities and sponsorships; (iii) procurement; (iv) relations with public officials; (v) human resources management; (vi) acquisition, management and disposal of equity interests and other assets, as well as merger and spin-off transactions; (vii) acquisition, management and disposal of real estate assets; (viii) management of commercial activities; (ix) bookkeeping and internal controls; (x) active invoicing cycle and cash management; (xi) licences, tenders and authorisations; (xii) activities of corporate bodies; (xiii) activities of control functions; (xiv) anti-money laundering compliance; (xv) grievances management; (xvi) litigation management; (xvii) IT services; (xviii) access and physical security management.

[G1-1 DP 11]

In order to ensure the whistleblowing mechanism functions properly, illimity Bank, ARECneprix, Abilio and Fürstenberg SGR have developed their system in accordance with Legislative Decree 24/2023, which implements the EU Directive 1937/2019 on the protection of persons who report violations of European and national law, ensuring the effective operation of reporting channels and the protection of all parties involved.

[G1.MDR-P DP 7]

[G1-MDR-P DP 65a-f]

The following policies must be considered applicable where they do not conflict with the principles and guidelines referred to in the Group legislation and the Transitional Instructions.

| Policy                                                    | Organisational, Management and Control Model                                                                                                                                                                                                                                                                                                                                                                  |
|-----------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Main contents</b>                                      | The Organisational, Management and Control Model (OMCM) pursuant to Legislative Decree No. 231/2001 is a structured and organic system of prevention, deterrence and control aimed at mitigating the risk of offences being committed by identifying sensitive activities and formalising the control structures existing within the Bank.                                                                    |
| <b>Main recipients</b>                                    | The provisions of the OMCM are binding for the Directors and for all those who hold, in illimity, functions of representation, administration and direction or management and control, also de facto, as well as for employees and collaborators subject to the direction or supervision of illimity Bank's top figures and for those who, although not belonging to the same, operate on behalf of the same. |
| <b>Policy Implementers</b>                                | The Organisational, Management and Control Model was issued and approved in subsequent versions by the Board of Directors.                                                                                                                                                                                                                                                                                    |
| <b>References to third-party standards or initiatives</b> | The OMCM is adopted pursuant to Legislative Decree 231/2001.                                                                                                                                                                                                                                                                                                                                                  |
| <b>Stakeholder engagement</b>                             | The preparation and continuous updating of the OMCM enables the confidence of the stakeholders towards illimity.                                                                                                                                                                                                                                                                                              |
| <b>Methods of access/distribution</b>                     | The Organisational, Management and Control Model adopted is available on the company intranet and on the corporate website. In addition, the Model is supported by training events aimed at raising staff awareness.                                                                                                                                                                                          |

| Policy                                                    | Anti-Corruption Policy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Main contents</b>                                      | The Anti-Corruption Policy describes the management system for the prevention of corruption implemented by illimity and its subsidiaries ARECneprix and Fürstenberg SGR (hereinafter also just "illimity"). More specifically, the Policy: (i) defines the anti-corruption principles and rules of conduct to be complied with by the Staff of illimity; (ii) identifies the activities exposed to the risk of corruption and bribery within the business processes of the companies; (iii) identifies roles, responsibilities and controls for risk management and mitigation; (iv) introduces a methodology for identifying and assessing corruption risk with respect to sensitive processes, for the purpose of monitoring and managing it. |
| <b>Main recipients</b>                                    | It applies to illimity and its subsidiaries Fürstenberg SGR and ARECneprix, covering the entire value chain without excluding any company function or stakeholders. It is binding on every level of the organisation, including partners and suppliers within the limits of their contractual relationships.                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Policy Implementers</b>                                | The policy was enacted and approved in its latest version by the Board of Directors.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>References to third-party standards or initiatives</b> | The Anti-Corruption Policy complies with the Italian regulations on corruption and, in particular, with the provisions of the Criminal Code (R.D. 19 October 1930, n. 1398), the Civil Code (R.D. 16 March 1942, n. 262) and Legislative Decree n. 231/2001. The Anti-Corruption Policy adheres, moreover, to ISO Standard 37001:2016 ("ISO Anti-Corruption").                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Stakeholder engagement</b>                             | Through the policy, illimity makes concrete anti-corruption commitments to its stakeholders.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Methods of access/distribution</b>                     | The Anti-Corruption Policy is available on the company intranet and corporate website. The policy is supported by regular training events to raise staff awareness and ensure compliance.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

| Policy                                                    | Whistleblowing Policy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-----------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Main contents</b>                                      | <p>The purpose of the Whistleblowing Policy is to regulate how to use the internal whistleblowing system, outlining the relevant regulatory, procedural and organisational aspects, in line with Legislative Decree 24/2023 and the 231 Organisational Model. The main targets are: (i) promoting a culture of legality and business ethics; (ii) protecting the whistleblower from retaliatory or discriminatory behaviour; (iii) preventing business risks related to administrative, civil, criminal, and image-related offences of the Group.</p> <p>Compliance with the contents of the Policies is ensured through continuous monitoring of the whistleblowing channels by the Head of the internal reporting system (Head of Internal Audit), whose activities are periodically reported to the Supervisory Body.</p> |
| <b>Main recipients</b>                                    | <p>The scope of application is as follows:</p> <ul style="list-style-type: none"> <li>- Activities: it concerns illimity Bank, ARECneprix and Abilio.</li> <li>- Value chain: it includes employees, shareholders, members of corporate bodies, suppliers, consultants and collaborators.</li> <li>- Geographical areas: applicable to activities carried out in Italy.</li> <li>- Exclusions: it does not include interpersonal issues or those not related to breaches of rules.</li> </ul>                                                                                                                                                                                                                                                                                                                                |
| <b>Policy Implementers</b>                                | <p>The policies were issued by the Board of Directors and their last update was approved by the Chief Executive Officer.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>References to third-party standards or initiatives</b> | <p>The policies are based on:</p> <ul style="list-style-type: none"> <li>- Legislative Decree 24/2023, transposing EU Directive 2019/1937.</li> <li>- 231 Organisational Model.</li> <li>- ANAC Guidelines of 2023.</li> <li>- Circular 285/2013 of the Bank of Italy.</li> <li>- Personal data protection regulations (GDPR, Legislative Decree 196/2003).</li> <li>- Regulation implementing the Legislative Decree no. 58 of 24 February 1998 on markets.</li> </ul>                                                                                                                                                                                                                                                                                                                                                      |
| <b>Stakeholder engagement</b>                             | <p>The interests of the main stakeholders are considered through:</p> <ul style="list-style-type: none"> <li>- Involvement of corporate bodies in the approval process of the Policy and related reporting procedures.</li> <li>- Guaranteed protection for whistleblowers against retaliation and discrimination.</li> <li>- Secure and confidential channels for all stakeholders, including employees, suppliers and external collaborators.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Methods of access/distribution</b>                     | <p>Whistleblowing Policies are available on the corporate intranet and institutional sites. The policy is supported by training events to raise staff awareness and ensure compliance.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

| Policy                                                    | ESG Investment Policy (corporate finance)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Main contents</b>                                      | The target of the ESG Policy is to set out the strategic guidelines for the integration of ESG issues into investment analysis and responsible investment decision-making processes, with the target of reducing exposure to issuers whose behaviour is not in line with illimity's investment principles and strategy.                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Main recipients</b>                                    | The contents of this Policy apply to investments in financial instruments (including, but not limited to, public and private debt and equity securities) made by the Investment Banking division and the ALM & Treasury function as defined annually in the Investment Policy & Limits approved by the Board of Directors.                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Policy Implementers</b>                                | The policy was issued by the Board of Directors, and its latest update was approved by the Chief Executive Officer.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>References to third-party standards or initiatives</b> | <ul style="list-style-type: none"> <li>- Principles for Responsible Investments (PRI).</li> <li>- Principles for Responsible Banking (PRB)</li> <li>- Regulation (EU) 2020/852 (Taxonomy of eco-friendly economic activities in the European Union).</li> <li>- Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (the "Sustainable Finance Disclosure Regulation")</li> <li>- Regulation (EU) 2023/2631 on European green bonds and voluntary disclosure for obligations marketed as environmentally sustainable obligations and for sustainability-related obligations</li> <li>- Bank of Italy Supervisory Expectations on Climate and Environmental Risks</li> </ul> |
| <b>Stakeholder engagement</b>                             | In drafting the Policy, the Bank's internal functions were involved, requests from investors and rating agencies were collected, and supervisory and regulators expectations were considered.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Methods of access/distribution</b>                     | The policy is available on the 'Company Regulations' portal on the company's intranet and published in Italian and English on the illimity corporate website.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |



| Policy                                                    | Sustainable Supply Chain Policy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Main contents</b>                                      | <p>The Sustainable Supply Chain Policy of the illimity Group has the following targets:</p> <ul style="list-style-type: none"> <li>- minimise the indirect environmental impact and encourage socially responsible management of activities and suppliers.</li> <li>- integrate ESG (Environmental, Social &amp; Governance) principles into supplier selection and management processes;</li> <li>- periodically monitor indirect GHG emissions (Scope 3) linked to suppliers.</li> </ul> <p>The policy mitigates reputational and environmental risks by favouring suppliers with sustainable practices and reducing the social and environmental impact. The Cost Management &amp; Procurement function, in collaboration with Sustainability, annually monitors the ESG score of suppliers and implements remedial actions to improve the overall sustainability profile of the supplier register.</p> |
| <b>Main recipients</b>                                    | <p>The Sustainable Supply Chain policy applies to illimity and to its Subsidiaries and to all suppliers involved in the supply chain, thus upstream in the value chain. Activities envisaged by the policy, therefore, include the selection, management and qualification of suppliers, with a focus on those that contribute most to GHG emissions. It has no specific geographic limitations, as the policy is extended to all suppliers, globally.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Policy Implementers</b>                                | <p>The policy was issued by the Board of Directors, and its last update was approved by the Chief Executive Officer</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>References to third-party standards or initiatives</b> | <p>The policy is inspired by:</p> <ul style="list-style-type: none"> <li>- Universal Declaration of Human Rights (UN).</li> <li>- ILO (International Labour Organisation) Declaration on Fundamental Principles and Rights at Work and its Follow-up</li> <li>- Principles of the UN Global Compact</li> <li>- OECD recommendation of the council on OECD legal instruments artificial intelligence</li> <li>- OECD AI Principles</li> <li>- EU Ethics guidelines for trustworthy AI</li> <li>- Regulation (EU) 2024/1689 of the European Parliament and of the Council of 13 June</li> </ul> <p>In addition, suppliers are required to be ISO 9001, 14001, 45001, 27001, and 37001 certified.</p> <p>The illimity Group also adopts ethical practices in the field of artificial intelligence according to OECD and EU recommendations.</p>                                                               |
| <b>Stakeholder engagement</b>                             | <p>The Sustainable Supply Chain Policy envisages the identification and involvement of material suppliers so that they actively participate in sustainability initiatives, providing the information necessary for the Bank to calculate the respective ESG scores, through structured engagement processes and methodologies using questionnaires.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Methods of access/distribution</b>                     | <p>As well as being published on illimity's corporate website, the Sustainable Supply Chain Policy is also made available to suppliers during the qualification process, which explicitly requires compliance with the ESG principles and the illimity Way as a prerequisite for long-term collaboration.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

In addition, existing policies relating to business conduct include the Code of Ethics, for the contents of which please refer to the table in section “**Policies related to own workforce [S1-1]” and [S1-MDR-P]**.”

#### 4.1.2 Management of relationships with suppliers [G1-2]

[G1-2 DP 14]

illimity's Administration, Accounting & Control function carries out all necessary actions with the target of timely registration of invoices received from suppliers and completion of payment within the deadlines stated in the invoices. There is also a monitoring process of overdue invoices aimed at identifying the causes of overdue invoices and resolving the anomaly promptly.

[G1-22 DP 15a]

Organisational functions detect specific spending needs within the scope of their activities, identify potential Supplier(s) and engage the Procurement & Cost Management function to initiate the spending process. This process includes supplier qualification activities aimed at gathering information on potential counterparties and assessing their characteristics with a view to risk mitigation and activating, if necessary, second-level control processes.

The qualification, census and monitoring of Suppliers and the consequent management of the Suppliers Register are the responsibility of the Procurement function, which manages these activities through the "Vendor Management Portal" and which keeps the list of qualified Suppliers updated on the company intranet.

The qualification process requires the supplier to sign a self-declaration in which it certifies the absence of convictions against it relating to one or more offences under Legislative Decree 231/2001. They are also carried out:

- Anti-Money Laundering Check, via the application World Check List;
- checking for any prejudicial circumstances that may emerge from the Chamber of Commerce's search;
- checking of the Supplier's credit score and, where necessary, verification of any bad news by the Risk.

With reference to processes and monitoring mechanisms, the following were carried out:

- the implementation of ESG qualification procedures for suppliers, including requiring certifications such as ISO 45001 and 14001;
- the annual assessment and review of the social and environmental performance of suppliers by means of a survey campaign via the Vendor Management portal.

[G1-22 DP 15b]

illimity values the inclusion of local Italian suppliers, which constitute the majority of the Group's register, and suppliers holding certifications, in line with the Sustainable Supply Chain Policy. Furthermore, in general, the illimity Group promotes towards its suppliers the principles enshrined in the (UN) Universal Declaration of Human Rights, in the Declaration (ILO) on Fundamental Principles and Rights at Work and in the Principles of the UN Global Compact to which the Group adheres.

In accordance with these principles, undertakings are required to:

- support and respect the protection of internationally proclaimed human rights and ensure, through the information at their disposal, that they are not complicit in human rights breaches;
- defend freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced and compulsory labour; the effective abolition of child labour; and the elimination of discrimination in employment and occupation;
- support a precautionary approach to environmental challenges;
- undertake initiatives to promote greater environmental responsibility;
- encourage the development and dissemination of environmentally friendly technologies;
- fight corruption in all its forms, including extortion and bribery.

For the purposes of the Sustainable Supply Chain Policy and the application of the above principles, the illimity Group has been committed to managing its procurement processes in a sustainable manner

through the selection of suppliers complying with specific requirements, including: the acknowledgement and acceptance of the Code of Ethics (illimity Way), the acknowledgement and acceptance of the policy itself, the absence of convictions for one or more offences provided for by Legislative Decree 231/2001, and the commitment to operate in line with the provisions of Legislative Decree 231/2001. The illimity Group also adopts supplier engagement strategies that take into account the application of ESG topics (environmental, social and governance) issues through the distribution of an ESG questionnaire at the qualification stage. If the annual monitoring shows the ESG rating to be below the internally defined tolerance threshold, the supplier is required to implement remediation actions that may contribute to an improvement in the score. Compliance with the highlighted principles also represents a safeguard for the principles of sustainability, as well as the mitigation of exposure to reputational risks. In general, the illimity Group is committed to selecting suppliers and partners on the basis of clear and transparent criteria, taking into account professional quality and adequate levels of service, reputation, reliability and respect for rules, human and workers' rights, and requiring high ethical, environmental and social standards.

#### 4.1.3 Suppliers' payment practices [G1-6]

[G1-6 DP 33a]

The average time taken to pay invoices due in the reporting year was approximately 37 days from the invoice document date, corresponding to the invoice issue date.

[G1-6 DP 33b]

The standard method of payment for the illimity Group is the 60-day transfer at the end of the month invoice date; this specification is to be considered as a guideline for the whole Group but may be differentiated on the basis of specific agreements with the supplier. Standard payment terms are a guideline that may not always apply. Therefore, there is a percentage of payments made in compliance with the deadlines set in the invoices of 48% for the reference financial year. This percentage is influenced, in part, by the methodological evolution applied for the reference year and, more generally, by the due diligence and management activities of the supply reports in place, carried out with a view to integration into the Banca Ifis Group, carried out during 2025, which affected the operational and payment times of the invoices received.

[G1-6 DP 33c]

There are no known legal proceedings due to non-payment or late payment of invoices due.

[G1-6 DP 33d]

The calculation of the illimity Group payment practices, carried out at a consolidated level for the 2025 reporting year (1 January - 31 December), has been aligned with the Parent Company methodology and the sampling used includes:

- all invoices paid to the suppliers of each company in the illimity Group in the period considered;
- invoices paid from Italian, EU and non-EU suppliers.

The following were excluded from the sample:

- invoices and payments between companies belonging to the illimity Group;
- invoices issued by suppliers which correspond to natural persons and issued by suppliers operating on a flat-rate basis or subject to withholding tax, as they do not fall under the category of SMEs;
- transfers and credit notes.

#### 4.1.4 Interventions for the management of material IROs related to corruption and bribery

[G1.MDR-A DP 68 a, b, c]

The illimity Group has implemented the following actions to strengthen the culture of sustainability, integrity and transparency and to mitigate or prevent negative impacts:

- **implementation of the ESG Ambassador programme** (short-term time horizon):
  - it is an active programme since 2021, at the illimity Group level, involving 85 employees at the end of 2025;
  - ESG training activities were carried out, during the reference year, dedicated to specific topics (from the risks related to climate change, to diversity, equity & inclusion, to corporate social sustainability as a growth and development strategy);
- **maintaining the Whistleblowing system** (short-term time horizon) through:
  - the continuous availability of digital platforms for safe and anonymous management of reports, supporting a reliable channel to communicate any issues and ensure timely and corrective answers;
  - the continuation of training activities dedicated to employees on the correct use of platforms on the protection of whistleblowers;
  - maintaining the accessibility of the platform for all employees and stakeholders.
- **continuation of training programmes on the Code of Ethics** (short-term time horizon)
  - the compulsory course on the Code of Ethics (illimity Way) delves into illimity's values and commitment towards customers, shareholders, suppliers and business partners, towards the Supervisory Authority and the Public Administration as well as towards the Media and the Country, and describes the corporate culture of responsibility, legality, transparency, value creation and respect for the environment promoted by illimity and spread throughout all levels of the organisation;
  - intended for all staff, with a final knowledge test. Training in 2023 was provided to all employees, whereas in 2024 and 2025 to all new employees.
- **responsible management of the value chain** (medium-term time horizon) through:
  - the implementation of ESG questionnaires for suppliers;
  - the clustering of related sustainability risks;
  - the increase in the percentage of ESG-rated suppliers, a target set in the Sustainability Plan concluded on 31 December 2025, envisaging the achievement of at least 50% of spending on ESG-rated suppliers by 2025, with a starting value of 30% in 2022 and a result that exceeds the target with 57% of supplies assessed for sustainability aspects (corresponding to 85% of spending commitments as at 31 December 2025 to relevant suppliers).

In addition to these actions, training is provided to all employees on combating corruption and bribery, as described in the following section “**Errore. L'origine riferimento non è stata trovata.**”.

In relation to the aforementioned actions, the main progress achieved by the Bank during the year 2025 is outlined below:

- **85 active ESG Ambassadors** (equal to 12% of illimiters or employees and collaborators at the end of the reporting year) with a direct impact on training, controls and awareness-raising;
- **training on whistleblowing channels** for 100 per cent of staff in 2024 and all new employees in 2025;
- **training on the Code of Ethics** for 100 per cent of staff in 2023 and all new employees in 2024 and 2025;
- illimity's **supply processes** continue to be sustainably managed through the selection of suppliers that meet specific requirements.

[G1.MDR-A DP 69a,b]

In addition to the internal resources allocated to oversee these activities, the current financial resources, assigned and used in the reporting period for the actions indicated above, within the scope of operating expenses (OpEx) are included in Financial Statements item 160.a) "Other personnel expenses", but are not individually relevant for the purposes of this reporting. At the same time, no material capital expenditure (CapEx) directly associated with these individual actions was recorded in the reporting period.

Given the implementation of the current actions in place, illimity has not planned any further actions and therefore the amount of financial resources, related to corruption and bribery, for future years has not been determined.

#### 4.1.5 Prevention and detection of corruption and bribery [G1-3]

[G1-3 DP 18a]

From a preventive perspective, the control of corruption risk is implemented through the activities of the Compliance Function for the prevention of corruption, in the Compliance & AFC function (hereinafter also referred to as "Anti-Corruption Function"). In particular, the Anti-Corruption Function (i) plans controls regarding the risk activities identified in the Anti-Corruption Policy, aimed at verifying the compliance of the internal processes and regulations adopted by illimity Bank and its Subsidiaries (ARECneprix and Fürstenberg SGR) regarding anti-corruption; (ii) periodically assesses the effectiveness of the controls carried out and, taking into account their findings, the opportunities for improvement, in order to increasingly effectively monitor corruption risk; (iii) provides advice to company structures on anti-corruption policy and corruption-related issues. These activities are adequately documented in the periodic reporting submitted to the corporate bodies and allow an assessment of the overall exposure of illimity and Subsidiaries to corruption risk. In addition, in order to comply with the provisions of internal company regulations, it should be noted that in December, the Anti-Corruption Function requested that a register of gifts received and/or donated by staff members during the year be sent to them, in order to collect information on the subject matter, purpose, sender, beneficiary and value of such donations.

[G1-3 DP 21a, 24b]

In order to establish and maintain a business environment in which corruption is neither accepted nor practised, the illimity Group provides training to its Staff on internal and external anti-corruption rules, by means of a plan defined by the Compliance & AFC function in coordination with Human Resources.

Moreover, the illimity Group is committed to:

- publish the Anti-Corruption Policy on the company intranet, in order to ensure knowledge and understanding of the rules contained therein;
- communicate any significant changes to the anti-corruption regulations in a timely manner.

For the purposes of identifying and managing cases of corruption, a reporting system has been put in place (described in the Whistleblowing Policy of illimity, ARECneprix and Abilio, while for Fürstenberg SGR described in the Group Policy for the management of reports of violations of Banca Ifis), as well as a sanctions system (described in the Anti-Corruption Policy).

[G1-3 DP 18b]

The Head of the internal whistleblowing system is appointed by the administrative Board with strategic control functions on the basis of the following characteristics:

- he/she is not hierarchically or functionally subordinate and therefore reports directly to the corporate bodies;
- he/she does not perform operational functions;
- he/she does not participate in the adoption of any decision-making measures resulting from the reported breaches, which are referred to the competent corporate functions or bodies.

[G1-3 DP 18c]

The Head of the internal whistleblowing system draws up, in compliance with the provisions on the protection of personal data, an annual report on the proper functioning of the internal whistleblowing system, containing aggregated information on the results of the activity carried out following the reports received, which is approved by the corporate bodies and made available to the staff.

Moreover, in the event that a breach is discovered as a result of specific investigations, the Head of the internal whistleblowing system shall immediately inform the Supervisory Body, the Body with strategic control functions, the Supervisory Board and any organisational units involved.

[G1-3 DP 20]

Communications and updates to staff on anti-corruption policies and procedures follow the procedures described in section “[G1-3 DP 21a]”, while suppliers view them at the qualification stage. In each case, the anti-corruption policy is published on illimity’s website and accessible to partners and other stakeholders.

[G1-3 DP 21a, 24b ]

In order to establish and maintain a business environment in which corruption is neither accepted nor practised, the illimity Group provides training to its Staff on internal and external anti-corruption rules, by means of a plan defined by the Compliance & AFC function in coordination with Human Resources.

Moreover, the illimity Group is committed to:

- publish the Anti-Corruption Policy on the company intranet, in order to ensure knowledge and understanding of the rules contained therein;
- communicate any significant changes to the anti-corruption regulations in a timely manner.

For the purposes of identifying and managing cases of corruption, a reporting system has been put in place (described in the Whistleblowing Policy of illimity, ARECneprix and Abilio, while for Fürstenberg SGR described in the Group Policy for the management of reports of violations of Banca Ifis), as well as a sanctions system (described in the Anti-Corruption Policy).

During 2025, the illimity Group delivered specific web-based courses (i) in the anti-corruption field, to learn more about the risk of corruption and the safeguards to be adopted within the operating activities most exposed to the corruption risk, and (ii) on the Code of Ethics, with a focus on the corporate culture of responsibility, legality, transparency, value creation and respect for the environment, deepening the Group’s values and commitment towards customers, shareholders, suppliers and business partners, towards the Supervisory Authority and the Public Administration as well as towards the Media and the Country.

[G1-3 DP 21b,c]

Anti-corruption training is provided to all staff of illimity Bank and its Subsidiaries ARECneprix and Fürstenberg SGR; therefore, 100% of the company functions at risk are covered by the training programme.

#### 4.1.6 Confirmed incidents of corruption and bribery [G1-4]

[G1-4 DP 24a, 25d]

During 2025, there were no proven incidents of corruption and no public lawsuits concerning corruption were filed against the illimity organisation or against its employees.

## 5. Other sustainability information

### 5.1 Disclosure requirements in ESRS covered by the sustainability statement [IRO-2]

#### 5.1.1 Datapoints from other EU legislation

[IRO-2 DP 56]

Below is a table of all the information elements deriving from other EU legislation listed in Appendix B of ESRS 2 and where they can be found in the Sustainability Statement, including those that illimity has assessed as not relevant. The above-mentioned elements on which illimity may omit the material information in the first year of reporting (phase-in) are also indicated.

Below is a table of all the information elements deriving from other EU legislation listed in Appendix B of ESRS 2 and where they can be found in the Sustainability Statement, including those that illimity has assessed as not relevant. The above-mentioned elements on which illimity may omit the material information in the first year of reporting (phase-in) are also indicated.

| Disclosure requirement and corresponding information element                                                                                                              | Par.         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| ESRS 2 GOV-1 Board's Gender diversity                                                                                                                                     | 1.2.1        |
| ESRS 2 GOV-1 Percentage of board members who are independent                                                                                                              | 1.2.1        |
| ESRS 2 GOV-4 Statement on Due Diligence                                                                                                                                   | 1.2.5        |
| ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities                                                                                                  | 1.3.1        |
| ESRS 2 SBM-1 Involvement in activities related to chemical production                                                                                                     | 1.3.1        |
| ESRS 2 SBM-1 Involvement in activities related to controversial weapons                                                                                                   | 1.3.1        |
| ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco                                                                                   | 1.3.1        |
| ESRS E1-1 Transition plan to reach climate neutrality by 2050                                                                                                             | 2.2.2        |
| ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks                                                                                                             | 2.2.2        |
| ESRS E1-4 GHG emission reduction targets                                                                                                                                  | 2.2.5        |
| ESRS E1-5 Energy consumption from fossil fuels disaggregated by sources (high climate impact sectors only)                                                                | N/A          |
| ESRS E1-5 Energy consumption and mix                                                                                                                                      | 2.2.6        |
| ESRS E1-5 Energy intensity associated with activities in high climate impact sectors                                                                                      | N/A          |
| ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions                                                                                                                     | 2.2.7        |
| ESRS E1-6 Gross GHG emissions intensity                                                                                                                                   | 2.2.7        |
| ESRS E1-7 GHG removals and carbon credits                                                                                                                                 | 2.2.8        |
| ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks                                                                                           | Phase-in     |
| ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk                                                                                           | Phase-in     |
| ESRS E1-9 Location of significant assets at material physical risk                                                                                                        | Phase-in     |
| ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes                                                                          | Phase-in     |
| ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities                                                                                            | Phase-in     |
| ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) discharged into the air, water and soil | Not Material |
| ESRS E3-1 Water and Marine Resources                                                                                                                                      | Not Material |
| ESRS E3-1 Dedicated policy                                                                                                                                                | Not Material |
| ESRS E3-1 Sustainable oceans and seas                                                                                                                                     | Not Material |



| Disclosure requirement and corresponding information element                                                                 | Par.         |
|------------------------------------------------------------------------------------------------------------------------------|--------------|
| ESRS E3-4 Total water recycled and reused                                                                                    | Not Material |
| ESRS E3-4 Total water consumption in m3 per net revenue on own operations                                                    | Not Material |
| ESRS 2- SBM-3 - E4 Material impacts, risks and opportunities and their interaction with strategy and business model          | 1.3.3        |
| ESRS E4-2 Sustainable soil / agriculture practices or policies                                                               | Not Material |
| ESRS E4-2 Sustainable oceans / seas practices or policies                                                                    | Not Material |
| ESRS E4-2 Policies to address deforestation                                                                                  | Not Material |
| ESRS E5-5 Non-recycled waste                                                                                                 | Not Material |
| ESRS E5-5 Hazardous waste and radioactive waste                                                                              | Not Material |
| ESRS 2- SBM 3 - S1 Risk of incidents of forced labour                                                                        | Not Material |
| ESRS 2- SBM 3 - S1 Risk of incidents of child labour                                                                         | Not Material |
| ESRS S1-1 Human rights policy commitments                                                                                    | 3.1.2        |
| ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8 | 3.1.2        |
| ESRS S1-1 Processes and measures for preventing trafficking in human beings                                                  | 3.1.2        |
| ESRS S1-1 Workplace accident prevention policy or management system                                                          | 3.1.2        |
| ESRS S1-3 Grievance/complaints handling mechanisms                                                                           | 3.1.4        |
| ESRS S1-14 Number of fatalities and number and rate of work-related accidents                                                | 3.1.15       |
| ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness                                                 | 3.1.15       |
| ESRS S1-16 Unadjusted gender pay gap                                                                                         | 3.1.17       |
| ESRS S1-16 Excessive CEO pay ratio                                                                                           | 3.1.17       |
| ESRS S1-17 Incidents of discrimination                                                                                       | 3.1.18       |
| ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD                                                        | 3.1.18       |
| ESRS 2- SBM 3 - S2 Significant risk of incidents of child labour or forced labour in the value chain                         | Not Material |
| ESRS S2-1 Human rights policy commitments                                                                                    | Not Material |
| ESRS S2-1 Policies related to value chain workers                                                                            | Not Material |
| ESRS S2-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines                                              | Not Material |
| ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8 | Not Material |
| ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain                             | Not Material |
| ESRS S3-1 Human rights policy commitments                                                                                    | 3.2.2        |
| ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines                           | 3.2.2        |
| ESRS S3-4 Human rights issues and incidents                                                                                  | 3.2.4        |
| ESRS S4-1 Policies related to consumers and end-users                                                                        | 3.3.1        |
| ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines                                              | 3.3.1        |
| ESRS S4-4 Human rights issues and incidents                                                                                  | 3.3.4        |
| ESRS G1-1 United Nations Convention against Corruption                                                                       | 4.1.1        |
| ESRS G1-1 Protection of whistleblowers                                                                                       | 4.1.1        |
| ESRS G1-4 Fines for violation of anticorruption and anti-bribery laws                                                        | 4.1.6        |
| ESRS G1-4 Standards of anti- corruption and anti- bribery                                                                    | 4.1.6        |

## 5.1.2 List of the disclosure requirements complied with

This table of contents shows the **disclosure requirements** fulfilled by illimity in the preparation of its sustainability statement, based on the results of the materiality assessment, with an indication of the page numbers in the Sustainability Statement where the relevant information can be found.

### General information

| Disclosure requirements                                                                                                                     | Par.  |
|---------------------------------------------------------------------------------------------------------------------------------------------|-------|
| <b>ESRS 2 – Reporting requirements</b>                                                                                                      |       |
| BP-1 General basis for preparation of sustainability statements                                                                             | 1.1.1 |
| BP-2 Disclosures in relation to specific circumstances                                                                                      | 1.1.2 |
| GOV-1 The role of the administrative, management and supervisory bodies                                                                     | 1.2.1 |
| GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies | 1.2.3 |
| GOV-3 - Integration of sustainability-related performance in incentive schemes                                                              | 1.2.4 |
| GOV-4 Statement on due diligence                                                                                                            | 1.2.5 |
| GOV-5 - Risk management and internal controls over sustainability reporting                                                                 | 1.2.6 |
| SBM-1 Strategy, business model and value chain                                                                                              | 1.3.1 |
| SBM-2 – Interests and views of stakeholders                                                                                                 | 1.3.2 |
| SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model                                      | 1.3.3 |
| IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities                                         | 1.3.4 |
| IRO 2 Disclosure requirements in ESRS covered by the undertaking's sustainability statement                                                 | 5.1   |

## Environmental information

| Disclosure requirements                                                                                                    | Par.     |
|----------------------------------------------------------------------------------------------------------------------------|----------|
| <b>E1 – Climate Change</b>                                                                                                 |          |
| <b>Climate change mitigation</b>                                                                                           |          |
| ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes                                        | 1.2.4    |
| E1-1 Transition plan for climate change mitigation                                                                         | 2.2.2    |
| ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model              | 1.3.3    |
| ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities                 | 1.3.4    |
| E1-2 Policies related to climate change mitigation and adaptation                                                          | 2.2.3    |
| E1-3 Actions and resources in relation to climate change policies                                                          | 2.2.4    |
| E1-4 Targets related to climate change mitigation and adaptation                                                           | 2.2.5    |
| E1-5 Energy consumption and mix                                                                                            | 2.2.6    |
| E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions                                                                          | 2.2.7    |
| E1-7 GHG removals and GHG mitigation projects financed through carbon credits                                              | 2.2.8    |
| E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities | Phase-in |
| <b>Climate change adaptation</b>                                                                                           |          |
| ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model              | 1.3.3    |
| ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities                 | 1.3.4    |
| E1-2 Policies related to climate change mitigation and adaptation                                                          | 2.2.3    |
| E1-3 Actions and resources in relation to climate change policies                                                          | 2.2.4    |
| E1-4 Targets related to climate change mitigation and adaptation                                                           | 2.2.5    |
| E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities | Phase-in |
| <b>Energy</b>                                                                                                              |          |
| ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model              | 1.3.3    |
| ESRS 2 IRO-1 Description of the processes to identify and assess material climate-related impacts, risks and opportunities | 1.3.4    |
| E1-2 Policies related to climate change mitigation and adaptation                                                          | 2.2.3    |
| E1-3 Actions and resources in relation to climate change policies                                                          | 2.2.4    |
| E1-4 Targets related to climate change mitigation and adaptation                                                           | 2.2.5    |
| E1-5 Energy consumption and mix                                                                                            | 2.2.6    |
| E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities | Phase-in |

## Social information

| Disclosure requirements                                                                                                                                                                                             | Par.   |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|
| <b>S1 - Own workforce</b>                                                                                                                                                                                           |        |
| <b>Working conditions</b>                                                                                                                                                                                           |        |
| ESRS 2 SBM-2 - Interests and views of stakeholders                                                                                                                                                                  | 1.3.2  |
| ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model                                                                                                       | 1.3.3  |
| S1-1 Policies related to own workforce                                                                                                                                                                              | 3.1.2  |
| S1-2 Processes for engaging with own workers and workers' representatives about impacts                                                                                                                             | 3.1.3  |
| S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns                                                                                                                         | 3.1.4  |
| S1-4 Taking action on material impacts on own workforce and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions and approaches | 3.1.5  |
| S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities                                                                               | 3.1.6  |
| S1-6 Characteristics of the undertaking's employees                                                                                                                                                                 | 3.1.7  |
| S1-7 Characteristics of non-employee workers in the undertaking's own workforce                                                                                                                                     | 3.1.8  |
| S1-8 – Collective bargaining coverage and social dialogue                                                                                                                                                           | 3.1.9  |
| S1-10 Adequate wages                                                                                                                                                                                                | 3.1.11 |
| S1-11 Social protection                                                                                                                                                                                             | 3.1.12 |
| S1-14 Health and safety metrics                                                                                                                                                                                     | 3.1.15 |
| S1-15 Work-life balance metrics                                                                                                                                                                                     | 3.1.16 |
| S1-17 Incidents, complaints and severe human rights impacts                                                                                                                                                         | 3.1.18 |
| <b>Equal treatment and opportunities for all</b>                                                                                                                                                                    |        |
| ESRS 2 SBM-2 - Interests and views of stakeholders                                                                                                                                                                  | 1.3.2  |
| ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model                                                                                                       | 1.3.3  |
| S1-1 Policies related to own workforce                                                                                                                                                                              | 3.1.2  |
| S1-2 Processes for engaging with own workers and workers' representatives about impacts                                                                                                                             | 3.1.3  |
| S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns                                                                                                                         | 3.1.4  |
| S1-4 Taking action on material impacts on own workforce and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions and approaches | 3.1.5  |
| S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities                                                                               | 3.1.6  |
| S1-6 Characteristics of the undertaking's employees                                                                                                                                                                 | 3.1.7  |
| S1-7 Characteristics of non-employee workers in the undertaking's own workforce                                                                                                                                     | 3.1.8  |
| S1-9 Diversity metrics                                                                                                                                                                                              | 3.1.10 |
| S1-12 Persons with disabilities                                                                                                                                                                                     | 3.1.12 |
| S1-13 – Training and skills development metrics                                                                                                                                                                     | 3.1.14 |
| S1-16 Compensation metrics (pay gap and total compensation)                                                                                                                                                         | 3.1.17 |
| S1-17 Incidents, complaints and severe human rights impacts                                                                                                                                                         | 3.1.18 |

| Disclosure requirements                                                                                                                                                                                             | Par.   |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|
| <b>Other work-related rights</b>                                                                                                                                                                                    |        |
| ESRS 2 SBM-2 - Interests and views of stakeholders                                                                                                                                                                  | 1.3.2  |
| ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model                                                                                                       | 1.3.3  |
| S1-1 Policies related to own workforce                                                                                                                                                                              | 3.1.2  |
| S1-2 Processes for engaging with own workers and workers' representatives about impacts                                                                                                                             | 3.1.3  |
| S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns                                                                                                                         | 3.1.4  |
| S1-4 Taking action on material impacts on own workforce and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions and approaches | 3.1.5  |
| S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities                                                                               | 3.1.6  |
| S1-6 Characteristics of the undertaking's employees                                                                                                                                                                 | 3.1.7  |
| S1-7 Characteristics of non-employee workers in the undertaking's own workforce                                                                                                                                     | 3.1.8  |
| S1-17 Incidents, complaints and severe human rights impacts                                                                                                                                                         | 3.1.18 |
| <b>S3 - Affected Communities</b>                                                                                                                                                                                    |        |
| <b>Communities' economic, social and cultural rights</b>                                                                                                                                                            |        |
| ESRS 2 SBM-2 - Interests and views of stakeholders                                                                                                                                                                  | 1.3.2  |
| ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model                                                                                                       | 1.3.3  |
| S3-1 Policies related to affected communities                                                                                                                                                                       | 3.2.2  |
| S3-2 Processes for engaging with affected communities about impacts                                                                                                                                                 | 3.2.3  |
| 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   | 3.2.4  |
| S3-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities                                                                               | 3.2.5  |
| <b>Communities' civil and political rights</b>                                                                                                                                                                      |        |
| ESRS 2 SBM-2 - Interests and views of stakeholders                                                                                                                                                                  | 1.3.2  |
| ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model                                                                                                       | 1.3.3  |
| S3-1 Policies related to affected communities                                                                                                                                                                       | 3.2.2  |
| S3-2 Processes for engaging with affected communities about impacts                                                                                                                                                 | 3.2.3  |
| 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   | 3.2.4  |
| S3-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities                                                                               | 3.2.5  |
| <b>S4 - Consumers and end-users</b>                                                                                                                                                                                 |        |
| <b>Information-related impacts for consumers and/or end-users</b>                                                                                                                                                   |        |
| ESRS 2 SBM-2 - Interests and views of stakeholders                                                                                                                                                                  | 1.3.2  |
| ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model                                                                                                       | 1.3.3  |
| S4-1 Policies related to consumers and end-users                                                                                                                                                                    | 3.3.1  |
| S4-2 Processes for engaging with consumers and end-users about impacts                                                                                                                                              | 3.3.2  |
| S4-3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns                                                                                                             | 3.3.3  |

| Disclosure requirements                                                                                                                                                                                                   | Par.  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| S4-4 Taking action on material impacts on consumers and end-users, and approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions | 3.3.4 |
| S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities                                                                                     | 3.3.6 |
| <b>Social inclusion of consumers and/or end-users</b>                                                                                                                                                                     |       |
| ESRS 2 SBM-2 - Interests and views of stakeholders                                                                                                                                                                        | 1.3.2 |
| ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model                                                                                                             | 1.3.3 |
| S4-1 Policies related to consumers and end-users                                                                                                                                                                          | 3.3.1 |
| S4-2 Processes for engaging with consumers and end-users about impacts                                                                                                                                                    | 3.3.2 |
| S4-3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns                                                                                                                   | 3.3.3 |
| S4-4 Taking action on material impacts on consumers and end-users, and approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions | 3.3.4 |
| S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities                                                                                     | 3.3.6 |

**Governance information**

| Disclosure requirements                                                        | Par.  |
|--------------------------------------------------------------------------------|-------|
| <b>G1 – Corporate Governance</b>                                               |       |
| <b>Corporate culture</b>                                                       |       |
| ESRS 2 GOV-1 The role of the administrative, management and supervisory bodies | 1.2.1 |
| G1-1 Corporate culture and business conduct policies                           | 4.1.1 |
| <b>Protection of whistleblowers</b>                                            |       |
| ESRS 2 GOV-1 The role of the administrative, management and supervisory bodies | 1.2.1 |
| G1-1 Corporate culture and business conduct policies                           | 4.1.1 |
| <b>Management of relationships with suppliers including payment practices</b>  |       |
| ESRS 2 GOV-1 The role of the administrative, management and supervisory bodies | 1.2.1 |
| G1-1 Corporate culture and business conduct policies                           | 4.1.1 |
| G1-2 Management of relationships with suppliers                                | 4.1.2 |
| G1-6 Payment practices                                                         | 4.1.3 |
| <b>Corruption and bribery</b>                                                  |       |
| ESRS 2 GOV-1 The role of the administrative, management and supervisory bodies | 1.2.1 |
| G1-1 Corporate culture and business conduct policies                           | 4.1.1 |
| G1-3 Prevention and detection of corruption and bribery                        | 4.1.5 |
| G1-4 Confirmed incidents of corruption or bribery                              | 4.1.6 |

[IRO-2 DP 59]

With regard to determining the material information to be disclosed regarding impacts, risks and opportunities assessed as material, please refer to the section “Processes for identifying and assessing material IROs [IRO-1]”, where the materiality thresholds adopted to determine the materiality of impacts, risks and opportunities were illustrated.



## 5.2 Disclosures pursuant to Article 8 of Delegated Regulation (EU) 2020/852 (EU Taxonomy Regulation)

### 5.2.1 Templates for the KPIs of credit institutions

The following are the Templates for the KPIs of credit institutions reported in accordance with Annex VI of the Delegated Regulation (EU) 2021/2178, as amended and supplemented, following the new provisions of Delegated Regulation (EU) 2026/73, applied to illimity, in relation to the prudential consolidation perimeter as of 31 December 2025. All currency amounts in the templates are in millions of euros.

#### Template 0. Summary of the KPIs that credit institutions must disclose pursuant to Article 8 of the Taxonomy Regulation – 2025

Summary of key performance indicators that illimity reports under Article 8 of , in accordance with Template 0 of the above-mentioned updated Delegated Regulation<sup>29</sup>. The main KPI (**GAR stock**) as at 31 December 2025, calculated on the basis of revenues (**Turnover**) amounts to **27.4%**, while this KPI calculated on the basis of capital expenditure (**CapEx**) amounts to **39.7%**.

|                 |                               | Total exposures to taxonomy-aligned activities<br>(€ million) |                | KPI (%)               |                | Hedging on total<br>assets (%) | Exposures not<br>measured (% of<br>hedged assets) (%) |                |
|-----------------|-------------------------------|---------------------------------------------------------------|----------------|-----------------------|----------------|--------------------------------|-------------------------------------------------------|----------------|
|                 |                               | Based on the Turnover                                         | Based on CapEx | Based on the Turnover | Based on CapEx |                                | Based on the Turnover                                 | Based on CapEx |
| <b>Main KPI</b> | Green asset ratio (GAR) stock | 119.00                                                        | 172.47         | 27.42%                | 39.74%         | 5.47%                          | 0.00%                                                 | 0.00%          |

|                        |                                                  | Total exposures to taxonomy-aligned activities<br>(€ million) |                | KPI (%)               |                | Hedging on total<br>assets (%) | Exposures not<br>measured (% of<br>hedged assets) (%) |                |
|------------------------|--------------------------------------------------|---------------------------------------------------------------|----------------|-----------------------|----------------|--------------------------------|-------------------------------------------------------|----------------|
|                        |                                                  | Based on the Turnover                                         | Based on CapEx | Based on the Turnover | Based on CapEx |                                | Based on the Turnover                                 | Based on CapEx |
| <b>Additional KPIs</b> | GAR (flow)                                       | 0.00                                                          | 0.00           | 0.00%                 | 0.00%          | 3.90%                          | 0.00%                                                 | 0.00%          |
|                        | Trading book                                     |                                                               |                |                       |                |                                |                                                       |                |
|                        | Financial guarantees                             | 0.00                                                          | 0.00           | 0.00%                 | 0.00%          | 0.00%                          |                                                       |                |
|                        | Assets under management                          | 0.00                                                          | 0.00           | 0.00%                 | 0.00%          | 1.11% <sup>(30)</sup>          |                                                       |                |
|                        | Revenues related to commissions and remuneration |                                                               |                |                       |                |                                |                                                       |                |

<sup>29</sup> According to current regulations at the date of publication of this document, the KPIs for revenues relating to commissions and remuneration and the trading book apply from 2028.

<sup>30</sup> Coverage of assets managed (off-balance sheet exposures) to companies subject to CSRD disclosure requirements and local public administrations compared to the total financial assets managed.

**Template 1. Assets for the calculation of GAR**

Template 1 includes evidence of the gross carrying amount (millions of euros) of the assets in the prudential consolidation as at 31 December 2025.

Explanatory notes:

- If present, the following accounting categories of financial assets should be considered: Financial assets at amortised cost, financial assets at fair value through other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through profit or loss and non-trading financial assets mandatorily at fair value through profit or loss, and real estate collaterals obtained by credit institutions by taking possession in exchange for cancellation of debts.
- This template is duplicated on stocks for the calculation of GAR stock, and reporting on new assets for the calculation of GAR flow, as well as for turnover and capital expenditure disclosures (CapEx).

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]



[illegible]

[illegible]

[illegible]

## Template 2. GAR Sector information

Template 2 includes evidence of the ten main exposures in the consolidated banking book to the ten main sectors covered by the taxonomy (level of detail: NACE 4-digit sectors), using the relevant NACE code according to the main activity of the counterparty, as at 31 December 2025.

Explanatory notes:

- The exposure values reported include all portfolio exposures to which the same NACE is allocated, where that NACE is covered by the Taxonomy
- The counterparty NACE sector allocation shall be based exclusively on the nature of the immediate counterparty.
- The classification of the exposures incurred jointly by more than one obligor shall be done on the basis of the characteristics of the obligor that was the more relevant, or determinant, for the institution to grant the exposure.
- The distribution of jointly incurred exposures by NACE codes shall be driven by the characteristics of the more relevant or determinant obligor.
- Institutions shall disclose information by NACE codes with the level of disaggregation required in the template
- This template is duplicated for turnover and capital expenditure disclosures.





**Template 3. GAR KPI (Stock)**

Template 3 includes evidence of the % values (KPIs) relating to the GAR on the stock of exposures in the prudential consolidation as at 31 December 2025, calculated from the data reported in template 1 on the assets covered.

Explanatory notes:

- This template is duplicated for turnover and capital expenditure disclosures.



Template 3. GAR KPI (Turnover) – 2025

|    | a                                                                                               | b                 | c                               | d                                      | e                                | f                     | g               | h                                 | i                        | j                     | k                 | l                                                 | m                   |
|----|-------------------------------------------------------------------------------------------------|-------------------|---------------------------------|----------------------------------------|----------------------------------|-----------------------|-----------------|-----------------------------------|--------------------------|-----------------------|-------------------|---------------------------------------------------|---------------------|
|    | % (of the corresponding total of covered assets in the denominator)                             | Taxonomy-eligible | Aligned to the taxonomy         | Composition by environmental objective |                                  |                       |                 |                                   |                          |                       |                   | Taxonomy-aligned share of total taxonomy-eligible | Non-rated exposures |
|    |                                                                                                 |                   | 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                                          | 50.28%            | 27.42%                          | 27.42%                                 | 0.00%                            | 0.00%                 | 0.00%           |                                   |                          | 1.38%                 | 5.88%             | 54.52%                                            |                     |
| 2  | Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation | 50.22%            | 27.38%                          | 27.38%                                 | 0.00%                            | 0.00%                 | 0.00%           |                                   |                          | 1.38%                 | 5.85%             | 54.52%                                            |                     |
| 3  | Financial undertakings                                                                          | 0.32%             | 0.03%                           | 0.03%                                  | 0.00%                            |                       | 0.00%           |                                   |                          | 0.00%                 | 0.01%             | 9.25%                                             |                     |
| 4  | Loans and advances                                                                              | 0.32%             | 0.03%                           | 0.03%                                  | 0.00%                            |                       | 0.00%           |                                   |                          | 0.00%                 | 0.01%             | 9.25%                                             |                     |
| 5  | Debt securities, including use of proceeds                                                      |                   |                                 |                                        |                                  |                       |                 |                                   |                          |                       |                   |                                                   |                     |
| 6  | Equity instruments                                                                              |                   |                                 |                                        |                                  |                       |                 |                                   |                          |                       |                   |                                                   |                     |
| 7  | Non-financial undertakings                                                                      | 40.15%            | 27.35%                          | 27.35%                                 |                                  | 0.00%                 |                 |                                   |                          | 1.38%                 | 5.84%             | 68.12%                                            |                     |
| 8  | Loans and advances                                                                              | 40.15%            | 27.35%                          | 27.35%                                 |                                  | 0.00%                 |                 |                                   |                          | 1.38%                 | 5.84%             | 68.12%                                            |                     |
| 9  | Debt securities, including use of proceeds                                                      |                   |                                 |                                        |                                  |                       |                 |                                   |                          |                       |                   |                                                   |                     |
| 10 | Equity instruments                                                                              |                   |                                 |                                        |                                  |                       |                 |                                   |                          |                       |                   |                                                   |                     |
| 11 | Households                                                                                      | 9.74%             |                                 |                                        |                                  |                       |                 |                                   |                          |                       |                   |                                                   |                     |
| 12 | of which loans collateralised by residential immovable property                                 | 9.74%             |                                 |                                        |                                  |                       |                 |                                   |                          |                       |                   |                                                   |                     |
| 13 | of which building renovation loans                                                              |                   |                                 |                                        |                                  |                       |                 |                                   |                          |                       |                   |                                                   |                     |
| 14 | of which motor vehicle loans                                                                    |                   |                                 |                                        |                                  |                       |                 |                                   |                          |                       |                   |                                                   |                     |
| 15 | Loans to local public administrations                                                           |                   |                                 |                                        |                                  |                       |                 |                                   |                          |                       |                   |                                                   |                     |
| 16 | Financing of residential construction                                                           |                   |                                 |                                        |                                  |                       |                 |                                   |                          |                       |                   |                                                   |                     |
| 17 | Other loans to local governments                                                                |                   |                                 |                                        |                                  |                       |                 |                                   |                          |                       |                   |                                                   |                     |
| 18 | Real guarantees obtained by taking possession: residential and commercial properties            |                   |                                 |                                        |                                  |                       |                 |                                   |                          |                       |                   |                                                   |                     |
| 19 | Exposures included on a voluntary basis                                                         | 0.07%             | 0.04%                           | 0.04%                                  | 0.00%                            |                       |                 |                                   |                          |                       | 0.03%             | 64.07%                                            |                     |
| 20 | GAR – Total GAR assets                                                                          | 50.28%            | 27.42%                          | 27.42%                                 | 0.00%                            | 0.00%                 | 0.00%           |                                   |                          | 1.38%                 | 5.88%             | 54.54%                                            |                     |

Template 3. GAR KPI (CapEx) – 2025

|    | a                                                                                               | b                 | c                               | d                                      | e                                | f                     | g               | h                                 | i                        | j                     | k                 | l                                                 | m                   |
|----|-------------------------------------------------------------------------------------------------|-------------------|---------------------------------|----------------------------------------|----------------------------------|-----------------------|-----------------|-----------------------------------|--------------------------|-----------------------|-------------------|---------------------------------------------------|---------------------|
|    | % (of the corresponding total of covered assets in the denominator)                             | Taxonomy-eligible | Aligned to the taxonomy         | Composition by environmental objective |                                  |                       |                 |                                   | Of which use of proceeds | Of which transitional | Of which enabling | Taxonomy-aligned share of total taxonomy-eligible | Non-rated exposures |
|    |                                                                                                 |                   | 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                                          | 54.94%            | 39.74%                          | 36.81%                                 | 2.94%                            | 0.00%                 |                 |                                   |                          | 0.52%                 | 30.01%            | 72.34%                                            |                     |
| 2  | Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation | 54.84%            | 39.67%                          | 36.74%                                 | 2.94%                            | 0.00%                 |                 |                                   |                          | 0.52%                 | 29.95%            | 72.34%                                            |                     |
| 3  | Financial undertakings                                                                          | 0.09%             | 0.00%                           | 0.00%                                  |                                  |                       |                 |                                   |                          | 0.00%                 | 0.00%             | 4.22%                                             |                     |
| 4  | Loans and advances                                                                              | 0.09%             | 0.00%                           | 0.00%                                  |                                  |                       |                 |                                   |                          | 0.00%                 | 0.00%             | 4.22%                                             |                     |
| 5  | Debt securities, including use of proceeds                                                      |                   |                                 |                                        |                                  |                       |                 |                                   |                          |                       |                   |                                                   |                     |
| 6  | Equity instruments                                                                              |                   |                                 |                                        |                                  |                       |                 |                                   |                          |                       |                   |                                                   |                     |
| 7  | Non-financial undertakings                                                                      | 45.00%            | 39.67%                          | 36.73%                                 | 2.94%                            | 0.00%                 |                 |                                   |                          | 0.52%                 | 29.95%            | 88.15%                                            |                     |
| 8  | Loans and advances                                                                              | 45.00%            | 39.67%                          | 36.73%                                 | 2.94%                            | 0.00%                 |                 |                                   |                          | 0.52%                 | 29.95%            | 88.15%                                            |                     |
| 9  | Debt securities, including use of proceeds                                                      |                   |                                 |                                        |                                  |                       |                 |                                   |                          |                       |                   |                                                   |                     |
| 10 | Equity instruments                                                                              |                   |                                 |                                        |                                  |                       |                 |                                   |                          |                       |                   |                                                   |                     |
| 11 | Households                                                                                      | 9.74%             |                                 |                                        |                                  |                       |                 |                                   |                          |                       |                   |                                                   |                     |
| 12 | of which loans collateralised by residential immovable property                                 | 9.74%             |                                 |                                        |                                  |                       |                 |                                   |                          |                       |                   |                                                   |                     |
| 13 | of which building renovation loans                                                              |                   |                                 |                                        |                                  |                       |                 |                                   |                          |                       |                   |                                                   |                     |
| 14 | of which motor vehicle loans                                                                    |                   |                                 |                                        |                                  |                       |                 |                                   |                          |                       |                   |                                                   |                     |
| 15 | Loans to local public administrations                                                           |                   |                                 |                                        |                                  |                       |                 |                                   |                          |                       |                   |                                                   |                     |
| 16 | Financing of residential construction                                                           |                   |                                 |                                        |                                  |                       |                 |                                   |                          |                       |                   |                                                   |                     |
| 17 | Other loans to local governments                                                                |                   |                                 |                                        |                                  |                       |                 |                                   |                          |                       |                   |                                                   |                     |
| 18 | Real guarantees obtained by taking possession: residential and commercial properties            |                   |                                 |                                        |                                  |                       |                 |                                   |                          |                       |                   |                                                   |                     |
| 19 | Exposures included on a voluntary basis                                                         | 0.10%             | 0.07%                           | 0.07%                                  | 0.00%                            |                       |                 |                                   |                          |                       | 0.06%             | 69.38%                                            |                     |
| 20 | GAR – Total GAR assets                                                                          | 54.94%            | 39.74%                          | 36.81%                                 | 2.94%                            | 0.00%                 |                 |                                   |                          | 0.52%                 | 30.01%            | 72.34%                                            |                     |

**Template 4. GAR KPI (flow)**

Template 4 includes evidence of the % values (KPIs) relating to the GAR on the flow of new loans and advances, debt securities, equity instruments and collaterals recovered during the financial year prior to the reporting date, calculated from the data reported in Template 1 on the assets covered, or exposures in the prudential consolidation (recorded only in the financial year 2025).

Explanatory notes:

- This template is duplicated for turnover and capital expenditure disclosures.

#### Template 4. GAR KPI (Turnover) – 2025

[illegible]

### Template 4. GAR KPI (CapEx) – 2025

[illegible]

**Template 5. KPI off-balance sheet exposures**

Template 5 includes evidence of the % values (KPIs) relating to the GAR for off-balance sheet exposures (financial guarantees and assets under management), calculated from the data reported in Template 1 on the covered assets.

Explanatory notes:

- This template is duplicated to disclose stock and flow KPIs for off-balance sheet exposures and for turnover and capital expenditure disclosures.

### Template 5. KPI off-balance sheet exposures (Turnover, Stock) – 2025

[illegible]

### Template 5. KPI off-balance sheet exposures (Turnover, Flusso) – 2025

[illegible]

[illegible][illegible]



### Template 0. Summary of the KPIs that credit institutions must disclose pursuant to Article 8 of the Taxonomy Regulation – 2024 (T-1)

Below is the template 0 of the KPIs of credit institutions reported pursuant to Annex VI of Delegated Regulation (EU) 2021/2178, as amended, applied to illimity, in relation to the prudential consolidation scope as of 31 December 2024. All currency amounts in the templates are in millions of euros.

|                        |                               | Total environmentally sustainable assets <sup>31</sup> | KPI (Turnover) | KPI (CapEx) | % coverage (on 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 denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V) |
|------------------------|-------------------------------|--------------------------------------------------------|----------------|-------------|------------------------------|---------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| <b>Main KPI</b>        | Green asset ratio (GAR) stock | 137.90                                                 | 1.92%          | 2.80%       | 82.91%                       | 76.12%                                                                                                  | 17.09%                                                                                           |
|                        |                               |                                                        |                |             |                              |                                                                                                         |                                                                                                  |
|                        |                               | Total environmentally sustainable assets               | KPI (Turnover) | KPI (CapEx) | % coverage (on 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 denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V) |
|                        | GAR (flow)                    | 1.28                                                   | 0.02%          | 0.02%       | 1.12%                        | 93.95%                                                                                                  | -                                                                                                |
|                        | <sup>(32)</sup>               |                                                        |                |             |                              |                                                                                                         |                                                                                                  |
| <b>Additional KPIs</b> | Financial guarantees          | -                                                      | -              | -           |                              |                                                                                                         |                                                                                                  |
|                        | Assets under management       | -                                                      | -              | -           |                              |                                                                                                         |                                                                                                  |
|                        | <sup>(33)</sup>               |                                                        |                |             |                              |                                                                                                         |                                                                                                  |

<sup>31</sup>The amount shown refers to the stock GAR KPI calculated on the basis of Turnover. The amount related to the total green assets feeding the GAR KPI stock on the basis of capital expenditure (CapEx) is EUR 201.56 million. As indicated in the chapter of environmental information, the 2024 stock GAR KPI recalculated according to Omnibus regulatory updates amount to approximately 22% for and 32% for CapEx.

<sup>32</sup> N/A: Not Applicable.

<sup>33</sup> N/A: Not Applicable.

## Events after the reporting period

On 28 January 2026, the Bank of Italy authorised the acquisition by Banca Sella of 50% of Hype's capital held by illimity Bank and the remaining 50% stake held by the parent company Banca Sella Holding. The transaction, which had been announced on 3 November, was then completed on 6 February 2026.

On 28 January 2026, illimity Bank completed a sale of credit loans recognised among assets held for sale for a value of EUR 41 million, in line with the carrying amount in the Financial Statements as at 31 December 2025.

The Board of Directors of illimity Bank, which met in Milan on Monday 9 February 2026, approved the appointment of Raffaele Zingone as the new Chief Executive Officer of the company. Mr. Zingone, who will also retain his role as Co-General Manager and Chief Commercial Officer of Banca Ifis, takes over from Frederik Geertman, current Chief Executive Officer of Banca Ifis and head of illimity Bank since last September.

## Business outlook

In the current macroeconomic context, the Italian and European economies are experiencing moderate but stable growth, following the slowdown recorded in 2025. The latest forecasts from 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 in investment and recovering domestic demand.

After peaking in the previous two years, inflation is gradually returning to the 2% target, thanks to lower energy prices and easing tensions on food and industrial goods. This development has allowed the European Central Bank to begin a cycle of reference rate reductions, which is set to continue, albeit gradually, throughout 2026.

The lower interest rate climate is helping to improve loan conditions for households and businesses, with positive effects on loan disbursement and deposit volumes, but it is also putting downward pressure on bank net interest income.

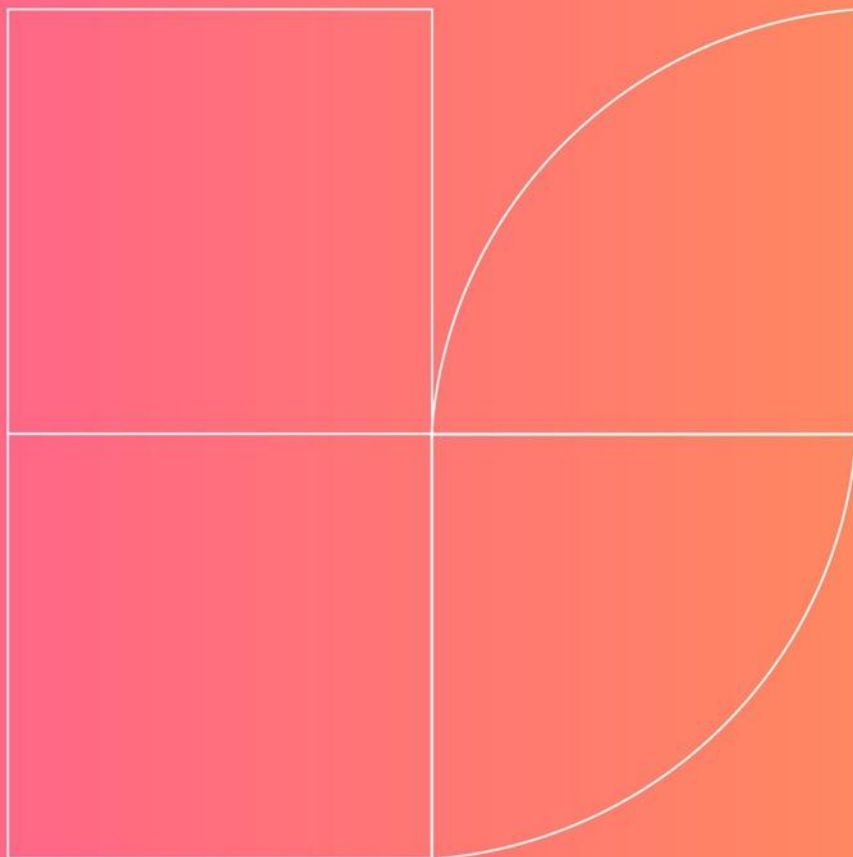
At international level, however, factors of uncertainty remain, linked to the volatility of the financial markets, the geopolitical situation in certain areas of the world and the evolution of fiscal policies in the main European countries.

The ongoing war involving Iran has escalated from a regional crisis into geopolitical uncertainty, with potential macroeconomic implications that are currently unforeseeable. The conflict has driven up oil and gas prices and, should it persist for several months, could fuel inflationary pressures and curb global growth.

Having taken into account the positive conclusion of the OPAS (public tender and exchange offer), the development of the Bank's activities will continue within the management and strategic guidelines of the new Group to which it belongs.

# Consolidated Financial Statements

as of 31 December 2025



**CONSOLIDATED BALANCE SHEET**

| <b>Assets</b>       |                                                                            | <b>31/12/2025</b> | <b>31/12/2024</b> |
|---------------------|----------------------------------------------------------------------------|-------------------|-------------------|
| 10.                 | Cash and cash equivalents                                                  | 229,715           | 387,264           |
| 20.                 | Financial assets measured at fair value through profit or loss             | 513,885           | 563,222           |
|                     | a) financial assets held for trading                                       | 12,519            | 44,029            |
|                     | c) other financial assets mandatorily measured at fair value               | 501,366           | 519,193           |
| 30.                 | Financial assets measured at fair value through other comprehensive income | 544,166           | 748,027           |
| 40.                 | Financial assets measured at amortised cost                                | 5,119,518         | 5,961,177         |
|                     | a) loans to banks                                                          | 98,023            | 269,813           |
|                     | b) loans to customers                                                      | 5,021,495         | 5,691,364         |
| 50.                 | Hedging derivatives                                                        | 37,482            | 29,385            |
| 70.                 | Equity investments                                                         | 32,056            | 140,159           |
| 90.                 | Property and equipment                                                     | 50,912            | 89,389            |
| 100.                | Intangible assets                                                          | 44,594            | 64,281            |
|                     | of which:                                                                  |                   |                   |
|                     | - goodwill                                                                 | 21,971            | 33,731            |
| 110.                | Tax assets                                                                 | 95,105            | 102,801           |
|                     | a) current                                                                 | 29,234            | 24,455            |
|                     | b) deferred                                                                | 65,871            | 78,346            |
| 120.                | Non-current assets held for sale and discontinued operations               | 146,843           | 3,029             |
| 130.                | Other assets                                                               | 241,921           | 313,792           |
| <b>Total assets</b> |                                                                            | <b>7,056,197</b>  | <b>8,402,526</b>  |

**CONTINUED: CONSOLIDATED BALANCE SHEET**

| <b>Liabilities and shareholders' equity</b>       |                                                                  | <b>31/12/2025</b> | <b>31/12/2024</b> |
|---------------------------------------------------|------------------------------------------------------------------|-------------------|-------------------|
| 10.                                               | Financial liabilities measured at amortised cost                 | 6,260,487         | 7,249,492         |
|                                                   | a) due to banks                                                  | 726,634           | 865,168           |
|                                                   | b) due to customers                                              | 4,959,376         | 5,332,457         |
|                                                   | c) securities issued                                             | 574,477           | 1,051,867         |
| 20.                                               | Financial liabilities held for trading                           | 12,742            | 45,107            |
| 40.                                               | Hedging derivatives                                              | 16,556            | 43                |
| 50.                                               | Value adjustments of generic hedging financial liabilities (+/-) | (2,861)           | -                 |
| 60.                                               | Tax liabilities                                                  | 3,296             | 5,821             |
|                                                   | a) current                                                       | 472               | 1                 |
|                                                   | b) deferred                                                      | 2,824             | 5,820             |
| 80.                                               | Other liabilities                                                | 154,183           | 172,785           |
| 90.                                               | Employee severance pay                                           | 4,289             | 4,666             |
| 100.                                              | Funds for risks and charges                                      | 17,048            | 25,122            |
|                                                   | a) commitments and guarantees issued                             | 2,223             | 2,290             |
|                                                   | b) post-employment benefits and similar obligations              | 61                | 46                |
|                                                   | c) other allowances for risks and charges                        | 14,764            | 22,786            |
| 120.                                              | Valuation reserves                                               | (12,627)          | (18,298)          |
| 150.                                              | Reserves                                                         | 228,569           | 276,527           |
| 160.                                              | Share premium reserve                                            | 624,922           | 624,937           |
| 170.                                              | Share capital                                                    | 54,789            | 54,789            |
| 180.                                              | Treasury shares (-)                                              | (5,070)           | (5,354)           |
| 190.                                              | Equity attributable to minority interests (+/-)                  | 4,927             | 5,289             |
| 200.                                              | Profit (Loss) for the year (+/-)                                 | (305,053)         | (38,400)          |
| <b>Total liabilities and shareholders' equity</b> |                                                                  | <b>7,056,197</b>  | <b>8,402,526</b>  |

**CONSOLIDATED INCOME STATEMENT**

| Items                                                                                                          | 31/12/2025       | 31/12/2024       |
|----------------------------------------------------------------------------------------------------------------|------------------|------------------|
| 10. Interest income and similar income                                                                         | 351,319          | 435,303          |
| of which: interest income calculated according to the effective interest method                                | 344,187          | 393,795          |
| 20. Interest expenses and similar charges                                                                      | (237,694)        | (276,731)        |
| <b>30. Net interest income</b>                                                                                 | <b>113,625</b>   | <b>158,572</b>   |
| 40. Fees and commission income                                                                                 | 76,124           | 92,082           |
| 50. Fees and commission expense                                                                                | (14,726)         | (10,487)         |
| <b>60. Net fees and commissions</b>                                                                            | <b>61,398</b>    | <b>81,595</b>    |
| 70. Dividends and similar income                                                                               | 2,838            | 257              |
| 80. Net profit (loss) on trading                                                                               | 391              | 9,004            |
| 90. Net profit (loss) in hedge accounting                                                                      | 67               | 257              |
| 100. Profits (losses) on disposal or repurchase of:                                                            | 5,180            | 3,529            |
| a) financial assets measured at amortised cost                                                                 | 7,154            | 3,037            |
| b) financial assets measured at fair value through other comprehensive income                                  | (1,974)          | 512              |
| c) financial liabilities                                                                                       | -                | (20)             |
| 110. Net profit (loss) on other financial assets and liabilities measured at fair value through profit or loss | (2,424)          | 3,703            |
| b) other financial assets mandatorily measured at fair value                                                   | (2,424)          | 3,703            |
| <b>120. Operating income</b>                                                                                   | <b>181,075</b>   | <b>256,917</b>   |
| 130. Net value adjustments for credit risks associated with:                                                   | (196,441)        | (124,736)        |
| a) financial assets measured at amortised cost                                                                 | (195,233)        | (125,121)        |
| b) financial assets measured at fair value through other comprehensive income                                  | (1,208)          | 385              |
| 140. Profits/losses on changes in contracts without derecognition                                              | (788)            | -                |
| <b>150. Net profit (loss) from banking activities</b>                                                          | <b>(16,154)</b>  | <b>132,181</b>   |
| <b>180. Net profit (loss) of banking and insurance management</b>                                              | <b>(16,154)</b>  | <b>132,181</b>   |
| 190. Administrative expenses:                                                                                  | (217,185)        | (152,955)        |
| a) personnel expenses                                                                                          | (81,874)         | (72,052)         |
| b) other administrative expenses                                                                               | (135,311)        | (80,903)         |
| 200. Net provisions to allowances for risks and charges                                                        | (17,454)         | (17,514)         |
| a) commitments and guarantees issued                                                                           | 34               | 3,064            |
| b) other net provisions                                                                                        | (17,488)         | (20,578)         |
| 210. Net value adjustments on property and equipment                                                           | (8,370)          | (6,705)          |
| 220. Net value adjustments on intangible assets                                                                | (10,126)         | (8,056)          |
| 230. Net other income/expenses                                                                                 | 12,429           | 17,442           |
| <b>240. Operating costs</b>                                                                                    | <b>(240,706)</b> | <b>(167,788)</b> |
| 250. Profit (Losses) on equity investments                                                                     | (28,796)         | 807              |
| 270. Goodwill value adjustments                                                                                | (11,760)         | (38,716)         |
| 280. Profit (Loss) from disposal of investments                                                                | 817              | 1,252            |
| <b>290. Profit (loss) from continuing operations before tax</b>                                                | <b>(296,599)</b> | <b>(72,264)</b>  |
| 300. Income taxes for the year on continuing operations                                                        | (9,666)          | 12,319           |
| <b>310. Profit (Loss) from continuing operations after tax</b>                                                 | <b>(306,265)</b> | <b>(59,945)</b>  |
| 320. Profit (Loss) from discontinued operations after tax                                                      | -                | 19,190           |
| <b>330. Profit (Loss) for the year</b>                                                                         | <b>(306,265)</b> | <b>(40,755)</b>  |
| 340. Profit (Loss) for the year attributable to minority interests                                             | 1,212            | 2,355            |
| <b>350. Profit (Loss) for the year attributable to the parent company</b>                                      | <b>(305,053)</b> | <b>(38,400)</b>  |

**STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME**

| Items       |                                                                                                  | 31/12/2025       | 31/12/2024      |
|-------------|--------------------------------------------------------------------------------------------------|------------------|-----------------|
| <b>10.</b>  | <b>Profit (Loss) for the year</b>                                                                | <b>(306,265)</b> | <b>(40,755)</b> |
|             | <b>Other income components, after tax, that may not be reclassified to the income statement</b>  |                  |                 |
| 20.         | Equity instruments measured at fair value through other comprehensive income                     | (788)            | -               |
| 70.         | Defined-benefit plans                                                                            | 245              | 71              |
| 90.         | Share of valuation reserves for equity investments measured at shareholders' equity:             | 10               | 15              |
|             | <b>Other income components, after taxes, that may be reclassified to the income statement</b>    |                  |                 |
| 150.        | Financial assets (other than equities) measured at fair value through other comprehensive income | 6,212            | 11,640          |
| <b>200.</b> | <b>Total other income components after tax</b>                                                   | <b>5,679</b>     | <b>11,726</b>   |
| <b>210.</b> | <b>Comprehensive income (Item 10+200)</b>                                                        | <b>(300,586)</b> | <b>(29,029)</b> |
| 220.        | Consolidated comprehensive income attributable to minority interests                             | 1,204            | 2,351           |
| <b>230.</b> | <b>Consolidated comprehensive income attributable to the parent company</b>                      | <b>(299,382)</b> | <b>(26,678)</b> |



## STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY AS OF 31 DECEMBER 2025

|                                                         | Balance on 31 December 2024 | Change to opening balances | Balance on 1 January 2025 | Allocation of result for the previous year |                                 | Changes in the year |                                   |                             |                               |                              |                                |               |                             |                                   | Consolidated shareholders' equity as of 31/12/2025 | Group shareholders' equity as of 31/12/2025 | Shareholders' equity attributable to minority interests as of 31/12/2025 |         |
|---------------------------------------------------------|-----------------------------|----------------------------|---------------------------|--------------------------------------------|---------------------------------|---------------------|-----------------------------------|-----------------------------|-------------------------------|------------------------------|--------------------------------|---------------|-----------------------------|-----------------------------------|----------------------------------------------------|---------------------------------------------|--------------------------------------------------------------------------|---------|
|                                                         |                             |                            |                           | Reserves                                   | Dividends and other allocations | Change in reserves  | Shareholders' equity transactions |                             |                               |                              |                                |               |                             |                                   |                                                    |                                             |                                                                          |         |
|                                                         |                             |                            |                           |                                            |                                 |                     | Issue of new shares               | Purchase of treasury shares | Extraordinary distribution of | Change in equity instruments | Derivatives on treasury shares | Stock options | Changes in equity interests | Comprehensive income for the year |                                                    |                                             |                                                                          |         |
| Share capital:                                          |                             |                            |                           |                                            |                                 |                     |                                   |                             |                               |                              |                                |               |                             |                                   |                                                    |                                             |                                                                          |         |
| a) ordinary shares                                      | 54,803                      | -                          | 54,803                    | -                                          | -                               | -                   | -                                 | -                           | -                             | -                            | -                              | -             | -                           | -                                 | -                                                  | 54,803                                      | 54,789                                                                   | 14      |
| b) other shares                                         | 3,284                       | -                          | 3,284                     | -                                          | -                               | -                   | -                                 | -                           | -                             | -                            | -                              | -             | -                           | 842                               | -                                                  | 4,126                                       | -                                                                        | 4,126   |
| Share premium reserve                                   | 629,926                     | -                          | 629,926                   | -                                          | -                               | -                   | -                                 | -                           | -                             | -                            | -                              | -             | (15)                        | -                                 | -                                                  | 629,911                                     | 624,922                                                                  | 4,989   |
| Reserves:                                               |                             |                            |                           |                                            |                                 |                     |                                   |                             |                               |                              |                                |               |                             |                                   |                                                    |                                             |                                                                          |         |
| a) of profits                                           | 237,277                     | -                          | 237,277                   | (40,755)                                   | -                               | -                   | -                                 | -                           | -                             | -                            | -                              | -             | (2,037)                     | -                                 | -                                                  | 194,485                                     | 197,479                                                                  | (2,994) |
| b) other                                                | 38,611                      | -                          | 38,611                    | -                                          | -                               | (7,521)             | -                                 | -                           | -                             | -                            | -                              | -             | -                           | -                                 | -                                                  | 31,090                                      | 31,090                                                                   | -       |
| Valuation reserves                                      | (18,302)                    | -                          | (18,302)                  | -                                          | -                               | -                   | -                                 | -                           | -                             | -                            | -                              | -             | -                           | -                                 | 5,679                                              | (12,623)                                    | (12,627)                                                                 | 4       |
| Equity instruments                                      | -                           | -                          | -                         | -                                          | -                               | -                   | -                                 | -                           | -                             | -                            | -                              | -             | -                           | -                                 | -                                                  | -                                           | -                                                                        | -       |
| Treasury shares                                         | (5,354)                     | -                          | (5,354)                   | -                                          | -                               | -                   | -                                 | -                           | -                             | -                            | -                              | -             | 284                         | -                                 | -                                                  | (5,070)                                     | (5,070)                                                                  | -       |
| Profit (Loss) for the year                              | (40,755)                    | -                          | (40,755)                  | 40,755                                     | -                               | -                   | -                                 | -                           | -                             | -                            | -                              | -             | -                           | -                                 | (306,265)                                          | (306,265)                                   | (305,053)                                                                | (1,212) |
| Consolidated Shareholders' Equity                       | 899,490                     | -                          | 899,490                   | -                                          | -                               | (7,521)             | -                                 | -                           | -                             | -                            | -                              | -             | (1,768)                     | 842                               | (300,586)                                          | 590,457                                     | X                                                                        | X       |
| Group shareholders' equity                              | 894,201                     | -                          | 894,201                   | -                                          | -                               | (7,521)             | -                                 | -                           | -                             | -                            | -                              | -             | (1,768)                     | -                                 | (299,382)                                          | X                                           | 585,530                                                                  | X       |
| Shareholders' equity attributable to minority interests | 5,289                       | -                          | 5,289                     | -                                          | -                               | -                   | -                                 | -                           | -                             | -                            | -                              | -             | -                           | 842                               | (1,204)                                            | X                                           | X                                                                        | 4,927   |

## STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY AS OF 31 DECEMBER 2024

|                                                         | Balance on 31 December 2023 | Change to opening balances | Balance on 1 January 2024 | Allocation of result for the previous year |                                 | Changes in the year |                                   |                             |                               |                              |                                |               |                             |                                   |          | Consolidated shareholders' equity as of 31/12/2024 | Group shareholders' equity as of 31/12/2024 | Shareholders' equity attributable to minority interests as of 31/12/2024 |
|---------------------------------------------------------|-----------------------------|----------------------------|---------------------------|--------------------------------------------|---------------------------------|---------------------|-----------------------------------|-----------------------------|-------------------------------|------------------------------|--------------------------------|---------------|-----------------------------|-----------------------------------|----------|----------------------------------------------------|---------------------------------------------|--------------------------------------------------------------------------|
|                                                         |                             |                            |                           | Reserves                                   | Dividends and other allocations | Change in reserves  | Shareholders' equity transactions |                             |                               |                              |                                |               |                             |                                   |          |                                                    |                                             |                                                                          |
|                                                         |                             |                            |                           |                                            |                                 |                     | Issue of new shares               | Purchase of treasury shares | Extraordinary distribution of | Change in equity instruments | Derivatives on treasury shares | Stock options | Changes in equity interests | Comprehensive income for the year |          |                                                    |                                             |                                                                          |
| Share capital:                                          |                             |                            |                           |                                            |                                 |                     |                                   |                             |                               |                              |                                |               |                             |                                   |          |                                                    |                                             |                                                                          |
| a) ordinary shares                                      | 54,705                      | -                          | 54,705                    | -                                          | -                               | -                   | -                                 | -                           | -                             | -                            | -                              | 98            | -                           | -                                 | 54,803   | 54,789                                             | 14                                          |                                                                          |
| b) other shares                                         | 1,200                       | -                          | 1,200                     | -                                          | -                               | -                   | -                                 | -                           | -                             | -                            | -                              | -             | 2,084                       | -                                 | 3,284    | -                                                  | 3,284                                       |                                                                          |
| Share premium reserve                                   | 629,572                     | -                          | 629,572                   | -                                          | -                               | 354                 | -                                 | -                           | -                             | -                            | -                              | -             | -                           | -                                 | 629,926  | 624,937                                            | 4,989                                       |                                                                          |
| Reserves:                                               |                             |                            |                           |                                            |                                 |                     |                                   |                             |                               |                              |                                |               |                             |                                   |          |                                                    |                                             |                                                                          |
| a) of profits                                           | 160,566                     | -                          | 160,566                   | 82,917                                     | 22                              | (373)               | -                                 | -                           | (36)                          | -                            | -                              | (5,819)       | -                           | -                                 | 237,277  | 237,916                                            | (639)                                       |                                                                          |
| b) other                                                | 37,020                      | -                          | 37,020                    | -                                          | -                               | 1,591               | -                                 | -                           | -                             | -                            | -                              | -             | -                           | -                                 | 38,611   | 38,611                                             | -                                           |                                                                          |
| Valuation reserves                                      | (30,028)                    | -                          | (30,028)                  | -                                          | -                               | -                   | -                                 | -                           | -                             | -                            | -                              | -             | -                           | 11,726                            | (18,302) | (18,298)                                           | (4)                                         |                                                                          |
| Equity instruments                                      | -                           | -                          | -                         | -                                          | -                               | -                   | -                                 | -                           | -                             | -                            | -                              | -             | -                           | -                                 | -        | -                                                  | -                                           |                                                                          |
| Treasury shares                                         | (747)                       | -                          | (747)                     | -                                          | -                               | -                   | -                                 | (4,896)                     | -                             | -                            | -                              | 289           | -                           | -                                 | (5,354)  | (5,354)                                            | -                                           |                                                                          |
| Profit (Loss) for the year                              | 103,814                     | -                          | 103,814                   | (82,917)                                   | (20,897)                        | -                   | -                                 | -                           | -                             | -                            | -                              | -             | -                           | (40,755)                          | (40,755) | (38,400)                                           | (2,355)                                     |                                                                          |
| Consolidated Shareholders' Equity                       | 956,102                     | -                          | 956,102                   | -                                          | (20,875)                        | 1,572               | -                                 | (4,896)                     | (36)                          | -                            | -                              | (5,432)       | 2,084                       | (29,029)                          | 899,490  | X                                                  | X                                           |                                                                          |
| Group shareholders' equity                              | 950,491                     | -                          | 950,491                   | -                                          | (20,856)                        | 1,572               | -                                 | (4,896)                     | -                             | -                            | -                              | (5,432)       | -                           | (26,678)                          | X        | 894,201                                            | X                                           |                                                                          |
| Shareholders' equity attributable to minority interests | 5,611                       | -                          | 5,611                     | -                                          | (19)                            | -                   | -                                 | -                           | (36)                          | -                            | -                              | -             | 2,084                       | (2,351)                           | X        | X                                                  | 5,289                                       |                                                                          |

## CONSOLIDATED CASH FLOW STATEMENT

| A. OPERATING ACTIVITIES                                                                                                                      | Amount             |                    |
|----------------------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------|
|                                                                                                                                              | 31/12/2025         | 31/12/2024         |
| <b>1. Operations</b>                                                                                                                         | <b>45,904</b>      | <b>102,122</b>     |
| Net profit/loss for the year (+/-)                                                                                                           | (306,265)          | (40,755)           |
| Gains/losses on financial assets held for trading and other financial assets/liabilities measured at fair value through profit or loss (-/+) | 23,203             | (5,502)            |
| Gains/losses on hedging activities (-/+)                                                                                                     | 1,518              | (266)              |
| Net value adjustments for credit risk (+/-)                                                                                                  | 191,324            | 134,641            |
| Net value adjustments on property and equipment and intangible assets (+/-)                                                                  | 18,496             | 14,761             |
| Net provisions to allowances for risks and charges and other costs/revenue (+/-)                                                             | 26,283             | 21,120             |
| Net revenues and costs relating to insurance policies issued and disposals in reinsurance (-/+)                                              | -                  | -                  |
| Taxes, duties and unpaid tax credits (+)                                                                                                     | 12,765             | (9,506)            |
| Net value adjustments on discontinued operations, net of the tax effect (+/-)                                                                | -                  | (4,526)            |
| Other adjustments (+/-)                                                                                                                      | 78,580             | (7,845)            |
| <b>2. Cash flow generated/absorbed by financial assets</b>                                                                                   | <b>883,455</b>     | <b>(1,193,631)</b> |
| Financial assets held for trading                                                                                                            | 27,271             | (11,931)           |
| Financial assets designated at fair value                                                                                                    | -                  | -                  |
| Other financial assets mandatorily measured at fair value                                                                                    | (1,133)            | 21,013             |
| Financial assets measured at fair value through other comprehensive income                                                                   | 203,986            | (265,831)          |
| Financial assets measured at amortised cost                                                                                                  | 603,440            | (939,700)          |
| Other assets                                                                                                                                 | 49,891             | 2,818              |
| <b>3. Cash flow generated/absorbed by financial liabilities</b>                                                                              | <b>(1,104,538)</b> | <b>1,083,882</b>   |
| Financial liabilities measured at amortised cost                                                                                             | (1,013,489)        | 1,117,614          |
| Financial liabilities held for trading                                                                                                       | (32,365)           | 25,631             |
| Financial liabilities designated at fair value                                                                                               | -                  | -                  |
| Other liabilities                                                                                                                            | (58,684)           | (59,363)           |
| <b>Cash generated/absorbed by insurance contracts issued and disposals in reinsurance</b>                                                    | <b>-</b>           | <b>-</b>           |
| Insurance policies issued that constitute liabilities/assets (+/-)                                                                           | -                  | -                  |
| Disposals in reinsurance that constitute assets/liabilities (+/-)                                                                            | -                  | -                  |
| <b>Net cash generated/absorbed by operating activities</b>                                                                                   | <b>(175,179)</b>   | <b>(7,627)</b>     |

| B. INVESTING ACTIVITIES                                    | Amount         |                 |
|------------------------------------------------------------|----------------|-----------------|
|                                                            | 31/12/2025     | 31/12/2024      |
| <b>1. Cash flows from</b>                                  | <b>19,630</b>  | <b>8,370</b>    |
| Sales of equity investments                                | -              | -               |
| Dividends received on equity investments                   | -              | -               |
| Sales of property and equipment                            | 19,630         | 8,370           |
| Sales of intangible assets                                 | -              | -               |
| Sales of subsidiaries and business units                   | -              | -               |
| <b>2. Cash flows used in</b>                               | <b>(2,000)</b> | <b>(19,367)</b> |
| Purchases of equity investments                            | (2,000)        | -               |
| Purchases of property and equipment                        | -              | (2,010)         |
| Purchases of intangible assets                             | -              | (17,357)        |
| Purchases of subsidiaries and business units               | -              | -               |
| <b>Net cash generated/absorbed by investing activities</b> | <b>17,630</b>  | <b>(10,997)</b> |

| C. FINANCING ACTIVITIES                                    | Amount           |                 |
|------------------------------------------------------------|------------------|-----------------|
|                                                            | 31/12/2025       | 31/12/2024      |
| Issues/purchases of treasury shares                        | -                | (4,897)         |
| Issues/purchases of equity instruments                     | -                | -               |
| Distribution of dividends and other purposes               | -                | (20,911)        |
| Sale/purchase of third-party control                       | -                | -               |
| <b>Net cash generated/absorbed by financing activities</b> | <b>-</b>         | <b>(25,808)</b> |
| <b>NET CASH GENERATED/ABSORBED IN THE YEAR</b>             | <b>(157,549)</b> | <b>(44,432)</b> |

KEY:

(+) generated

(-) absorbed

**Reconciliation**

| FINANCIAL STATEMENT ITEMS                               | Amount         |                |
|---------------------------------------------------------|----------------|----------------|
|                                                         | 31/12/2025     | 31/12/2024     |
| Cash and cash equivalents at the beginning of the year  | <b>387,264</b> | <b>431,696</b> |
| Total net cash generated/absorbed in the year           | (157,549)      | (44,432)       |
| Cash and cash equivalents: foreign exchange effect      | -              | -              |
| <b>Cash and cash equivalents at the end of the year</b> | <b>229,715</b> | <b>387,264</b> |

With reference to 2025, it should be noted that there are no net cash flows attributed to discontinued operations.

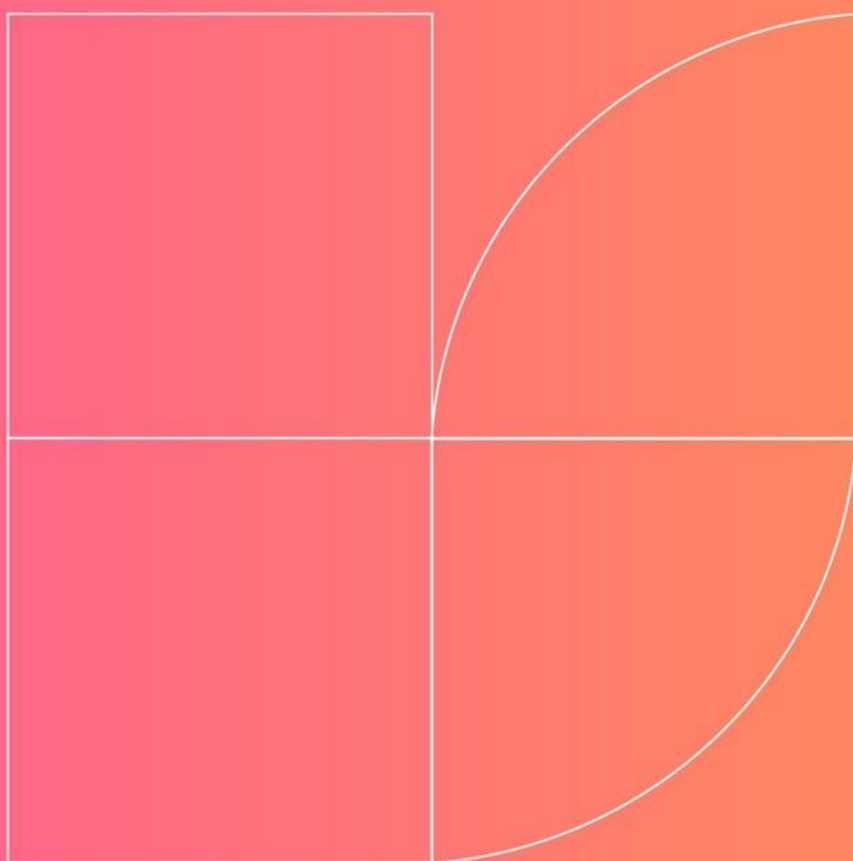
With regard to 2024, it should be noted that, in accordance with IFRS5 paragraph 33, letter c, the net cash flows attributed to discontinued operations amounted to a negative EUR 12 million, classified under Operating Assets. Furthermore, there are no net cash flows for the investment and financing activities categories.

The information required by IAS 7 paragraph 44 A and B is highlighted below.

| DISCLOSURE IAS 7 paragraphs 44 A and B<br>(in thousands of EUR)               | 31/12/2024 | Cash flows  | Non-monetary changes |        | 31/12/2025 |
|-------------------------------------------------------------------------------|------------|-------------|----------------------|--------|------------|
|                                                                               |            |             | Change of fair value | Other  |            |
| Liabilities arising from financing activities (items 10-20-30 of liabilities) | 7,294,599  | (1,045,854) | 2,307                | 22,177 | 6,273,229  |

# Consolidated Explanatory Notes

as of 31 December 2025



# PART A – Accounting policies

## A.1 General information

### Section 1 - Statement of compliance with International Accounting Standards

These Consolidated Financial Statements have been prepared in accordance with the IAS/IFRS international accounting standards issued by the International Accounting Standards Board (IASB) approved by the European Commission and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as established by Community Regulation no. 1606 of 19 July 2002.

In preparing these consolidated financial statements, the IAS/IFRS in force as of 31 December 2025 were applied, including the SIC and IFRIC interpretations as endorsed by the European Commission. There were no derogations from the IAS/IFRS.

With reference to the financial statements of banks and financial companies subject to supervision, the Bank of Italy has established, by Circular 262 of 22 December 2005, as amended, the financial statements and Explanatory Notes formats used for the drafting of these Financial Statements. When preparing the consolidated financial statements, the provisions of Circular 262 - 8th update, issued on 17 November 2022, were applied.

The communications of the Supervisory Bodies (Bank of Italy, ECB, Consob and ESMA) were also considered, to the extent applicable, the recommendations of which were provided on the disclosure to be reported in the Consolidated Financial Statements, regarding certain aspects of greater relevance in the accounting field or concerning the accounting treatment of particular transactions.

For an overview of the accounting standards and related interpretations approved by the European Commission, whose application is scheduled for 2025 or for future years, please refer to that which is subsequently illustrated.

The consolidated financial statements are subject to the certification, provided by the appointed management bodies and by the Financial Reporting Officer, envisaged by Article 154 *bis*, paragraph 5 of Italian Legislative Decree No. 58 of 24 February 1998.

### Section 2 - Basis of preparation

The Consolidated Financial Statements comprise the Consolidated Balance Sheet, the Consolidated Income Statement, the Statement of Consolidated Comprehensive Income, the Statement of Changes in Shareholders' Equity, the Cash Flow Statement (prepared applying the "indirect" method) and the consolidated Explanatory Notes. The Consolidated Financial Statements are also accompanied by the Directors' Report on operations, on the financial performance achieved and on the Group's financial position and cash flow.

The consolidated Report on Operations includes in a dedicated section the disclosures relating to the Consolidated Sustainability Statement, in compliance with Directive (EU) 2022/2464 on corporate sustainability reporting (*Corporate Sustainability Reporting Directive – CSRD*), in line with the requirements of European and national transposition legislation.

In accordance with Delegated Regulation (EU) 2019/815 on "Regulatory technical standards on the specification of a single electronic reporting format", illimity, as an issuer whose securities are traded on a regulated market of the European Union, is publishing this annual financial report in digital format, i.e. using iXBRL tagging.

In accordance with Article 5 of Italian Legislative Decree no. 38/2005, the financial statements have been drafted using the Euro as the reporting currency. The amounts presented in the consolidated financial statements and in the Explanatory Notes are stated in thousands of euro, unless otherwise indicated. Any discrepancy between the figures shown is due exclusively to rounding.

These Consolidated Financial Statements have been prepared assuming that the Group will continue as a going concern, since there are no significant uncertainties regarding events or conditions that may lead to doubts as to the Group's ability to continue to operate as a going concern. The valuation criteria adopted are therefore consistent with the assumption of a going concern and comply with the principles of accrual,

relevance and materiality of accounting information and the precedence of economic substance over legal form. These criteria remained unchanged from the previous year.

The Financial Statements are prepared in accordance with IAS 1 and the specific accounting standards approved by the European Commission as illustrated in the “Section on the main financial statement items” of these Explanatory Notes.

The Financial Statements have been drafted with clarity and provide a true and fair view of the financial situation and economic result of illimity Bank S.p.A. (the “Parent Company”) and subsidiaries and/or consolidated companies as of 31 December 2025, as described in the section “Consolidation scope and methods”.

The general principles used in the preparation of the Financial Statements are outlined below:

- going concern basis: the valuations are made on a going-concern basis;
- accruals principle: costs and revenues are recognised in the period in which they accrue in relation to the services received and supplied, regardless of the date of cash settlement;
- consistency of representation: to guarantee the comparability of the data and information in the financial statements and related formats, the representation and classification methods are kept the same over time, unless they need be changed to comply with international accounting standards or interpretations, or unless necessary to make the presentation of data more significant and reliable;
- materiality and aggregation: each major class of items with a similar nature or function is shown separately in the balance sheet and income statement; items with different functions or of different types, if material, are represented separately;
- no offsetting: a no offsetting principle is applied unless provided for or permitted under the international accounting standards or interpretations, or by the Bank of Italy Circular 262 of 22 December 2005 as amended;
- comparability with the previous year: the Financial Statements and formats show the amounts from the previous year, which may be adapted to ensure comparability;
- the Financial Statements are prepared on the basis of substance over form and in accordance with the principle of relevance and materiality of information.

The Consolidated Financial Statements as of 31 December 2025, which were approved by the Board of Directors on 9 March 2026, were audited by the independent auditors PricewaterhouseCoopers S.p.A..

## **Content of the Financial Statements**

### **1. Consolidated balance sheet and income statement**

The consolidated balance sheet and income statement formats consist of items, sub-items and additional details. In the consolidated income statement, revenues have been presented without plus sign, whereas costs have been stated in parentheses.

### **2. Statement of consolidated comprehensive income**

In addition to the profit (loss) for the year, the consolidated statement of comprehensive income indicates income components taken to valuation reserves, net of the relevant tax effect, in accordance with international accounting standards.

Consolidated comprehensive income is represented by breaking down the income components that will not be reinstated in the income statement in future and those which, conversely, may be subsequently reclassified under profit (loss) for the year when certain conditions are met. The statement also distinguishes the share of profit attributable to the Parent Company from that attributable to minority shareholders. Negative amounts have been stated in parentheses.

The Balance Sheet, Income Statement and Statement of Comprehensive Income do not include accounts not showing amounts for the year to which the financial statements refer or for the previous year.

### **3. Statement of changes in consolidated shareholders' equity**

The statement shows the composition of and changes in shareholders' equity during the reference financial year, broken down into share capital (ordinary and savings shares), capital reserves, earnings reserves and reserves from the measurement of assets or liabilities and net profit. The own shares in portfolio are deducted from shareholders' equity.

#### **4. Consolidated cash flow statement**

The statement of cash flow during the reporting year of the consolidated financial statements was prepared on the basis of the indirect method, according to which the cash flows from operating activities are represented by the results for the financial year, adjusted by the effects of non-monetary transactions. The cash flows are divided between those generated by operating activities, those generated by investment activities and those generated by financing activities.

In the statement, the cash flows generated during the year are indicated without plus sign, while those absorbed are indicated in parentheses.

#### **Content of the Explanatory Notes**

The Explanatory Notes include the information required by the international accounting standards and by the Circular of the Bank of Italy no. 262 issued on 22 December 2005, as amended and supplemented, applicable to the drafting of these financial statements.

### **Section 3 – Consolidation scope and methods**

The following are the consolidation criteria and principles used to prepare the Consolidated Financial Statements for the year ended 31 December 2025.

The Consolidated Financial Statements include the accounting values of illimity and of the companies over which it directly or indirectly exercises control as of 31 December 2025, encompassing within the scope of consolidation, as specifically required by the international accounting standard IFRS 10, the financial statements or reports of companies operating in business segments dissimilar to that of the Parent Company.



The scope of consolidation of the financial statements as of 31 December 2025 includes the following entities:

- **Aporti S.r.l.** ("Aporti"), in which the Bank holds 66.7% of the share capital, established to undertake the securitisation of Non-Performing Loans (hereinafter "NPLs"), through the
- subscription by the Bank of the notes issued by the securitisation vehicle established in accordance with Italian Law No. 130/1999;
- **Soperga RE S.r.l.** (REOCO) ("Soperga RE") a wholly-owned subsidiary of the Bank, established to manage the real estate assets associated with the portfolios of acquired NPLs pursuant to Article 7.1 of Italian Law no. 130/1999 on securitisation;
- **Doria LeaseCo S.r.l.** ("Doria LeaseCo"), a wholly-owned subsidiary of the Bank, established to service the lease transactions included in the portfolios of acquired NPLs, operating in accordance with Article 7.1 of Italian Law no. 130/1999 on securitisations;
- **Doria SPV S.r.l.** ("Doria SPV"), a wholly-owned subsidiary of the Bank, established to undertake the NPL lease securitisation transactions, through the subscription by the Bank of the notes issued by the securitisation vehicle established in accordance with Italian Law no. 130/1999;
- **Friuli LeaseCo S.r.l.** ("Friuli LeaseCo"), a wholly-owned subsidiary of the Bank, established to service the lease transactions included in the portfolios of acquired NPLs, operating in accordance with Article 7.1 of Italian Law no. 130/1999 on securitisations;
- **Friuli SPV S.r.l.** ("Friuli SPV"), a wholly-owned subsidiary of the Bank, established to undertake the NPL lease securitisation transactions, through the subscription by the Bank of the notes issued by the securitisation vehicle established in accordance with Italian Law no. 130/1999;
- **Pitti LeaseCo S.r.l.** ("Pitti LeaseCo"), a wholly-owned subsidiary of the Bank, established to service the lease transactions included in the portfolios of acquired NPLs, operating in accordance with Article 7.1 of Italian Law no. 130/1999 on securitisations;
- **Pitti SPV S.r.l.** ("Doria SPV"), a wholly-owned subsidiary of the Bank, established to undertake the NPL lease securitisation transactions, through the subscription by the Bank of the notes issued by the securitisation vehicle established in accordance with Italian Law no. 130/1999;
- **River LeaseCo S.r.l.** ("River LeaseCo"), a wholly-owned subsidiary of the Bank, established to service the lease transactions included in the portfolios of acquired NPLs, operating in accordance with Article 7.1 of Italian Law no. 130/1999 on securitisations;
- **River SPV S.r.l.** ("River SPV"), a wholly-owned subsidiary of the Bank, established to undertake the NPL lease securitisation transactions, through the subscription by the Bank of the notes issued by the securitisation vehicle established in accordance with Italian Law no. 130/1999;
- **River Immobiliare S.r.l.** ("River Immobiliare"), a wholly-owned subsidiary of the Bank, set up for the purchase, the sale and management – aimed at the disposal – of the properties owned by the company.
- **ARECneprix S.p.A.** ("ARECneprix"), a wholly-owned subsidiary of the Bank mainly operating in the non-performing loan sector, relying on the services of professionals with specific experience and know-how in assessing and managing non-performing loans;
- **Fürstenberg SGR S.p.A.** ("Fürstenberg SGR", formerly illimity SGR), a wholly-owned subsidiary of the Bank, which manages the assets of closed-end alternative investment funds (AIFs), established with own funds and the funds of third-party institutional investors;
- **Abilio S.p.A.** ("Abilio"), in which the Bank holds 82% of the share capital, a company whose purpose is to execute real estate operations and develop and organise sales through online and offline public auctions;
- **Quimmo Prestige Agency S.r.l.** ("Quimmo Prestige Agency"), a wholly-owned subsidiary of Abilio, a real-estate broker that handles sales and leases and certifies the value of properties and companies for third parties;
- **Quimmo Agency S.r.l.** ("Quimmo Agency"), a wholly-owned subsidiary of Abilio, a real-estate broker that handles sales and leases and certifies the value of properties and companies for third parties;
- **MAUI SPE S.r.l.** ("MAUI SPE"), established to undertake the NPL lease securitisation transactions, through the subscription by the Bank of the notes issued by the securitisation vehicle established in accordance with Italian Law no. 130/1999;
- **Piedmont SPV S.r.l.** ("Piedmont SPV"), established to undertake the securitisation of receivables, through the subscription by the Bank of the notes issued by the securitisation vehicle established in accordance with Italian Law no. 130/1999;

- **Dagobah LeaseCo S.r.l.** ("Dagobah LeaseCo"), a wholly-owned subsidiary of the Bank, established to service the lease transactions included in the portfolios of acquired NPLs, operating in accordance with Article 7.1 of Italian Law no. 130/1999 on securitisations;
- **Dagobah SPV S.r.l.** ("Dagobah SPV"), a wholly-owned subsidiary of the Bank, established to undertake the NPL lease securitisation transactions, through the subscription by the Bank of the notes issued by the securitisation vehicle established in accordance with Italian Law no. 130/1999;
- **Spicy Green SPV S.r.l.** ("Spicy Green SPV"), established to undertake the securitisation of receivables in the energy sector, through the subscription by the Bank of the notes issued by the securitisation vehicle established in accordance with Italian Law no. 130/1999;
- **SpicyCo 2 S.r.l.** ("SpicyCo 2"), which is responsible for the acquisition, management and sale of equity investments;
- **INGENII Open Finance** ("INGENII Open Finance Fund") in which the Bank subscribed 98.52% of the UCIT units, set up as an closed-end reserved alternative investment fund, established and managed by INGENII SGR S.p.A.;
- **Sileno SPV S.r.l.** ("Sileno SPV"), a wholly-owned subsidiary of the Bank, established to undertake the securitisation of Non-Performing Loans (hereinafter "NPLs"), through the subscription by the Bank of the notes issued by the securitisation vehicle established in accordance with Italian Law no. 130/1999;
- **MIDA RE S.r.l.** ("Mida RE"), a wholly-owned subsidiary of the Bank, established to implement the management of real estate associated with the portfolios of acquired NPLs pursuant to Article 7.1 of Italian Law no. 130/1999;
- **GRO SPV S.r.l.** ("GRO SPV"), established to undertake the securitisation of receivables, through the subscription by the Bank of the notes issued by the securitisation vehicle established in accordance with Italian Law no. 130/1999;
- **Montes LeaseCo S.r.l.** ("Montes LeaseCo"), a wholly-owned subsidiary of the Bank, established to service the lease transactions included in the portfolios of acquired NPLs, operating in accordance with Article 7.1 of Italian Law no. 130/1999 on securitisations;
- **Montes SPV S.r.l.** ("Montes SPV"), a wholly-owned subsidiary of the Bank, established to undertake the securitisation of NPL leases, through the subscription by the Bank of the notes issued by the securitisation vehicle established in accordance with Italian Law no. 130/1999;
- **Mia SPV S.r.l.** ("Mia SPV"), a wholly-owned subsidiary of the Bank, established to undertake securitisation transactions.
- **Farky SPV S.r.l.** ("Farky SPV"), established to undertake the securitisation of receivables, through the subscription by the Bank of 95% of the notes issued by the securitisation vehicle established in accordance with Italian Law no. 130/1999;
- **Space Direct Lending Fund** ("Space Fund") in which the Bank subscribed 99.5% of the UCIT units, set up as an closed-end reserved alternative investment fund, established and managed by TeamSystem Capital at Work SGR S.p.A.;
- **Iside SPE S.r.l.** ("Iside SPE"), established to undertake the securitisation of receivables, through the subscription by the Bank of the notes issued by the securitisation vehicle established in accordance with Italian Law no. 130/1999;
- **CR Please Real Estate S.r.l.** ("CR Please"), established to undertake real estate securitisation transactions, through the subscription by Iside SPE of the notes issued by the securitisation vehicle established in accordance with Italian Law no. 130/1999;
- **Farm SPV S.r.l.** ("Farm SPV"), established to undertake the securitisation of receivables, through the subscription by the Bank of the notes issued by the securitisation vehicle established in accordance with Italian Law no. 130/1999;
- **Dome SPV S.r.l.** ("Dome SPV"), established to undertake the securitisation of receivables, through the future subscription by the Bank of the notes issued by the securitisation vehicle established in accordance with Italian Law No. 130/1999;
- **SpicyCo S.r.l.** ("SpicyCo"), of which the Bank holds 100% of the share capital, which is responsible for the acquisition, management and sale of equity investments;
- **Enervitabio San Giuseppe Società Agricola S.r.l.** (Enervitabio), a wholly-owned subsidiary of SpicyCo, a company producing electricity from renewable sources;
- **Renit CPV S.r.l.** (Renit), a wholly-owned subsidiary of SpicyCo, a company producing electricity from renewable sources;
- **Little Spicy S.r.l.** (Little Spicy), a wholly-owned subsidiary of SpicyCo, a company producing electricity from renewable sources;

- **Vela 2023 LeaseCo S.r.l.** ("Vela 2023 LeaseCo"), a wholly-owned subsidiary of the Bank, which was established to manage lease transactions included in the securitised NPL portfolios;
- **Eolo LeaseCo S.r.l.** ("Eolo LeaseCo"), a wholly-owned subsidiary of the Bank, which was established to manage lease transactions included in the securitised NPL portfolios;
- **INGENII Boost Finance** ("INGENII Boost Finance Fund"), in which the Bank subscribed 98.7% of the UCIT units, set up as an closed-end reserved alternative investment fund, established and managed by INGENII SGR S.p.A.;
- **Havana SPV S.r.l.** ("Havana SPV"), established to undertake the securitisation of receivables, through the future subscription by the Bank of the notes issued by the securitisation vehicle established in accordance with Italian Law no. 130/1999;
- **iREC Leaseco S.r.l.** ("iREC Leaseco"), a wholly owned subsidiary of the Bank, which was established to manage lease transactions included in the securitised NPL portfolios;
- **Hype S.p.A.** ("Hype"), of which illimity holds 50% of the share capital through a joint venture with Fabrick (a company of the Sella group), that operates with a payment institute licence and is the digital solution for simple, efficient day-to-day money management. On the market since 2015, Hype has anticipated the response to the growing need of the public to access banking services in an entirely new way, offering other added value services;
- **AltermAlnd S.r.l.** ("AltermAlnd"), in which illimity holds 48% of the share capital, a company active in the creation and development of IT products and in the field of artificial intelligence;
- **LAISA – Società tra Avvocati per Azioni** ("STA") – in which the subsidiary ARECneprix holds 9.99% of the share capital – a company whose purpose is the corporate exercise of professional lawyer activities (understood to mean judicial and/or extra-judicial assistance and consultancy), in all forms and variations, including during the acquisition, management and/or enforcement, recovery or sale of NPEs.

This scope has changed with respect to the Consolidated financial statements for the year ended 31 December 2024. Below is a summary of the transactions that led to the change in the scope of consolidation.

#### Increases

- Subscription of 100% of the share capital of iREC LeaseCo S.r.l., consolidated on a line-by-line basis.

#### Decreases

- Dilution of the UCI units of Ingenii Boost Finance to 98.7% following the subscription of 1.3% of the fund's units by third-party investors.
- Sale of 100% of the notes issued by the vehicle company Metafora SPV S.r.l., previously consolidated on a line-by-line basis.
- Merger by incorporation of Industrial Discount S.r.l. into Abilio S.r.l., both companies previously consolidated on a line-by-line basis.

For further information on changes in the scope of consolidation during 2025, reference is made to Section 5 - Other aspects.

#### Equity investments in subsidiaries, subject to joint control and significant influence

Details of the type of control and consolidation method for the scope of consolidated entities as of 31 December 2025 are given below:

| Name                                           | Operational headquarters                         | Registered office | Type of relationship | Ownership relationship |             |                                                       |        |
|------------------------------------------------|--------------------------------------------------|-------------------|----------------------|------------------------|-------------|-------------------------------------------------------|--------|
|                                                |                                                  |                   | (*)                  | Held by                | % Held (**) | % of consolidation attributable to the parent company |        |
| Parent Company                                 |                                                  |                   |                      |                        |             |                                                       |        |
| A.0                                            | illimity Bank S.p.A.                             | Milan             | Milan                |                        |             |                                                       |        |
| Companies consolidated on a line-by-line basis |                                                  |                   |                      |                        |             |                                                       |        |
| A.1                                            | Aporti S.r.l. (SPV)                              | Milan             | Milan                | 1-4                    | A.0         | 66.7%                                                 | 100%   |
| A.2                                            | Soperga RE S.r.l.                                | Milan             | Milan                | 1                      | A.0         | 100.0%                                                | 100%   |
| A.3                                            | Doria LeaseCo S.r.l.                             | Milan             | Milan                | 1                      | A.0         | 100.0%                                                | 100%   |
| A.4                                            | Doria SPV S.r.l. (SPV)                           | Milan             | Milan                | 1-4                    | A.0         | 100.0%                                                | 100%   |
| A.5                                            | Friuli LeaseCo. S.r.l.                           | Milan             | Milan                | 1                      | A.0         | 100.0%                                                | 100%   |
| A.6                                            | Friuli SPV S.r.l. (SPV)                          | Milan             | Milan                | 1-4                    | A.0         | 100.0%                                                | 100%   |
| A.7                                            | Pitti LeaseCo S.r.l.                             | Milan             | Milan                | 1                      | A.0         | 100.0%                                                | 100%   |
| A.8                                            | Pitti SPV S.r.l. (SPV)                           | Milan             | Milan                | 1-4                    | A.0         | 100.0%                                                | 100%   |
| A.9                                            | River LeaseCo S.r.l.                             | Milan             | Milan                | 1                      | A.0         | 100.0%                                                | 100%   |
| A.10                                           | River SPV S.r.l. (SPV)                           | Milan             | Milan                | 1-4                    | A.0         | 100.0%                                                | 100%   |
| A.11                                           | River Immobiliare S.r.l.                         | Milan             | Milan                | 1                      | A.0         | 100.0%                                                | 100%   |
| A.12                                           | ARECneprix S.p.A.                                | Milan             | Milan                | 1                      | A.0         | 100.0%                                                | 100%   |
| A.13                                           | Fürstenberg SGR                                  | Milan             | Milan                | 1                      | A.0         | 100.0%                                                | 100%   |
| A.14                                           | Abilio S.p.A.                                    | Faenza            | Faenza               | 1                      | A.0         | 82.0%                                                 | 82.0%  |
| A.15                                           | Quimmo Prestige Agency S.r.l.                    | Milan             | Milan                | 1                      | A.14        | 100.0%                                                | 82.0%  |
| A.16                                           | Quimmo Agency S.r.l.                             | Faenza            | Faenza               | 1                      | A.14        | 100.0%                                                | 82.0%  |
| A.17                                           | MAUI SPE S.r.l.                                  | Milan             | Milan                | 4                      | A.0         |                                                       | 100%   |
| A.18                                           | Piedmont SPV S.r.l.                              | Milan             | Milan                | 4                      | A.0         |                                                       | 100%   |
| A.19                                           | Dagobah LeaseCo S.r.l.                           | Milan             | Milan                | 1                      | A.0         | 100.0%                                                | 100%   |
| A.20                                           | Dagobah SPV S.r.l.                               | Milan             | Milan                | 1-4                    | A.0         | 100.0%                                                | 100%   |
| A.21                                           | Spicy Green SPV S.r.l.                           | Milan             | Milan                | 4                      | A.0         |                                                       | 100%   |
| A.22                                           | SpicyCo2 S.r.l.                                  | Milan             | Milan                | 1                      | A.0         | 100.0%                                                | 100%   |
| A.23                                           | INGENII Open Finance                             | Milan             | Milan                | 4                      | A.0         |                                                       | 98.52% |
| A.24                                           | Sileno SPV S.r.l.                                | Milan             | Milan                | 1-4                    | A.0         | 100.0%                                                | 100.0% |
| A.25                                           | Mida RE S.r.l.                                   | Milan             | Milan                | 1                      | A.0         | 100.0%                                                | 100.0% |
| A.26                                           | GRO SPV S.r.l.                                   | Milan             | Milan                | 4                      | A.0         |                                                       | 100.0% |
| A.27                                           | Montes LeaseCo S.r.l.                            | Milan             | Milan                | 1                      | A.0         | 100.0%                                                | 100.0% |
| A.28                                           | Montes S.P.V. S.r.l.                             | Milan             | Milan                | 1-4                    | A.0         | 100.0%                                                | 100.0% |
| A.29                                           | Mia SPV S.r.l.                                   | Milan             | Milan                | 1                      | A.0         | 100.0%                                                | 100.0% |
| A.30                                           | Farky SPV S.r.l.                                 | Milan             | Milan                | 4                      | A.0         |                                                       | 95%    |
| A.31                                           | Space Direct Lending Fund                        | Milan             | Milan                | 4                      | A.0         |                                                       | 99.5%  |
| A.32                                           | Iside Spe S.r.l.                                 | Milan             | Milan                | 4                      | A.0         |                                                       | 100.0% |
| A.33                                           | CR Please Real Estate S.r.l.                     | Milan             | Milan                | 4                      | A.34        |                                                       | 100.0% |
| A.34                                           | Farm SPV S.r.l.                                  | Milan             | Milan                | 4                      | A.0         |                                                       | 100.0% |
| A.35                                           | Dome SPV S.r.l.                                  | Milan             | Milan                | 4                      | A.0         |                                                       | 100.0% |
| A.36                                           | SpicyCo S.r.l.                                   | Milan             | Milan                | 1                      | A.0         | 100.0%                                                | 100.0% |
|                                                | Enervitabio San Giuseppe Società Agricola S.r.l. | Milan             | Milan                | 1                      | A.38        | 100.0%                                                | 100.0% |
| A.37                                           | Renit CPV S.r.l.                                 | Milan             | Milan                | 1                      | A.38        | 100.0%                                                | 100.0% |
| A.38                                           | Little Spicy S.r.l.                              | Milan             | Milan                | 1                      | A.38        | 100.0%                                                | 100.0% |
| A.40                                           | Vela 2023 LeaseCo S.r.l.                         | Milan             | Milan                | 1                      | A.0         | 100.0%                                                | 100.0% |
| A.41                                           | Eolo LeaseCo S.r.l.                              | Milan             | Milan                | 1                      | A.0         | 100.0%                                                | 100.0% |
| A.42                                           | INGENII Boost Finance                            | Milan             | Milan                | 4                      | A.0         |                                                       | 98.7%  |
| A.43                                           | Havana SPV S.r.l.                                | Milan             | Milan                | 4                      | A.0         |                                                       | 95%    |
| A.44                                           | iREC Leaseco S.r.l.                              | Milan             | Milan                | 1                      | A.0         | 100.0%                                                | 100.0% |

| Name                                           |                                         | Operational headquarters | Registered office | Type of relationship | Ownership relationship |             |                                                       |
|------------------------------------------------|-----------------------------------------|--------------------------|-------------------|----------------------|------------------------|-------------|-------------------------------------------------------|
|                                                |                                         |                          |                   | (*)                  | Held by                | % Held (**) | % of consolidation attributable to the parent company |
| Companies consolidated at shareholders' equity |                                         |                          |                   |                      |                        |             |                                                       |
| A.45                                           | Hype S.p.A. <sup>34</sup>               | Biella                   | Biella            | 5                    | A.0                    | 50.0%       | N/A                                                   |
| A.46                                           | AltermAlnd S.r.l.                       | Milan                    | Milan             | 6                    | A.0                    | 48.0%       | N/A                                                   |
| A.47                                           | LAISA – Società tra Avvocati per Azioni | Milan                    | Milan             | 6                    | A.12                   | 9.99%       | N/A                                                   |

(\*) Type of relationship:

1 = majority of voting rights at the ordinary shareholders' meeting (pursuant to Article 2359 paragraph 1(1))

2 = dominant influence at the ordinary shareholders' meeting

3 = arrangements with other shareholders

4 = other forms of control

5 = joint control

6 = significant influence

(\*\*) Availability of votes in the ordinary shareholders' meeting: the ownership interest held represents voting rights in the shareholders' meeting.

## 2. Significant assessments and assumptions to determine the scope of consolidation

### 2.1 Subsidiaries

Subsidiaries are those entities, including structured entities, over which the Parent Company has direct or indirect control. Under IFRS 10, control exists if the following elements are simultaneously present:

- decision-making power over the subsidiary's main activities;
- exposure, or rights, to variable returns from its involvement with the investee;
- the ability to use its power over the investee to affect the amount of the investor's returns

Subsidiaries are consolidated from the Group obtained control and cease to be fully consolidated on the date on which control is transferred to entities external to the Group. The costs and revenues of a subsidiary are included in the scope of consolidation from the date of which control was obtained. The costs and revenues of a sold subsidiary are included in the consolidated income statements until the date of the sale, i.e. until the moment when the parent company ceased to have control over the investee.

Subsidiaries are those companies, including structured entities, over which the parent company Illimity Bank S.p.A. exercises control and has the power, as defined by IFRS 10, to determine, directly or indirectly, their financial and operational policies, in order to obtain benefits from their activities.

The Group may sometimes exercise "de facto control" over certain entities when, even in the absence of a majority of voting rights, it possesses rights that allow for a one-way management of material activities of the investee.

The subsidiary may also include "structured entities", in which the voting rights are not significant for the purposes of assessing control, including special-purpose entities and investment funds. Structured entities are considered to be controlled if:

- the Group has contractual rights that entitle it to govern the material activities;
- the Group is exposed to variable returns from those activities.

Specifically, the structured entities that required consolidation for the purposes of the Consolidated Financial Statements as at 31 December 2025 are represented by certain special purpose vehicles (SPVs) for securitisation transactions originated by Group companies. For these vehicles, the elements considered relevant for the identification of control and subsequent consolidation are the purpose of such companies, the exposure to the results of the transaction, the ability to structure the transactions, to direct the relevant activities and to make critical decisions through servicing contracts, as well as the ability to dispose of their liquidation.

<sup>34</sup> (\*) It should be noted that for the purposes of the financial statements as at 31 December 2025, illimity's joint control equity investment in Hype was reclassified under assets held for sale by virtue of the sale transaction contractualised in 2025 and finalised in February 2026

The analysis conducted led to the inclusion in the consolidation perimeter, at the reference date, of the SPVs (Special Purpose Vehicles) established for securitisation transactions for which a control relationship was assessed to exist pursuant to IFRS 10. These SPVs are not legally part of the Group, with the exception of the following vehicles in which the Group holds a majority stake:

- 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.

### Line-by-line consolidation

Subsidiaries are consolidated using the line-by-line method. The consolidated financial statements prepared under the line-by-line method represent the Group's financial situation as a single economic entity.

The line-by-line consolidation method involves acquiring the balance sheet and income statement aggregates of subsidiaries on a "line by line" basis. After the minority shareholders have been attributed their shares of the assets and profit or loss, the value of the equity investment is cancelled as a contra entry of the residual value of the subsidiary's assets. The assets, liabilities, costs and income of a significant amount, recognised among the consolidated entities, are eliminated.

Subsidiaries are consolidated from the date on which the Group acquires control according to the purchase method, as provided for in IFRS 3, which establishes that the identifiable assets purchased and liabilities assumed (including contingent liabilities) have to be recognised at their respective fair values on the date of acquisition. Any excess in the paid price compared to the above fair values is recognised as goodwill or as other intangible assets; if the price is lower, the difference is recognised in the income statement.

If an event determines a loss of control, the effect recognised in the income statement is equal to the difference between (i) the sum of the fair value of the price received and the fair value of the residual interest held, and (ii) the previous carrying amount of the assets (including goodwill), of the liabilities of the subsidiary and of any third-party assets. The difference between the sale price of the subsidiary and the carrying amount of its net assets at the same date is recognised in the Income Statement under the item Profit (Loss) from disposal of investments for companies consolidated on a line-by-line basis. The portion attributable to minority interests is recognised in the Balance sheet under the item Shareholders' equity attributable to minority interests, separately from liabilities and shareholders' equity attributable to the Group. In the Income Statement as well, the portion attributable to minority interests is presented separately under the item profit (loss) for the period attributable to minority interests.

## 2.2 Joint arrangements

A joint arrangement is a contractual arrangement whereby two or more counterparties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

According to IFRS 11, joint arrangements shall be classified as joint operation or joint venture depending on the contractual rights and obligations held by the Group:

- a joint operation is a joint arrangement whereby the parties have rights to the assets, and obligations for the liabilities, relating to the arrangement;
- a joint venture is a joint arrangement whereby the parties have the rights to the net assets of the arrangement.

Investments in jointly controlled companies qualifying as joint ventures are accounted for using the equity method, based on the most recent available financial statements of the jointly controlled company, appropriately adjusted to take into account any significant events or transactions.



As at 31 December 2025, the only company subject to joint control is Hype S.p.A., with a 50% interest held directly by the Parent Company, illimity Bank. This investment, which as at 31 December 2025 has a book value of EUR 81.3 million, is classified under the item “Non-current assets held for sale and discontinued operations” and measured in accordance with IFRS 5.

With reference to this investment, it should be noted that on 3 November 2025, the Board of Directors of illimity Bank accepted the offer from Banca Sella Holding for the acquisition of the entire interest held by illimity Bank in Hype for a consideration of EUR 85 million. Following the receipt of regulatory authorisations in early 2026, this investment was sold to the Banca Sella Group on 6 February 2026 at the agreed price.

## 2.3 Associates

An associate is an entity over which an parent company has significant influence, and which is neither a subsidiary nor a joint venture.

The parent company is considered to have significant influence if:

- it holds, directly or indirectly, at least 20% of the capital in another company, or
- it can, also through shareholders' agreements, exercise significant influence through:
  - representation on the company governance body;
  - participation in policy-making process, including participation in decisions about dividends or other distributions;
  - material transactions between the investor and the investee;
  - interchange of managerial staff;
  - provision of essential technical information.

Investments in associates, which as of December 31, 2025, refer to LAISA STA and AltermAInd, are recognised using the equity method.

## Equity method

Equity investments in associates and jointly controlled entities are measured using the equity method. Post-acquisition profits and losses are recognised in the Income Statement under the line item Profit (Losses) on equity investments. Any distribution of dividends is recognised minus the goodwill of the equity investment.

## 3. Equity investments in subsidiaries under sole control with a material non-controlling interest

As required by paragraph 12 of IFRS 12, it is reported that there are no material non-controlling interests in subsidiaries as of 31 December 2025.

## 4. Significant restrictions

The Group operates in a regulated sector and is subject to the restrictions under paragraph 13 of IFRS 12 concerning significant statutory, contractual or regulatory restrictions that could restrict the swift transfer of cash or other assets within the Group.

## 5. Other information

There are no financial statements of subsidiaries used in preparing illimity consolidated financial statements for a date other than that of the consolidated financial statements.

## Section 4 - Subsequent events

As reported in the Post-balance sheet events section, with reference to significant events occurring in the period between the reporting date and the date of approval of the draft Financial Statements by the Board of Directors, the following is reported:

- On 28 January 2026, the Bank of Italy authorised the acquisition by Banca Sella of 50% of Hype's capital held by illimity Bank and the remaining 50% stake held by the parent company Banca Sella Holding. The transaction, which had been announced last November 3, was then completed on February 6, 2026.

- on 28 January 2026, illimity Bank completed a sale of credit loans recognised among assets held for sale for a value of EUR 41 million, in line with the carrying amount in the Financial Statements as at 31 December 2025.
- the Board of Directors of illimity Bank, which met in Milan on Monday 9 February 2026, approved the appointment of Raffaele Zingone as the new Chief Executive Officer of the company. Mr. Zingone, who will also retain his role as Co-General Manager and Chief Commercial Officer of Banca Ifis, takes over from Frederik Geertman, current Chief Executive Officer of Banca Ifis and head of illimity Bank since last September.

No significant events occurred between the reporting date (31 December 2025) and the date of approval of the draft financial statements by the Board of Directors (9 March 2026) that could be classified as “adjusting events” within the meaning of IAS 10, i.e. events that require an adjustment to the financial and economic information as at the date of the financial statements.

## Section 5 – Other matters

### 5.1 – Merger by incorporation of Industrial Discount S.r.l. into Abilio S.r.l.

It should be noted that, with legal effect as from 1 July 2025 (with accounting and tax effects backdated to 1 January 2025), the merger by incorporation of the subsidiary Industrial Discount S.r.l. into the subsidiary Abilio S.r.l. was finalised.

### 5.2 Allocation of Group assets to the item “non-current assets held for sale and discontinued operations”

During 2025, certain assets of the illimity Group were classified under “non-current assets held for sale and discontinued operations”. Specifically, as at 31 December 2025, this item refers

- to the ownership interest in Hype S.p.A., a company subject to joint control, for EUR 81.3 million. With regard to this equity investment, on 3 November 2025, the offer of EUR 85 million received from the Banca Sella Group was accepted and, following the attainment of regulatory authorisations at the beginning of 2026, on 6 February 2026, it was sold at the agreed price (for further details, please refer to the specific paragraphs included in the sections “Significant events during the year” and “Subsequent events at the reporting date of the Consolidated Financial Statements” in the Group’s Report on Operations);
- EUR 65.5 million to loan portfolios for which disposals took place in February 2026, while the remaining part is scheduled for future sale.

These assets were measured at cost or fair value less costs to sell, whichever is the lower, in accordance with IFRS 5.

### 5.3 – Extraordinary contribution Italian Law No. 199 of 2025

Italian Law No. 199 of 30 December 2025 (“2026 Budget Law”) amended, with paragraph 68 of Article 1, Article 26 of Italian Decree Law No. 104 dated 10 August 2023, converted, with amendments, by Italian Law No. 136 of 9 October 2023. The new regime introduced envisages 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’ meeting resolution, the reserve referred to in paragraph 5 *bis* shall be distributed as a priority, i.e. the reserve established, upon approval of the financial statements for the 2023 financial year, using the option envisaged by the law as a means of satisfying the obligation envisaged as an alternative to the payment of the extraordinary tax then introduced on banks (the so-called “2023 Reserve”). Paragraph 69 of Article 1 of the 2026 Budget Law, on the other hand, introduced the provision that, until the financial year ending 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 related methods of establishment”. The following paragraph 70 envisages that the extraordinary contribution shall be determined as 27.5% of the reserve existing at the end of the financial year ending 31 December 2025 or 33% of the reserve existing at the end of the following financial year; paragraph 72 also lays down that, in the event of payment of the



contribution, the provisions of Article 26, paragraph 5 *bis*, last sentence, of Italian Decree Law No. 104 of 10 August 2023 on the non-distributability of the reserve shall not apply.

For illimity Bank, this contribution is EUR 7,521,384 (27.5% of EUR 27,350,489, i.e. the “2023 reserve” allocated to shareholders' equity).

From a strictly accounting standpoint, following in-depth studies and analyses carried out at banking system level, considering the specific nature of the legislation in question, it was deemed that the matching balance to the liability relating to the extraordinary contribution should be identified in a shareholders' equity item and that the liability relating to the extraordinary contribution should be recognised in these Consolidated Financial Statements as of 31 December 2025. As a result, the liability arising from the extraordinary contribution was considered to already exist in 2025 and, consequently, was recognised in the consolidated financial statements as of 31 December 2025 in light of the decision to be made by the Board of Directors to proceed with the payment of the contribution in 2026 to the extent of 27.5% of the 2023 Reserve allocated by each bank.

The amount in question was recognised in the balance sheet item “Other liabilities” as a matching balance to the item “Reserves” (sub-item “other reserves”) leaving it up to the Shareholders' Meeting called to approve the related 2025 annual Financial Statements of illimity Bank S.p.A. to identify the equity reserve to be drawn from to pay the extraordinary contribution.

#### 5.4 – National tax consolidation – Hype tax transparency

For the 2025 tax period, illimity Bank has opted to be a part of the national tax consolidation scheme for Corporate Income Tax (IRES), as provided for in Articles 117-129 of the Consolidated Income Tax Act (TUIR). The scheme is effective, not only for illimity Bank S.p.A., but also for the companies 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.

As these are so-called “intercompany” receivables/payables within the meaning of consolidated accounting, they are eliminated within the consolidation entries and are therefore not included in the items “Other assets” and “Other liabilities” in the illimity Group's consolidated balance sheet.

illimity Bank also has a tax transparency agreement with Banca Sella Holding S.p.A. for the pro-rata booking to illimity Bank of the taxable income and tax losses of the company subject to joint control Hype S.p.A. The receivables/payables relating to the “Hype” tax transparency are recorded under the items “Other assets” and “Other liabilities” in the consolidated balance sheet.

#### Significant aspects for the 2025 financial statements assessments

On 14 October 2025, ESMA published a call for information (“European common enforcement priorities for 2025 corporate reading”) containing certain topics and recommendations with reference to:

- the preparation of financial reporting for 2025, relating to:
  - geopolitical risks and uncertainties;
  - sector disclosure (so-called Segment reporting);
- the preparation of the Sustainability statement for the year 2025, with regard to:
  - materiality considerations in reporting according to the ESRS;
  - the scope and structure of the Sustainability statement;
- the priorities related to ESEF (European Single Electronic Format) reporting, regarding common errors detected in the cash flow statement;
- some general considerations, of which the connectivity between financial and sustainability reporting is particularly important.

The following section provides an illustration of the aspects considered as priorities for the evaluations carried out for the purposes of the preparation of the financial information contained in the 2025 Financial Statements and for the related disclosure, in line with the recommendations provided by ESMA by means of a communication dated 14 October 2025 entitled “European common enforcement priorities for 2025 corporate reading”. With regard to the recommendations within the sphere of the Sustainability statement, please refer to the “Sustainability statement” section of the Group Directors' Report.

**Notes on geopolitical risks and uncertainties**

In this regard, ESMA highlights how the Russia-Ukraine conflict, tensions in the Middle East, and international trade relations continued to generate high volatility in energy and raw material prices, supply chain disruptions, and shifts in global trade balances in 2025. In light of these dynamics, ESMA believes that geopolitical risks and uncertainties represent an element of significant relevance for the 2025 Financial Statements, given the potential impacts on business performance, the financial position, and the disclosure to be provided in the financial statements. According to ESMA, such risks may have material implications for several measurement areas.

To ensure transparency and consistency of information, ESMA invites issuers to:

- provide clear, specific and detailed information on the effects that geopolitical uncertainties may have on the financial position and business performance;
- update sensitivity analyses, illustrating how reasonably possible changes in key measurement assumptions could influence carrying amounts;
- assess, using judgement, the inclusion of additional information, beyond that required by IFRS, where useful to improve the understanding of the effects on the financial position, cash flows and performance.

In light of the above, the uncertainties attributable to the geopolitical context and, more generally, the evolution of the macroeconomic scenario have been duly taken into account in the relevant estimation processes as well as in risk monitoring activities. In particular, the Group carries out careful monitoring of country risk for the nations involved in the conflicts. This ongoing monitoring has highlighted a limited number of counterparties located in the areas affected by current international tensions, to which modest direct credit exposures correspond. Similarly, no specific critical issues were identified with reference to the trade receivables portfolio.

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

Given the need to appropriately factor in these elements of uncertainty into the main estimation processes, the maximum possible consistency has been ensured between the hypotheses used and the related underlying assumptions applied across the various models.

**Notes on segment disclosure**

ESMA highlights the need to ensure consistency between the information on operating segments provided in the financial statements, the directors' report and the management reporting used by the company's management (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 impairment testing purposes cannot be larger in scope than the individual operating segments identified pursuant to IFRS 8.

Furthermore, it is noted that the aggregation criteria provided for in paragraph 12 of IFRS 8 may only be applied to operating segments that exhibit similar economic characteristics. Issuers are therefore required to provide adequate disclosure regarding the judgements made in applying the aforementioned criteria, including a description of the aggregated segments and, where relevant, the indicators supporting the existence of the same economic characteristics.

ESMA also emphasises the need to provide timely disclosure on the revenues and costs of the operating segments, to the extent that these are highlighted in the management reporting used by the company's management, highlighting any unusual or non-recurring components.

Finally, ESMA draws attention to the disclosure requirements contained in paragraphs 33 and 34 of IFRS 8, relating to the breakdown of revenues by geographical area and by major customers.

Specifically, in identifying the Group's operating segments, appropriate consideration was given to the methods adopted by illimity's Management for making operational decisions and the procedures for preparing internal reporting, used for the purpose of allocating resources to the various segments and analysing their respective performance.

The allocation of income statement and balance sheet figures to the Segments is carried out based on consistent allocation criteria, in order to take into account both the specific nature of the various Segments and the need to ensure effective monitoring of corporate performance over time.

In particular, during 2025, a change occurred in the representation of operating segments following a reorganisation that also impacted the manner in which operating results are periodically reviewed at the Bank's highest decision-making and operational level.

It should be noted that on 19 January 2025, the Bank announced that it had approved a new internal organisational structure, appointing a Deputy CEO with responsibility for all business areas of the Bank and the illimity Group, and a Deputy CEO to oversee and coordinate the Group's central functions.

Consequently, the illimity Group's segment reporting has been redefined by identifying the two operating segments described in the introduction.

With reference to ESMA's emphasis on the relevance – in the current context of geopolitical uncertainty and trade barriers – of the disclosure on geographical areas and major customers required by paragraphs 33 and 34 of IFRS 8, it is specified that for the illimity Group, revenues from abroad are very limited. It is also specified that for the illimity Group, there are no instances falling within the definition of 'revenues from major customers' pursuant to paragraph 34 of IFRS 8, i.e. revenues from single external customers exceeding 10% of total revenues.

For further details on the illimity Group's segment reporting, the rationale for identifying the Segments and the allocation of balance sheet and income statement data, please refer to the section "Contribution of business segments to Group results" of the Group Directors' report and to "Part L - Segment Reporting" of these consolidated Explanatory Notes.

### **Use of estimates and assumptions in preparing the consolidated financial statements**

In compliance with the requirements of the IFRS framework, the preparation of the consolidated financial statements requires the use of estimates and assumptions that may influence the values recognised in the balance sheet and income statement and the disclosure regarding contingent assets and liabilities presented in the Consolidated Financial Statements.

The estimates and related assumptions are based on the use of available management information and subjective assessments, as well as on historical experience. The use of reasonable estimates is, thus, an essential part of the preparation of the financial statements. The components in which the use of estimates and assumptions is substantially inherent in determining the carrying values are indicated below:

- determination of other entities included in the scope of consolidation pursuant to IFRS 10;
- determination of the fair value relating to receivables and financial instruments not listed on active markets;
- measurement of the Expected Credit Loss of receivables;
- estimates of provisions for risks and charges;
- estimate of recoverability of the value of the goodwill recorded;
- assessment of the recoverability of deferred tax assets (DTA).

An estimate may also be adjusted due to changes in the circumstances on which it was based, new information or greater experience. By their nature, the estimates and assumptions used may change from one period to the next. Accordingly, the values presented in the financial statements may differ, also to a significant degree, from current estimates. Any changes in the estimates are applied prospectively and therefore result in an impact on the income statement in the year which the change occurs as well as that for future years.

For the cases listed above, the following paragraphs present the main topics of risks and uncertainties related to estimates.

### ***Determination of other entities included in the scope of consolidation pursuant to IFRS 10***

The Group operates through entities that have diversified structures and which include, in addition to the traditional subsidiaries, securitisation vehicles, investment funds and other structured entities. The assessment of the existence of control for the purpose of consolidation in accordance with IFRS 10 requires a significant level of judgement in certain circumstances.

In particular, control exists when the Group has:

- the power to govern the significant activities of the entities;
- exposure to variability in results;
- the ability to influence its results.

In order to assess the conditions for control, all relevant information is taken into account, including therein the purpose and design of the entity, how decision-making rights, contractual agreements and current and potential voting rights are exercised. These assessments can be particularly complex for so-called structured entities, for which control does not derive from voting rights but from other contractual mechanisms.

For further information, please refer to the matters indicated above in “Section 3 - Consolidation scope and methods”, subsection “Subsidiaries”.

### ***Determination of the fair value relating to receivables and financial instruments not listed on 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 appropriate measurement processes characterised by a certain component of judgement regarding the choice of valuation models and the relevant input parameters, which may sometimes not be observable in the market. Margins of subjectivity exist in the assessment of the observability or otherwise of certain parameters and in the subsequent classification within the Fair Value Hierarchy Levels. For qualitative and quantitative disclosure on the methods for determining the fair value of instruments measured at fair value, please refer to paragraph “A.2 - Part relating to the main financial statements items” of these consolidated Explanatory Notes.

### ***Measurement of the Expected Credit Loss of receivables***

In accordance with IFRS 9, the following assets are subject to impairment provisions:

- financial assets measured at amortised cost;
- financial assets measured at fair value through other comprehensive income other than equity instruments;
- commitments to disburse funds and guarantees issued that are not measured at fair value through profit or loss;
- contractual activities resulting from operations covered by the scope of application of IFRS 15.

The quantification of “Expected Credit Losses” (ECL), which are expected losses to be recorded as write-downs/write-backs on the income statement, is determined according to whether or not there is a significant increase in the credit risk of a financial instrument compared to the risk determined on the date of initial recognition.

For that purpose, instruments subject to impairment regulations are usually associated to different stages, which have different criteria to quantify write-downs/write-backs:

- if there is no significant increase in the credit risk compared to the initial recognition, the financial instrument is kept in stage 1 and is adjusted by the amount of the loss expected over 12 months (or the expected loss resulting from a default on the financial assets considered possible within 12 months from the date of the reference period);
- if there is a significant increase in the credit risk compared to the initial recognition, the financial instrument is classified in stage 2 or in stage 3 if the instrument is non-performing, and an adjustment | loss is recorded equal to the amount of the expected lifetime loss (or the expected loss resulting from a default on the financial assets considered possible during its life cycle).

An exception to this are the “Purchased or originated credit impaired financial assets”, known as POCI, dealt with in the next point of this paragraph.

Any significant increase in credit risk is identified on a case by case basis, using quali-quantitative criteria.

The criteria adopted by the Bank to understand the significant increase in credit risk are shown below.

#### Quantitative criteria

- Negative change in the rating class (known as delta notch).

#### Qualitative criteria

- Rebuttable presumption - 30 days past due;
- Forbearance;
- Watchlist.

For more detailed information on the criteria adopted by the Bank to understand the significant increase in credit risk, reference is made to Part E of the Explanatory Notes to the Consolidated Financial Statements.

Once the financial assets have been classified in the different Stages, for each exposure, it is necessary to determine the relative write-downs/write-backs following the logic of Expected Credit Loss ("ECL"), using appropriate calculation models. The principle on which the ECL is based is to create a connection between improvement or worsening of the risk profile of the exposure compared to the date of initial recognition in the financial statements, respectively with the increase or decrease in the provision funds.

For more detailed information on the criteria adopted by the Bank for the calculation of expected losses on loans classified in stage 1 and stage 2, refer to Part E of the Explanatory Notes to these Financial Statements.

#### Estimate of expected losses on non-performing positions (stage 3)

Non-performing positions are usually evaluated using analytical techniques. The criteria for estimating the adjustments to be made to non-performing receivables are based on the discounting of expected cash flows taking into account any supporting guarantees, and any advances received. The fundamental elements in determining the current value of the cash flows are the identification of the estimated receipts, the related due dates, and the discounting rate to be applied. The amount of the adjustment | loss is equal to the difference between the carrying value of the asset and the current value of the expected future cash flows, discounted at the original effective interest rate, which is updated as necessary in the case of a variable-rate instrument or, for positions classified as non performing, at the effective interest rate in force on the date of transition to bad loan status.

Depending on the seriousness of the impairment and the materiality of the exposure, estimates of the collection value will be based on a going concern approach which assumes that the counterparty's business will continue and will continue to generate cash flows, or alternatively on a gone-concern approach. The gone-concern approach is based on the assumption that the business that leads to the only source of cash available to recover the debt, will cease trading and that the underlying guarantees will be called on.

With particular regard to non-performing positions, the analytical assessment rules include forward-looking elements:

- in estimating the percentage of reduction in value of the property given as collateral (estimated on the basis of the updated valuation reports or the report of the Court-appointed Expert);
- by introducing recovery scenarios for specific exposures, considering that they are expected to be sold within a reasonable period of time to a third party in order to maximise the cash flow and also based on a specific strategy for managing non-performing loans. Therefore, the estimated expected losses of such positions reflects not only collection through ordinary management of the receivable but also the presence of a suitably adjusted sale scenario and therefore, of the cash flows arising from this operation.

For more information on the criteria adopted by the Bank for the calculation of expected losses on positions classified in stage 3, refer to the contents of Part E of the Explanatory Notes.

#### Purchased or originated credit impaired financial assets (POCI)

Under IFRS 9, loans considered to be non-performing right from initial recognition due to the high level of associated credit risk, are termed Purchased or Originated Credit Impaired Assets (POCI). POCI also include receivables acquired as part of sale operations (individual or portfolio sales) and business combinations.

Such receivables, when included in the impairment perimeter for the purposes of IFRS 9, are valued by allocating, from the initial recognition date, provisions to cover the losses along the entire lifetime of the receivable (Expected Credit Loss lifetime). As these are non-performing receivables, the initial recognition takes place at Stage 3. A subsequent improvement in the counterparty's credit rating, which may be reflected in the current value of cash flows, may involve the classification within Stage 2. The expected credit loss must always be calculated considering a time horizon of the residual duration (i.e. "lifetime").

These assets are not identified under a specific financial statement item but are classified according to the business model in which the asset is managed, under the following headings:

- "Financial assets measured at fair value through other comprehensive income";
- "Financial assets measured at amortised cost".

In terms of the initial recognition, measurement and derecognition criteria, please refer to the criteria mentioned in the respective items.

Interest income must be calculated by applying the effective interest rate on the net value of the instrument (therefore also considering expected losses on loans) for POCI.

As for POCI, in some cases the financial asset is considered to be non-performing at the time of initial recognition because the credit risk is very high and in the case of acquisition, it has been acquired at a significant discount. In this case it is necessary to include in the cash flow estimates the expected losses on initial receivables for the purpose of calculating the credit-adjusted effective interest rate (also called credit adjusted") for financial assets that are considered non-performing financial assets purchased or originated at the time of initial recognition.

For further information regarding the methods and models for determining the ECL, reference is made to the disclosure in the paragraph "Methods for measuring expected losses" contained in the 'Credit Risk' section of "Part E".

### ***Estimates of provisions for risks and charges***

The companies belonging to the Group are defendants in certain types of litigation and are also exposed to numerous instances of contingent liabilities. The complexity of the specific situations underlying the outstanding litigation, together with potential interpretative issues, requires significant elements of judgement in some circumstances when estimating the liabilities that may emerge upon the settlement of pending disputes. The difficulties in assessment concern both the an (whether a liability exists) and the quantum (the amount), as well as the timing of any potential manifestation of the liability, and are particularly evident when the proceedings are in their early stages. These circumstances make it difficult to assess contingent liabilities; as a result, the classification of contingent liabilities and the subsequent assessment of the necessary provisions are sometimes based on non-objective elements of judgement, requiring the use of complex estimation procedures.

Specifically, the Group recognises a liability when:

- there is a present obligation (legal or constructive) as a result of a past event;
- it is likely that an outlay of resources embodying economic benefits will be required to settle the obligation;
- a reliable estimate of the amount of the obligation can be made.

If all these conditions are not met, no liabilities are recognised.

The amount recognised as a provision represents the best estimate of the expenditure required to settle the obligation and reflects the risks and uncertainties that relate to the facts and circumstances under review.

Where the effect of the time value of money is material, the amount of the provision is determined as the present value of the best estimate of the cost required to extinguish the obligation. In such cases, a discount rate is used that reflects current market assessments.



The provisions are periodically reviewed and, where necessary, adjusted to reflect the current best estimate. When, following a review, the expenditure is no longer probable, the provision is reversed.

Funds for risks and charges for commitments and guarantees given include the credit risk funds recognised for commitments to lend funds and for guarantees given that fall within the scope of the impairment rules pursuant to IFRS 9. For these cases, in principle, the same allocation methods are adopted between the three stages (credit risk stages) as well as the same calculation methods of the expected losses shown with reference to financial assets measured at amortised cost or the fair value through other comprehensive income.

### ***Estimate of recoverability of the value of the goodwill recorded***

Under IAS 36, goodwill must be subject to an impairment test at least annually to verify its recoverability. IAS 36 also requires, at each reporting date – including, therefore, interim reports – an analysis aimed at identifying the presence of any indicators of loss (so-called 'Trigger Events'), upon the occurrence of which an impairment test must be carried out. The recoverable amount is the higher of the Value in Use and the fair value less costs of disposal.

For the purposes of estimating the recoverable amount, the Group – for the goodwill relating to the 'Arec neprix' CGU and the 'Quimmo Prestige Agency' CGU – proceeded to determine the value in use by estimating both the future cash flows in the explicit forecast period (determined on the basis of the economic and financial projections for the 2026-2028 period for the CGUs under analysis and approved by the Parent Company's Board of Directors on 9 February 2026) and the so-called Terminal Value. Similarly, the Group estimated the discount rate for the previously estimated future cash flows. This discount rate is estimated by the Group using the "Capital Asset Pricing Model" (CAPM).

The results of the impairment test conducted as at 31 December 2025 confirmed the recoverability of the carrying amount recognised in the consolidated Financial Statements for the "Quimmo Prestige Agency" CGU, while they led to an adjustment of part of the goodwill allocated to the "Arec neprix" CGU.

Regarding the details of the goodwill impairment test as at 31 December 2025, please refer to the more extensive disclosure in 'Part B - Information on the consolidated balance sheet, Assets', 'Section 10 - Intangible assets - Item 100' of these consolidated Explanatory Notes.

### ***Assessment of the recoverability of deferred tax assets (DTA)***

The overall total of DTAs as at 31 December 2025 amounts to EUR 65.9 million, including the portion attributable to Law 214/2011 amounting to EUR 0.4 million, which will reverse by 2029 by express statutory provision. It should be noted that such deferred tax assets meeting the requirements of the aforementioned Law are convertible into tax credits in the event of a 'statutory loss', a 'tax loss' for IRES purposes, and a 'negative net production value' for IRAP purposes; their recovery is therefore certain, as it is independent of the ability to generate future profitability. The maintenance of convertibility into tax credits is subject to the exercise of the option provided for by Decree Law no. 59 of 3 May 2016, converted with amendments by Law no. 119 of 30 June 2016, which the Group has decided to avail itself of within the terms and in the manner provided.

Based on the assessment carried out by the parent company Banca Ifis on the residual amount, its recovery was assessed as probable, albeit over a medium-to-long-term time horizon. The portion attributable to prior tax losses and ACE surpluses at Group level would be fully recovered for a significant share (greater than 85%) by 2033. The remaining portion relates primarily to financial assets measured at fair value through other comprehensive income (FVOCI) and is therefore correlated with the performance of the related reserve.

In view of the uncertainty regarding the recoverability of DTAs on tax losses over the time horizon considered, no deferred tax assets were recognised for EUR 76.8 million with respect to illimity Bank, nor for EUR 0.4 million with respect to Quimmo Agency in relation to tax losses incurred prior to its entry into the illimity Bank tax consolidation group.

For further details regarding the assessments carried out during the preparation of the Financial Statements as at 31 December 2025, please refer to the disclosure in "Section 11 - Tax assets and tax liabilities - Asset item 110 and Liability item 60" of Part B of these consolidated Explanatory Notes.

**Deadline for approval and publication of Financial Statements.**

Article 154-*ter* of Italian Legislative Decree No. 59/98 (TUF - Italian Consolidated Law on Finance) envisages that within 120 days of the end of the accounting period, the Parent Company's annual financial statements must be approved and the Annual financial report must be published, including the draft annual Financial Statements, the Directors' Report (which includes the Consolidated Sustainability Reporting) and the certification required by Article 154-*bis*, paragraph 5. The draft annual financial statements of the Parent Company and the consolidated financial statements were approved by the Board of Directors on 9 March 2026; the annual financial statements of the Parent Company will be submitted for approval to the Shareholders' Meeting called for 14 April 2026, in first calling.



## Entry into force of new accounting standards

The consolidated financial statements as of 31 December 2025 have been drawn up in compliance with the recognition and measurement criteria of the international accounting standards (IAS/IFRS) in force at the reporting date. For further details, please refer to the matters reported below.

Below are the new IAS/IFRS accounting standards or amendments to existing accounting standards issued by the IASB, as well as the new interpretations or amendments of existing ones, published by IFRIC, with separate evidence of those whose mandatory application starts on the reporting date of these Consolidated financial statements or later.

### **New documents issued by the IASB and endorsed by the EU applicable as of the reference date of these Financial Statements**

*Lack of Exchangeability - Amendments to IAS 21, "The Effects of Changes in Foreign Exchange Rates" (issued in August 2023)*

In August 2023, the IASB published amendments to IAS 21 aimed at introducing additional criteria to support entities in assessing whether a currency is exchangeable into another and in determining the exchange rate to be applied when such exchangeability is lacking. Prior to the IASB's intervention, IAS 21 governed the accounting treatment in cases of temporary lack of exchangeability, without, however, providing 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 starting from January 1, 2025; however, based on the analysis performed, the Group has assessed that the amendments to IAS 21 have not had a significant 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 periods beginning after January 1, 2025**

#### **A - Documents endorsed by the EU**

*"Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7"*

In May 2024, the IASB published certain amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures", with the aim of clarifying several issues that emerged in application practice. The main changes introduced by the amendment are as follows:

- clarification of the recognition and derecognition dates of financial assets and liabilities, also providing a new exception for financial liabilities settled through electronic payment systems;
- introduction of guidance on how to assess the contractual cash flows of instruments with ESG indicators, to determine whether or not they meet the SPPI (Solely Payments of Principal and Interest) criterion;
- additional guidelines on the assessment of contingent features (e.g., clauses that modify cash flows based on ESG targets);
- new disclosure requirements for financial instruments with contractual terms that allow for the modification of financial cash flows, including instruments linked to the achievement of environmental, social, or governance (ESG) objectives;
- updated disclosures regarding equity instruments measured at fair value through other comprehensive income (FVOCI).

The expected impacts for the Group are predominantly organizational in nature (e.g., definition of policies, product mapping, procedural implementations for the required disclosures), while no significant impacts on the Group's financial position, performance, or cash flows are anticipated.

*"Contracts Referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7"*

On December 18, 2024, the IASB published certain amendments aimed at improving the representation of the effects of electricity supply contracts dependent on natural sources, often structured as Power Purchase Agreements (PPAs). The amount of electricity generated under these contracts can vary based on uncontrollable factors, such as weather conditions. Indeed, current accounting requirements may not adequately capture how these contracts influence a company's performance. The amendments include:

- clarifications on the application of the "own use" requirements;
- the possibility of using hedge accounting when such 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.

With regard to the aforementioned amendments, no specific areas of concern have emerged from an accounting perspective at this stage, as such operations are not present within the Group.

#### *"Annual Improvements Volume 11"*

On July 18, 2024, the IASB issued the customary annual amendments to IFRS, titled "Annual Improvements to IFRS Accounting Standards - Volume 11". The document contains clarifications, simplifications, corrections, and amendments aimed at improving the effectiveness of existing standards. Specifically, these refinements concern IFRS 1, IFRS 7, IFRS 9, IFRS 10, and IAS 7. The amendments will be effective for financial statements as of January 1, 2026, with early application permitted. No significant impacts on the Group's financial position, performance, or cash flows are expected from these changes, given their limited scope.

#### *"IFRS 18 – Presentation and Disclosure in Financial Statements"*

On April 9, 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". Initial application of the new standard is expected starting from January 1, 2027, with the requirement to present comparative information for the previous year. Early application is permitted, provided that this fact is disclosed.

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 the aggregation and disaggregation of financial information.

In particular, IFRS 18:

- introduces new mandatory categories for the classification of income and expenses (operating, investing, and financing), providing for new mandatory subtotals, including operating profit;
- requires greater transparency regarding the use of Management Performance Measures (MPMs), through reconciliation with IFRS subtotals and an explanation of the underlying reasons;
- strengthens the criteria for the aggregation and disaggregation of information in the primary financial statements and in the notes, in order to ensure a clearer and more consistent representation.

IFRS 18, like IAS 1, does not introduce mandatory financial statement templates, nor does it provide a predefined structure for the Notes; however, it defines a minimum set of information to be presented, leaving the preparer of the financial statements an adequate margin of discretion to ensure the best representation of the entity's financial position, performance, and cash flows.

The changes introduced will mainly concern the presentation of the income statement and the structure of the disclosures; therefore, coordination with Bank of Italy Circular no. 262/2005 will be necessary, the updates of which will be published during 2026 to align the financial statement templates with the new requirements of the standard. Given that the new standard will primarily affect presentation methods rather than measurement criteria, no impacts on the Group's financial position, performance, or cash flows are expected.

#### **B - Standards and documents issued but not yet endorsed**

The following section reports the new international accounting standards or amendments thereto that have not yet been endorsed by the European Commission and whose mandatory application begins after the reference date of these Financial Statements. The Group does not expect significant impacts from the adoption of the following interpretations and amendments to existing international accounting standards.

*IFRS 19 "Subsidiaries without Public Accountability: Disclosures"*

On May 9, 2024, the IASB published the new accounting standard IFRS 19 "Subsidiaries without Public Accountability: Disclosures", which will be applicable for reporting periods beginning on or after January 1, 2027, with the option for early adoption.

IFRS 19 allows entities that meet specific requirements to elect to provide a reduced set of disclosures, while continuing to apply the full recognition, measurement, and presentation criteria required by other international accounting standards.

To apply IFRS 19, at the reporting date, the entity must:

- be a subsidiary, as defined by IFRS 10;
- have no public accountability;
- have a parent company (ultimate or intermediate) that prepares consolidated financial statements, available for public use, drawn up in accordance with IFRS accounting standards.

The new standard will be applicable to:

- subsidiaries that use IFRS for Small and Medium-sized Entities (SMEs) or national accounting standards (local GAAP) for their financial statements and are often required to maintain a dual reporting system, given the differences between the provisions of such standards and those of IFRS accounting standards;
- 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 simplified approach is applicable only to subsidiaries that do not have 'public accountability'.

A subsidiary has public accountability if:

- its debt or equity instruments are traded in a public market or it is in the process of issuing such instruments for trading in a public market (a domestic or foreign stock exchange or an over-the-counter (OTC) market, including local and regional markets); or
- one of its primary activities is holding assets in a fiduciary capacity for a broad group of outsiders (for example, banks, credit unions, insurance companies, securities brokers/dealers, mutual funds, and investment banks).

Entities meeting the aforementioned characteristics may, but are not required to, apply IFRS 19 in their consolidated, separate, or individual financial statements, also 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, illimity Bank, as the Parent Company, prepares both its separate Financial Statements and the Group's Consolidated Financial Statements. Consequently, the Bank does not meet the eligibility requirements set out in IFRS 19 to apply the reduced disclosure regime. Therefore, neither the separate Financial Statements nor the illimity Bank Consolidated Financial Statements will be able to avail themselves 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 August 21, 2025, introduce the possibility for eligible subsidiaries not to disclose certain information relating to standards issued between February 2021 and May 2024. In relation to the operations carried out by the Group and its composition, no impacts are expected from the introduction of the standard in question.

### *Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency'*

The amendments in question, published on November 13, 2025, and effective as of January 1, 2027, clarify the procedures for translating financial statements from a non-hyperinflationary currency to a hyperinflationary one. No impacts are expected for the Group, as it does not carry out any operations in hyperinflationary contexts.

### **Disclosure on public funds pursuant to Article 1, paragraph 125 of Italian Law No. 124 of 4 August 2017 ("Annual Market and Competition Law")**

Italian Law No. 124 of 4 August 2017, the "Annual Market and Competition Law" (hereinafter also referred to as Italian Law No. 124/2017), introduced, in Article 1, paragraphs 125 to 129, certain measures aimed at ensuring transparency within the public funds system. More specifically, it provides for companies to include in their Explanatory Notes information about "subsidies, grants, paid positions and any economic benefit of any kind" (hereinafter referred to for short as "public funds") received from public bodies and from any parties specified by said law.

Failure to comply with the obligation to publish said information will result in an administrative fine equal to 1% of the amounts received, with a minimum payable of EUR 2,000. Only at a later stage does the rule provide for the reimbursement of the grant itself. In order to avoid the publication of irrelevant information, the disclosure obligation does not apply if the amount of public funds received by a single party is below the threshold of EUR 10,000.

August 2017 saw the creation of the National Register of State Aid, which was established within the Directorate-General for Incentives to Companies of the Ministry of Economic Development, in which the parties that grant or manage the aid in question must publish all state aid and de minimis aid given to each company. For the individual aid granted to illimity Group companies, please refer to the "Transparency of the Register" section, which can be accessed by the public.

In light of the above, in compliance with the provisions of Article 1, paragraph 125, of Law No. 124 of 4 August 2017, during 2025, the Parent Company and its subsidiaries received approximately EUR 0.2 million mainly attributable to exemptions from social security contributions for new hires/conversions to permanent contracts in the two-year period 2021-2022 or for the hiring of young workers and funding by interprofessional Funds for continuing education through state aid.

For information regarding grants, contributions, paid assignments, and any other economic benefits received by Group companies, please refer to the National Registry of State Aid (*Registro Nazionale degli Aiuti di Stato*), under the 'Transparency' section.

## **A.2 Section on the main financial statement items**

This section presents the accounting standards used to prepare the Consolidated financial statements as of 31 December 2025 with reference to the classification, recognition, measurement and derecognition of the various asset and liability items, and for the methods used for the recognition of costs and revenues.

### **Financial assets measured at fair value through profit or loss**

#### *Classification criteria*

Financial assets other than those classified under financial assets measured at fair value through other comprehensive income and financial assets measured at amortised cost are classified in this category. In particular, the item includes:

- financial assets held for trading, substantially represented by debt and equity securities and by the positive value of derivative contracts held for trading purposes;
- financial assets designated at fair value, i.e. non-derivative financial assets so defined upon initial recognition and provided that the relevant requirements are met. An entity can irrevocably designate, on recognition, a financial assets as being measured at fair value

through profit or loss if, and only if, by so doing it would remove or significantly reduce an inconsistency in measurement;

- financial assets mandatorily measured at fair value, represented by financial assets that do not meet the conditions, in terms of cash flow characteristics, for measurement at amortised cost or at fair value through other comprehensive income. In particular this category includes:
  - debt instruments, securities and loans which do not contain cash flows consisting only of repayment of capital and interest consistent with an “basic lending arrangement”, (known as an “SPPI test” that has not been passed);
  - debt instruments, securities, and loans whose business model is neither ‘Held to Collect’ (the objective of which is the holding of assets aimed at collecting contractual cash flows) nor ‘Held to Collect and Sell’ (the objective of which is achieved by both collecting contractual cash flows and selling financial assets);
  - units of UCIs;
  - equity instruments for which the Group does not apply the option granted by the principle of measuring these instruments at fair value through other comprehensive income (so-called “OCI Option”).

Derivative contracts also include those embedded in hybrid financial instruments, where the host contract is not a financial asset within the scope of IFRS 9, which are subject to separate recognition 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;
- hybrid instrument to which they belong is not measured at fair value, with the resulting changes in value recognised in the income statement.

Reclassifications to other categories of financial assets are only permitted if the entity changes its business model with regard to the management of financial assets. In such cases the financial assets may be reclassified from the category measured at fair value through profit or loss to one of the other two categories permitted by IFRS 9 (Financial assets measured at amortised cost or Financial assets measured at fair value through other comprehensive income). The transfer value is represented by the fair value at the time of reclassification and the effects of reclassification operate on a forward-looking basis, from the date of reclassification. In this case, the effective interest rate of the reclassified financial assets is determined on the basis of its fair value on the reclassification date. That date is taken to be the date of first recognition for stage allocation for impairment purposes.

#### *Recognition criteria*

The initial recognition of financial assets takes place on the date of settlement for debt securities and equity instruments, on the date of disbursement for loans, and on the date of subscription, for derivatives. Upon initial recognition, these financial assets are recognised at fair value, normally equal to the consideration paid, without considering transaction costs or income directly attributable to the instrument, which are recognised in the income statement.

#### *Measurement criteria*

Even after initial recognition, financial assets are measured at fair value and the effects of applying this criterion are recognised in the income statement.

The determination of the fair value of financial instruments classified in this portfolio is based on prices recorded on active markets, on prices provided by market operators or on internal measurement models, generally used by financial practice, which take into account all the risk factors related to the instruments and which are based on market-observable data.

For the financial assets not listed in active markets, the cost criterion is used to estimate the fair value only on a secondary basis and limited to a small number of circumstances, namely if none of the above valuation methods can be applied or if there is

Interest is recognised under item "10. Interest income and similar income".

Profits and losses from trading and gains and losses from the valuation of the trading book, including derivatives related to financial assets/liabilities designated at fair value, are recognised in the income statement under item "80. Net profit (loss) on trading". The same economic effects relating to financial assets designated at fair value and those mandatorily measured at fair value are recognised under item "110. Net profit (loss) on other financial assets and liabilities measured at fair value through profit or loss, respectively under the sub-items "a) financial assets and liabilities designated at fair value" and "b) other financial assets mandatorily measured at fair value.

#### *Derecognition criteria*

Financial assets are derecognised only when the contractual rights to the cash flows expire, or when the assets are sold if the sale has resulted in the substantial transfer of all the risks and benefits associated with the assets. If part of the risks and benefits of the sold assets has been maintained, the assets will still be recognised in the financial statements, even if legally, ownership of them has been effectively transferred.

If it is not possible to ascertain the material transfer of the risks and benefits, the financial assets will be derecognised from the financial statements if no type of control has been retained. Otherwise, even if partial control has been retained, the assets will be maintained to an extent equal to the residual involvement, which is measured by the exposure to changes in value of the sold assets and to changes in their cash flows.

Finally, with regard to the transfer of rights to collection, sold financial assets are derecognised from the financial statements even when the contractual rights to receive the cash flows of the asset are retained, but an obligation is assumed to pay those flows to one or more entities.

### **Financial assets measured at fair value through other comprehensive income**

#### *Classification criteria*

This category includes the financial assets that meet both of the following conditions:

- the financial asset is owned within a business model whose target is to hold financial assets in order to collect contractual cash flows ("HTC&S - Held to Collect and Sell" business model), and
- the contractual terms of the financial asset provide, on certain dates, cash flows consisting only of the repayment of capital and interest consistent with a "basic lending arrangement", in which the remuneration of the time value of money and credit risk represent the most significant elements (known as the "SPPI test" passed).

This item also includes equity instruments not held for trading for which, at the time of first recognition, the option for designation at fair value through other comprehensive income without subsequent recognition in the income statement (the so-called "OCI Option") has been exercised.

Reclassifications to other categories of financial assets are only permitted if the entity changes its business model with regard to the management of financial assets. In such cases, the financial assets may be reclassified from the category of assets measured at fair value through other comprehensive income to one of the other two categories permitted by IFRS 9 (Financial assets measured at amortised cost or Financial assets measured at fair value through profit or loss). The transfer value is represented by the fair value at the time of reclassification and the effects of reclassification operate on a forward-looking basis, from the date of reclassification. In the case of reclassification from this category to the amortised cost category, the cumulative profit (loss) recognised in the revaluation reserve is carried as an adjustment | loss to the fair value of the financial assets on the date of reclassification. In the case of reclassification into the category of fair value through profit or loss, the profit or loss that was previously recognised in the revaluation reserve is reclassified from shareholders' equity to profit (loss) for the year.



*Recognition criteria*

The initial recognition of financial assets takes place on the date of settlement for debt instruments and equity instruments, and on the date of disbursement for loans. These assets are initially recorded at fair value, including any transaction costs directly attributable to the instrument.

*Measurement criteria*

After initial recognition, assets classified at fair value through other comprehensive income other than equity instruments are measured at fair value and the impacts from application of amortised cost are recognised on the income statement together with the effects of impairment and any foreign exchange effect. Profits and losses arising from changes in fair value are recognised in a specific equity reserve until the financial asset is sold, at which point the cumulative profits and losses are reclassified to the income statement.

Equity instruments that were classified in this category are measured at fair value and the amounts recognised as a contra-entry of shareholders' equity (Statement of comprehensive income) are subsequently transferred to the income statement, not even in the case of disposal. The only item relating to the equity instruments in question that is recorded on the income statement is the relevant dividends.

The fair value is determined on the basis of the principles already illustrated, for the Financial assets measured at fair value through profit or loss.

At the end of each financial year or interim reporting period, financial assets measured at fair value through other comprehensive income in the form of both debt instruments and credits, are subject to verification of the significant increase in credit risk (impairment) provided for in IFRS 9, and therefore a value adjustment is recognised in the income statement to cover the expected losses.

Equity instruments, on the other hand, are not subject to the impairment process.

*Derecognition criteria*

Financial assets measured at fair value through other comprehensive income are derecognised when the contractual rights to the cash flows expire, or in the event they are sold, but only if the sale has resulted in the substantial transfer of all the risks and benefits associated with the assets. If part of the risks and benefits of the sold assets has been maintained, the assets will still be recognised in the financial statements, even if legally, ownership of them has been effectively transferred.

If it is not possible to ascertain the material transfer of the risks and benefits, the financial assets will be derecognised from the financial statements if no type of control has been retained. Otherwise, even if partial control has been retained, the assets in the financial statements will be maintained to an extent equal to the residual involvement, which is measured by the exposure to changes in value of the sold assets and to changes in their cash flows.

Finally, with regard to the transfer of rights to collection, sold financial assets are derecognised from the financial statements even when the contractual rights to receive the cash flows of the asset are retained, but an obligation is assumed to pay those flows to one or more entities.

**Financial assets measured at amortised cost***Classification criteria*

This category includes financial assets (in particular, loans and debt instruments) that meet both the following conditions:

- the financial asset is owned according to a business model whose target is to hold assets in order to collect contractual cash flows ("HTC - Held to Collect" business model), and
- the contractual terms of the financial asset provide, on certain dates, cash flows consisting only of the repayment of capital and interest consistent with a "basic lending arrangement", in which the remuneration of the time value of money and credit risk represent the most significant elements (known as the "SPPI test" passed).

In particular, the following entries are included in this item, provided they meet the previously illustrated technical requirements:

- loans to banks, with the exception of those on demand (which are classified under the item "Cash and cash equivalents");
- loans to customers, mainly consisting of:
  - receivables arising from factoring activities in respect of a portfolio of receivables acquired with recourse, which continue to be recognised in the balance sheet of the transferring counterparty, or from receivables acquired without recourse, for which it has been established that there are no contractual clauses that would invalidate the conditions for their recognition;
  - customer loans arising from the granting of mortgages or loans as part of the Group's business activities;
  - repurchase agreements (PCT);
  - receivables originating from financial lease transactions;
  - from portfolios of Purchased or Originated Credit-Impaired (POCI) receivables;
- debt instruments through subscription or private placement with determinate or determinable payments, which are not listed on active markets.

Reclassifications to other categories of financial assets are only permitted if the entity changes its business model with regard to the management of financial assets. In such cases, which are expected to be extremely infrequent, the financial assets may be reclassified from the category measured at amortised cost in one of the other two IFRS 9 categories (Financial assets measured at fair value through other comprehensive income or Financial assets measured at fair value through profit or loss). The transfer value is represented by the fair value at the time of reclassification and the effects of reclassification operate on a forward-looking basis, from the date of reclassification. The profits or losses resulting from the difference between the amortised cost of the financial asset and its relevant fair value are recognised on the income statement in the case of reclassification among Financial assets measured at fair value through profit or loss and Shareholders' equity, in the relevant revaluation reserve, in the case of reclassification among Financial assets measured at fair value through other comprehensive income.

#### *Recognition criteria*

These financial assets are first recognised on the date of settlement for debt instruments and on the date of disbursement for loans. At the time of first recognition, the assets are posted at fair value inclusive of the transaction costs or income directly attributable to the same asset. This excludes costs that, despite meeting the above conditions, are the subject of reimbursement by the borrower or can be classified under normal internal administration costs.

Repurchase agreements (PCT) with repurchase or resale obligation are recorded in the financial statements as funding or lending transactions. In particular, spot sales and reverse repurchase agreements are recognised in the financial statements as liabilities for the amount received at the spot date, whilst spot purchases and forward sales are recognised as assets for the amount paid at the spot date.

#### *Measurement criteria*

After initial recognition, loans are measured at amortised cost, equal to the value of first recognition, reduced/increased by repayments of capital, write-downs/write-backs and amortisation calculated using the effective interest rate method. The effective interest rate is identified by calculating the rate that equals the present value of the future flows of the receivable, by capital and interest, to the amount lent, including the costs/income traced to the financial asset itself. This accounting method, which uses a financial approach, allows the economic impact of costs and income to be distributed along the expected residual life of the loan.

The amortised cost method is not usually adopted for loans the short term of which makes it possible to consider the effect negligible. These receivables are measured at purchase cost. The same measurement principle is used for loans with no definite maturity date, or revolving credit.



At each reporting or interim closing date, the estimated impairment losses of these assets are calculated, determined in compliance with the impairment rules of IFRS 9.

These assets are in fact assessed with a view to estimating the expected credit losses (ECL) related to credit risk. These losses are recognised in the income statement under item "130. Net value adjustments/recoveries for credit risk". If there are no reasonable expectations of recovery, gross exposure is eliminated (write-off): in such cases, the gross exposure is reduced by the amount deemed irrecoverable, with a corresponding entry in the income statement to reverse the expected losses and impairment losses, for the portion not covered by the provision.

In more detail, the impairment model provides for the classification of assets into three separate "Stages" (Stages 1, Stage 2, Stage 3), according to the evolution of the borrower's credit rating, to which different criteria for measuring expected losses correspond:

- Stage 1: performing financial assets for which no significant deterioration in credit risk has been observed with respect to the initial recognition date, or whose credit risk is considered low. The impairment is based on the estimate of expected loss with a time horizon of one year;
- Stage 2: performing financial assets that suffered a significant deterioration in credit risk compared to the initial recognition ("Significant Increase in Credit Risk"). Impairment is proportional to the estimated expected loss over the entire remaining life of the financial asset;
- Stage 3: non-performing financial assets for which objective evidence of impairment was found and valued on the basis of an estimate of the expected loss throughout the life of the instrument.

For performing assets, expected losses are determined through a collective process based on certain risk parameters, namely the probability of default (PD), the loss given default (LGD) and the exposure at default (EAD).

For non-performing assets, impairment losses are quantified using an analytical valuation process based on homogeneous risk categories, designed to determine the present value of expected future recoverable cash flows, discounted using the original effective interest rate.

Non-performing assets include exposures that have been given the status of bad loan, unlikely to pay or overrun/past-due for more than 90 days according to the definitions established by current supervisory regulations (Bank of Italy's Circular no. 272 "Matrice dei Conti") and referred to in Bank of Italy's Circular no. 262, as they are considered consistent with the accounting regulations provided for by IFRS 9 in terms of objective evidence of impairment.

The expected cash flows also take into account the expectations in terms of collection times and the presumed net realisation value of any guarantees.

The original carrying amount of financial assets is restored in subsequent financial years where the credit quality of the exposure has improved compared with the level that had led to the previous write-down. The write-back is recorded in the income statement under the same item ("130. Net value adjustments/recoveries for credit risk") and, in any case, 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 financial assets (POCI)" are defined as exposures that are non-performing at the date of purchase or at the date in which they originate.

POCI also include receivables acquired as part of sale operations (individual or portfolio sales) and business combinations.

As previously stated, interest recognised for accounting purposes is determined by applying an effective interest rate adjusted for the loan, i.e. the rate which, at the time of initial recognition, discounts all estimated future cash inflows to the amortised cost of the asset, taking into account in the estimate the expected losses over the entire remaining life of the financial instrument ("ECL lifetime").

These expected credit losses are periodically reviewed by determining the recognition in the income statement of adjustments or write-backs. Favourable changes in lifetime ECLs are recognised as reversals, even if those lifetime ECLs are lower than those included in the cash flow estimates at the time of initial recognition.

“Purchased or originated credit impaired financial assets” have traditionally been presented at the initial registration under Stage 3.

A subsequent improvement in the counterparty's credit rating, which may be reflected in the current value of cash flows, involves the classification within Stage 2.

These assets are never classified under Stage 1 since the expected credit loss must always be calculated considering a time horizon of the residual duration (i.e., “lifetime”), while IFRS 9 requires an ECL for assets in Stage 1 estimated over a time horizon of 12 months.

#### *Derecognition criteria*

Financial assets measured at amortised cost are derecognised when the contractual rights to the cash flows expire, or in the event they are sold, but only if the sale has resulted in the substantial transfer of all the risks and benefits associated with the assets. If part of the risks and benefits of the sold assets has been maintained, the assets will still be recognised in the financial statements, even if legally, ownership of them has been effectively transferred.

If it is not possible to ascertain the material transfer of the risks and benefits, the financial assets will be derecognised from the financial statements if no type of control has been retained. Otherwise, even if partial control has been retained, the assets will be maintained to an extent equal to the residual involvement, which is measured by the exposure to changes in value of the sold assets and to changes in their cash flows.

Finally, with regard to the transfer of collection rights, the sold receivables are written off from the financial statements even when the contractual rights to receive the cash flows of the asset are retained, but an obligation is assumed to pay those flows to one or more entities.

With specific reference to non-performing exposures, they are derecognised when the debt is deemed irrecoverable and the Group waives its legal right to recover the debt. By way of example, but not limited to these cases, this occurs in the event of the closure of an insolvency procedure, the death of the debtor without heirs, a final judgment finding the claim to be unfounded, etc.

With regard to total or partial derecognitions, this is to ensure that receivables are not retained on the balance sheet; although these continue to be managed by the debt recovery departments, the likelihood of their recovery is very slim.

Derecognition is charged directly to the item “Net credit risk adjustments/reversals” for the residual amount not yet adjusted and are recognised as a reduction in the principal amount of the receivable. Recoveries of part or entire amounts previously written down are recorded as a reduction of the same item “Net value adjustments/recoveries for credit risk”.

In some cases, during the life of the financial assets in question and of the loans in particular, the original contractual terms are then amended by the parties to the contract. If the contractual terms are amended during the life of an instrument, there is a need to check whether the original asset is still to be recognised in the Financial Statements or needs to be derecognised from the Financial Statements, and a new financial instrument recognised in its place.

In general, changes to a financial assets lead to its de-recognition and the entry of a new asset, if the changes are substantial. Considerations about the materiality of the amendment are based on qualitative and quantitative factors. In some cases it may be clear, without using complex analyses, that the changes have substantially modified the characteristics and/or cash flows of a certain asset while in other cases, additional quantitative analysis has to be done to assess the effects of the changes, and to check whether or not to de-recognise the asset and enter a new one.

The quali-quantitative analyses intended to define the substance of the contractual amendments made to a financial assets must therefore consider:

- the reasons why the amendments were made: for example, renegotiations for commercial reasons and concessions due to financial difficulties of the counterparty;
- the presence of objective elements that affect the characteristics and/or contractual flows of the financial instrument (such as, by way of example, the change of type of counterparty risk the Bank is exposed to), which the derecognition is expected to involve considering their impact (expected to be significant) on the original contractual flows.

## Hedging transactions

### *Classification criteria*

With regard to hedging transactions, the illimity Group has decided to exercise the option, provided for upon the introduction of IFRS 9, to apply the hedge accounting rules set out in IAS 39, in the version approved by the European Commission (the so-called “carved-out” version).

Risk hedging transactions are aimed at neutralising, from an accounting point of view, potential losses recognisable on a given financial instrument or on a group of financial instruments, attributable to a specific risk, through the profits recognisable on a different financial instrument or group of financial instruments if that particular risk should arise.

Only instruments involving a counterparty that is external to the Group can be designated as hedging instruments.

The only type of hedge used by the Group as at 31 December 2025 is a fair value hedge, which is intended to hedge exposure to changes in the fair value of a balance sheet asset or liability attributable to a particular risk. With regard to fair value hedging, the Group adopts both specific hedges (“micro fair value hedges”) and general hedges (“macro fair value hedges”).

A derivative instrument may be regarded as a hedge if there is formal documentation of the unambiguous relationship with the hedged item and if this documentation is effective at the time the hedge commences and, going forward, throughout 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 its hedging strategy. This documentation includes the identification of the hedging instrument, the hedged element or hedged transaction, the nature of the hedged risk and how to assess the effectiveness of the hedging instrument in offsetting the exposure to changes in the fair value of the hedged element.

### *Recognition criteria*

Derivative financial instruments used for hedging are recognised at fair value on the date the relevant contracts are entered into and are classified under the asset heading “50. Hedging derivatives” or in the balance sheet liabilities 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. In particular, for fair value hedges, the change in the fair value of the hedged element is offset with the change in the fair value of the hedging instrument. This offsetting is accounted for through the recognition in the income statement (or an equity reserve in the case of fair value hedging on equity securities measured at fair value through other comprehensive income) of the changes in value relating to both the hedged element (specifically with regard to the changes generated by the underlying risk factor) and the hedging instrument. Any difference that may arise, which represents the partial ineffectiveness of the hedge, is recognised as the net effect thereof with regard to profits.

For macro fair value hedges, the changes in fair value with regard to the hedged risk of the hedged assets and liabilities are recognised in the balance sheet, under item “Fair value change of financial assets in generic hedged portfolios” or “Fair value change of financial liabilities in generic hedged portfolio”.

The effectiveness of the hedge depends on the extent to which the changes in the fair value of the hedged instrument are offset by those of the hedging instrument. The effectiveness is therefore measured by comparing the aforementioned changes, taking into account the company's intention when putting the hedge in place. It is effective when the changes in the fair value of the hedging financial instrument neutralise almost completely the changes in the hedged instrument for the hedged element of risk.

Effectiveness is assessed at the end of each financial year or interim reporting date using forward-looking tests, which justify the application of hedge accounting as they demonstrate the expected effectiveness based on limits defined internally by the Group.

If the checks do not confirm the effectiveness of the hedge, from that moment the accounting of the hedging operations is suspended: the hedging derivative is reclassified under trading instruments and the hedged financial instrument reassumes the measurement criteria corresponding to its classification in the financial statements. If the hedged asset or liability is measured at amortised cost, the greater or lesser value deriving from the measurement thereof at fair value as a result of the hedge that has become ineffective is recognised in the income statement using the effective interest rate method.

Furthermore, the recognition of existing fair value hedges ceases prospectively in the following cases:

- the hedging instrument reaches maturity, is closed out or exercised;
- the hedged item is sold, expires or is refunded;
- it is decided to revoke the designation.

## Equity investments

### *Classification criteria*

This item includes interest held in associates or joint ventures, which are recorded according to the equity method.

Non-subsidiaries in which significant influence is exercised are considered to be associated. The company is presumed to exercise significant influence in all cases where it holds 20% or more of the voting rights (including "potential" voting rights) and, regardless of the percentage held, where it has the power to participate in the management and financial decisions of the investee companies, by virtue of specific legal ties, such as shareholders' agreements, the purpose of which is to ensure that the parties to the agreement are represented on the management bodies and to safeguard the unity of management policy, without, however, exercising control.

Companies are considered joint ventures if, on a contractual basis, control is shared between the Group and one or more other parties or when the unanimous consent of all the controlling parties is necessary for decisions concerning significant activities.

### *Recognition criteria*

The initial recognition of financial assets classified in this category takes place at the settlement date at cost, including any goodwill paid at the time of acquisition, which is therefore not subject to independent and separate recognition (so-called "implied goodwill").

### *Measurement criteria*

Equity investments are measured using the equity method. Under this method, the initial carrying amount is subsequently increased or decreased to recognise the Group's share of the investees' profits and losses arising after the acquisition date. Dividends received from an investee company are recognised as a reduction in the carrying amount of the investment.

Where it is necessary to recognise value adjustments arising from changes in the investee's equity that the investee has not recognised in its income statement (e.g. changes arising from the fair value measurement of "Financial assets measured at fair value through other comprehensive income", or from the measurement of actuarial gains/losses on defined benefit plans), the Group's share of such changes is recognised directly in the equity item "Valuation reserves".

In applying the equity method, the most recent available financial statements of the associated/jointly controlled company, appropriately adjusted to take into account any significant events or transactions,

occurring between the last available financial statements of the investee company and the reporting date of the consolidated financial statements, are used. If the investee applies accounting standards that differ from those used by the Group, adjustments are made to the investee's financial statements.

If there is evidence that the value of an equity investment may have decreased, the recoverable value of the equity investment is estimated, taking into account the discounted value of the future cash flows that the equity investment could generate, including the final disposal value. If the recovery value is lower than the carrying amount, the related difference is recognised in the income statement.

If the reasons for the impairment are removed following a subsequent event occurring after the recognition of the impairment, write-backs are made and allocated to the income statement.

#### *Derecognition criteria*

Equity investments are derecognised if there is a sale that substantially transfers all the related risks and benefits.

In the presence of a situation that determines the loss of significant influence or joint control, any residual investment is reclassified in the portfolios of financial assets under IFRS 9.

### **Property and equipment**

#### *Classification criteria*

This item includes property and equipment held for investment in accordance with IAS 40, those held for functional use in accordance with IAS 16 and inventories of property and equipment in accordance with IAS 2.

Properties held (either outright or under a finance lease) with a view to generating rental income and/or achieving a return on the capital invested are classified as investment property, i.e. as property and equipment held for investment purposes.

Property and equipment held for functional use include, in particular:

- properties;
- furniture and furnishings;
- electronic office machines;
- miscellaneous machines and equipment;
- vehicles;
- leasehold improvements.

These are tangible assets held for use in the production or supply of goods and services, or for administrative purposes, and which are expected to be used for more than one financial year.

This item also includes rights of use acquired through lease agreements relating to the use of property and equipment.

Pursuant to IFRS 16, the lease is a contract, or part of a contract, that, in exchange for consideration, transfers the right to use an asset (the underlying asset) for a period of time.

Finally, the item includes improvements on third-party assets and incremental expenses related to identifiable and separable property and equipment. In general, these investments are incurred to make the properties leased from third parties suitable for expected use.

Property and equipment constitute inventories (IAS2) where they are held for sale in the normal course of business.

#### *Recognition criteria*

Property and equipment are initially recorded at cost, including all costs directly attributable to the purchase and commissioning of the asset.

Expenses incurred subsequently are added to the carrying amount of the asset or recognised as separate assets if it is probable that future economic benefits will be enjoyed exceeding those initially estimated and the cost can be reliably recognised; otherwise, they are recognised in the income statement.

For property and equipment in the form of rights of use (“Right of Use” or “RoU”) within the meaning of IFRS 16, the initial carrying amount corresponds to the sum of the lease liability (present value of future lease payments due over the contract term), lease payments made previously or at the commencement date of the lease, initial direct costs, and any costs associated with the dismantling or restoration of the asset underlying the lease.

#### *Measurement criteria*

Property and equipment held for functional use or for investment are measured at cost, less any depreciation and impairment losses. Inventories of property and equipment, as defined by IAS 2, are measured at the lower of cost and net realisable value.

Fixed assets with a finite useful life are systematically depreciated over their useful life using the straight-line method, except as described below.

On the other hand, inventories of property and equipment in accordance with IAS 2 as well as tangible fixed assets with an unlimited useful life or whose residual value is equal to or greater than the carrying amount of the asset are not amortised.

Land and buildings are treated separately for accounting purposes, even when they are acquired together. Land is not depreciated as it has an indefinite useful life. Where their value is included in the value of the building, in accordance with the component approach, they are treated as assets separable from the building; the breakdown between the value of the land and the value of the building is based on valuations carried out by independent experts, but only for properties owned outright (including both the land and the building).

The useful lives, residual values and depreciation methods of property and equipment are reviewed at each financial year-end and, if expectations differ from previous estimates, the depreciation charge for the current financial year and subsequent years is adjusted.

If there is objective evidence that a single asset may have suffered a reduction in value, the comparison is made between the carrying amount of the asset with its recoverable value, equal to the greater of the fair value, less costs of sale, and the related value in use, understood as the current value of future cash flows that are expected to originate from the asset. Any value adjustments are recognised in the income statement.

If the amount of an asset previously written down is restored, the new carrying amount can not exceed the net book value that would have been determined if no impairment loss had been recognised in the previous years.

The estimated useful lives are normally as follows:

- Buildings: not exceeding 14 years;
- Furniture and fixtures: not exceeding 7 years;
- Electronic systems: not exceeding 5 years;
- Other: not exceeding 7 years;
- Leasehold improvements: not exceeding 15 years.

With regard to the right-of-use asset, which is accounted for in accordance with 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 and is subject to an impairment test should any indicators of impairment arise.



*Derecognition criteria*

Property and equipment are eliminated from the balance sheet at the time of disposal or when no future economic benefits are envisaged for it from its use or disposal. Profit/loss that arises at the time of derecognition of the asset (calculated as the difference between the net carrying amount of the asset and the consideration received) is recognised in the income statement when the element is derecognised.

The right of use resulting from lease contracts is eliminated from the balance sheet at the end of the lease term.

**Intangible assets***Classification criteria*

Intangible assets are non-monetary assets that are identifiable, even though they have no physical form, and that meet the criteria of identifiability, control over the asset in question, and the expectation of future economic benefits. They mainly include goodwill and software.

*Recognition criteria*

Intangible assets are initially recorded at cost, given by the purchase price and any direct costs incurred to prepare the asset for use.

In particular, internal costs incurred for the development of software projects constitute intangible assets and are recognised as assets only if all 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 capability to make the asset available for use or sale;
- it can be demonstrated that the asset is capable of producing future economic benefits. Capitalised software development costs include only expenses incurred that may be directly attributed to the development process.

*Measurement criteria*

After initial recognition, intangible fixed assets with a finite useful life are recognised at cost net of amortisation determined on the basis of their estimated useful life.

The estimated useful life for intangible assets normally corresponds to a period not exceeding 7 years. However, with regard to software, it is specified that the useful life of certain items has been revised, aligning it with the estimates that take into account the planned integration of the Bank into the IFIS Group. If there is objective evidence that a single asset may have suffered a reduction in value, a comparison is made between the carrying amount of the asset and its recoverable value, equal to the greater of the fair value, less costs of sale, and the related value in use, understood as the current value of future cash flows that are expected to originate from the asset. Any value adjustments are recognised in the income statement.

Intangible assets whose useful life is indefinite, including goodwill, are recorded at cost net of any impairment losses that may have occurred. For these assets, not the amortisation is carried out, but only the periodic verification of the adequacy of the book value in the financial statements.

At each financial year-end or interim reporting date, where there is evidence of impairment, the recoverable amount of the asset is estimated. The amount of the loss, recognised in the income statement is equal to the difference between the asset's carrying amount and its recoverable value.

With reference to goodwill, a periodic check is carried out on the adequacy of the book value. Whenever there is evidence of an impairment loss, and in any case at least once a year, a check is carried out to ensure there are no long-term value impairments. For this purpose the Cash Generating Unit (CGU) to which the goodwill should be allocated is identified. The CGU is the minimum level at which the goodwill is monitored for internal operational purposes and must not be greater than the operating segment determined in accordance with IFRS 8.

Any impairment is determined on the basis of the difference between the recognition value of the goodwill and its recovery value, if lower. The recovery value is equal to the higher of the fair value of the CGU, net of any costs of sale, and the related value in use. The value in use is the current value of the future cash flows expected from the CGU to which the goodwill was attributed. The resulting value adjustments are recognised in the income statement under the item “Goodwill impairment”. Any subsequent recoveries are not permitted.

#### *Derecognition criteria*

An intangible asset is eliminated from the balance sheet at the time of disposal or when no future economic benefits are expected from its use or disposal. Any profit or loss arising from the derecognition of the asset (calculated as the difference between the net consideration for disposal and the asset's carrying amount) is included in the income statement.

### **Non-current assets held for sale and discontinued operations**

“Non-current assets held for sale and discontinued operations” are classified under the item assets, while “Liabilities associated with non-current assets held for sale and discontinued operations”, non-current assets or asset/liability groups for which a sale process has been initiated and whose sale is considered highly probable, are classified under liabilities. Such assets/liabilities are measured at the lower of carrying amount and fair value net of disposal costs, with the exception of certain kinds of asset (e.g. financial assets falling within the scope of application of IFRS 9), for which IFRS 5 specifies that the valuation criteria of the attributable accounting standard must be applied.

Valuation reserves relating to non-current assets held for disposal, recognised as a contra entry to the relevant changes in value, are shown separately in the statement of comprehensive income.

The positive or negative balance of income (dividends, interest, etc.) and charges (interest expense, etc.) related to discontinued operations, net of the related current and deferred taxation, is recognised under the item “profit (loss) from discontinued operations after tax” in the income statement. Profits 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 line item in the income statement, such as “profit (loss) from disposal of investments”.

### **Current and deferred taxes**

#### *Classification criteria*

The items include current and prepaid tax assets and current and deferred tax liabilities relating to income taxes, respectively.

Current and deferred taxes, calculated in compliance with national tax laws, are recognised in the income statement with the exception of those relating to items debited or credited directly to shareholders' equity.

Current tax liabilities are shown in the balance sheet gross of any advance payments made.

Deferred tax assets and liabilities are recognised in the balance sheet as separate items without offsetting; the former are classified under “Tax assets” and the latter under “Tax liabilities”, unless there is a legal right to offset current tax assets against current tax liabilities, and the deferred tax assets and liabilities relate to income taxes payable to the same tax authority by the same taxpayer or by different taxpayers who intend to settle the current tax assets and liabilities on a net basis or to realise the asset and settle the liability simultaneously, with reference to any future period in which the deferred tax assets and liabilities are expected to be settled or recovered.

As a result of the tax consolidation agreements in place between the Group companies, current taxes relating to IRES for the financial year, which are transferred to the tax consolidation scheme, are recognised under Other assets or Other liabilities as receivables from or payables to the consolidating entity in accordance with tax legislation.

#### *Recognition and measurement criteria*

Deferred tax assets and liabilities are determined on the basis of temporary differences – without any time limits – between the value attributed to an asset or liability under statutory accounting standards and the



corresponding values adopted for tax purposes, applying the tax rates expected to be applicable in the financial year in which the tax asset is realised or the tax liability is settled, based on the theoretical tax legislation in force at the date of realisation.

Deferred taxes are recognised on all taxable temporary differences, with the following exceptions:

- deferred tax liabilities arise from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, does not affect either the economic result or the tax result;
- the recognition of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures can be managed, and it is unlikely that they will arise in the foreseeable future.

Deferred tax assets are recognised in the financial statements in respect of all deductible temporary differences, tax credits and unused tax losses carried forward, to the extent that it is probable they will be recovered, assessed on the basis of the ability of the company concerned or the Parent Company, as a result of exercising the option relating to 'tax consolidation', to generate positive taxable income on a continuous basis, except in cases where:

- deferred tax relating to deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that does not constitute a business combination and, at the time of the transaction, affects neither the profit or loss nor the tax liability;
- in the case of deductible temporary differences associated with equity investments in subsidiaries, associates and joint ventures, deferred tax assets are recognised only to the extent that it is probable that they will be reversed in the foreseeable future, and that there will be sufficient taxable income to allow the recovery of these temporary differences.

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 income will be available in the future to allow all or part of the use of such receivable. Unrecognised deferred tax assets are reviewed at each reporting date and are recognised to the extent that it becomes probable that sufficient taxable income will be available to allow for the recovery of those deferred tax assets.

## Provisions for risks and charges

### *Classification criteria*

#### Funds for risks and charges against commitments and guarantees given

This sub-item of funds for risks and charges includes credit risk funds recognised in respect of commitments to disburse funds and guarantees issued that fall within the scope of the impairment rules under IFRS 9. For these cases, in principle, the same allocation methods are adopted between the three stages (credit risk stages) as well as the same calculation methods of the expected losses shown with reference to financial assets measured at amortised cost or the fair value through other comprehensive income.

Moreover, the aggregate also includes funds for risks and charges established against other types of commitments and guarantees issued that, due to their own peculiarities, do not fall within the aforementioned impairment scope under IFRS 9.

#### Post-employment benefits and similar obligations

Post-employment benefits are set up to reflect company agreements and are classified as defined benefit plans under IAS 19. The liabilities relating to these plans and the welfare cost of current workers are determined according to actuarial assumptions, applying the "Unit Credit Projection" method, which projects the future expenditure based on historical statistical analysis, the demographic curve, and the financial discounting of these cash flows based on the market interest rate. The contributions paid in each financial year are considered as separate units and are identified and valued individually for the purposes of determining the final obligation. The discounting rate used is determined according to the market returns recognised on the measurement date, for the obligations of leading companies taking into account the

liability's average residual life. The current value of the obligation on the reporting date is also adjusted by the fair value of any assets servicing the plan.

Actuarial gains and losses (which are changes in the current value of the obligation arising from changes in the actuarial assumptions and adjustments based on past experience) are recognised as counterpart to shareholders' equity under the item "Valuation reserves" and shown on the statement of comprehensive income.

#### Other Provisions

Other funds for risks and charges include provisions for legal obligations and those relating to employment relations or disputes, including tax disputes, originating from a past event, for which an outlay of financial resources is probable in order to fulfil the obligations, but for which a reliable estimate of the amount cannot be made.

#### *Criteria for the registration, measurement and recognition of income components*

Funds for risks and charges consist of liabilities of uncertain amount or maturity and are recognised in the financial statements if:

- there is a present obligation (legal or constructive) as a result of a past event;
- it is likely that the use of resources embodying economic benefits will be required to settle the obligation;
- a reliable estimate of the probable future outlay can be made.

The amount recognised in the provision represents the best estimate of the financial outlay required to settle the obligation existing 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 effect of discounting are recognised in the Income Statement under the item "Net 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 best current estimate. When it becomes unlikely that resources will be used to generate economic benefits in order to settle the liability, the provision is reversed.

Furthermore, each provision is used solely to cover the expenditure for which it was originally established.

If the outlay of financial resources is not deemed probable to meet the obligation, no provision in the financial statements is required; in this case, it is necessary to provide adequate disclosure in the Explanatory Notes on the possible risk of losing, unless the probability of using resources is deemed remote or the phenomenon is significant.

### **Financial liabilities measured at amortised cost**

#### *Classification criteria*

The item includes payables due to banks, payables due to customers and securities issued, and comprises various forms of funding from banks and customers, as well as funds raised through outstanding bonds, net of any amounts repurchased.

This also includes liabilities recognised by the lessee in connection with finance leases, as well as funding repurchase agreements and securities lending transactions where collateral in the form of cash is received and remains at the lender's full disposal. Finally, operational payables related to the provision of financial services as defined in the Italian Consolidated Law on Banking and the Italian Consolidated Law on Finance are included.

#### *Recognition criteria*

These liabilities are initially recognised upon receipt of the funds raised or settlement of the debt securities issued, and are measured at their fair value, which is normally equal to the amount received or the issue price, plus any additional costs or gains directly attributable to the individual funding or issuance transaction and not reimbursed by the borrower.

Repurchase agreements (PCT) with repurchase obligation are recorded in the financial statements as funding transaction for the amount collected in cash.

Lease liabilities are recognised on the basis of the present value of future lease payments still to be made over the term of the lease, discounted using the interest rate implicit in the transaction or, if this cannot be determined, the marginal borrowing rate.

#### *Measurement criteria*

After initial recognition at fair value, these instruments are subsequently measured at amortised cost, using the effective interest method.

The amortised cost method is not used for liabilities the short term of which makes the discounting effect negligible.

Lease liabilities are revalued when there is a lease modification (i.e. a change to the scope of the contract) that is not accounted for or treated as a separate contract.

#### *Derecognition criteria*

Financial liabilities are derecognised when they are derecognised, past due, discharged or fulfilled. The difference between the carrying amount of the liability and the amount paid to purchase it is registered in the income statement.

They are also derecognised if there is a repurchase of previously issued securities, even if these instruments are intended for subsequent resale. Gains or losses arising from the recognition of the repurchase as a settlement are recognised in the income statement if the repurchase price of the bond is higher or lower than its carrying amount.

The subsequent sale of the company's own bonds on the market is treated as the issuance of new debt.

### **Financial liabilities held for trading**

#### *Classification criteria*

This item includes:

- financial liabilities issued with the intention of repurchasing them in the short term;
- liabilities forming part of a portfolio of financial instruments that are managed jointly and for which there is a proven strategy aimed at generating short-term profits;
- 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 on the settlement date for cash liabilities and on the trade date for derivative contracts.

The first recognition is made on the basis of the fair value of the liability, normally equal to the amount received, without considering the transaction costs or income directly attributable to the instrument itself, which are recognised directly in the income statement.

#### *Measurement criteria*

Even after initial recognition, financial liabilities held for trading are measured at fair value at the end of the reporting year and the effects of applying this criterion are recognised in the income statement. The fair value is determined on the basis of the same criteria illustrated for the financial assets held for trading.

#### *Derecognition criteria*

Financial liabilities held for trading are removed from the financial statements when the contractual rights relating to the relevant cash flows expire, or when the financial liabilities are sold, with the essential transfer of all risks and benefits derived from the ownership thereof.

**Financial liabilities designated at fair value**

The Group does not hold financial liabilities on the reporting date.

**Foreign currency transactions***Initial recognition*

Foreign currency transactions are recorded in the functional currency at the time of initial recognition, by applying the exchange rate prevailing on the transaction date to the foreign currency amount.

*Subsequent recognitions*

At the end of each financial year, monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate prevailing on that date.

Non-monetary assets and liabilities, recognised at historical cost, are converted using the historical exchange rate, while those measured at fair value are converted using the year-end exchange rate. Foreign exchange differences arising from the settlement of monetary elements or from the conversion of monetary elements at rates other than those of initial conversion, or of conversion of the previous Financial Statements, are recognised in the income statement in the year in which they arise, except for those relating to financial assets measured at fair value through other comprehensive income as they are recognised in contrast to an equity reserve.

**Insurance assets and liabilities**

At the reporting date the Group did not hold insurance assets or liabilities.

**Other information***Cash and cash equivalents*

This item comprises legal tender, including foreign banknotes and coins, current accounts and demand deposits with central banks (excluding reserve requirements), as well as demand deposits with banks. This definition covers funds that can be withdrawn at any time without notice, or with 24 hours' notice or one working day's notice.

This item is recorded for face value. For foreign currencies, the face value is converted into euro at the exchange rate at the end of the year.

*Other assets*

This item includes assets that cannot be classified under any other asset heading in the balance sheet. This entry may include, by way of example:

- gold, silver and precious metals;
- prepaid expenses other than those that are to be capitalised in the related financial assets, including those arising from contracts with customers in accordance with IFRS 15;
- receivables related to the provision of non-financial goods or services;
- tax credits connected with the "Cura Italia" and "Rilancio" Decree Laws
- tax payables other than those recognised in the item "Tax assets".

Any outstanding balances ("debit balances") from transitory and suspended items that have not been allocated to the relevant accounts may also be included, provided that the total amount is immaterial.

*Other liabilities*

This item includes liabilities that cannot be classified under other liability items in the balance sheet.

This item includes, by way of example:

- payment agreements required to be classified as payables in accordance with IFRS 2;
- payables related to the payment of supplies of non-financial goods and services;
- accrued liabilities other than those to be capitalised on the relevant financial liabilities, including those arising from contracts with customers in accordance with IFRS 15;

- various tax receivables other than those recognised in the item "Tax liabilities" related, for example, to activities as a withholding agent.

#### *Employee severance pay (TFR) and other employee benefits*

In accordance with IAS 19, employee benefits include all forms of compensation provided in exchange for service rendered by employees or for the termination of employment, which are specifically divided into:

- short-term benefits (other than termination benefits) expected to be settled within 12 months of the end of the reporting period in which the employees rendered the related service;
- post-employment benefits such as, for example, severance pay;
- termination benefits due to employees as a result of the company's decision to terminate an employee's employment before the normal retirement date;
- other long-term benefits (other than termination benefits) expected to be settled more than 12 months after the end of the reporting period in which the employees rendered the related service.

In accordance with IAS 19 "Employee Benefits", the Employee severance pay (TFR) payable to employees of the Group's Italian companies was, until 31 December 2006, treated as a "post-employment benefit" classified as a "defined benefit plan". Therefore, it had to be recognised in the financial statements on the basis of the actuarial value determined using the "Projected Unit Credit" method.

Following the entry into force of the 2007 Finance Act, which anticipated the supplementary pension reform of Legislative Decree No. 252 of December 5, 2005, to January 1, 2007, the shares of employee severance pay of employees accruing from January 1, 2007, must, at the employee's choice, be allocated to supplementary pension schemes or be retained by the company and be transferred by the latter to a specific fund managed by INPS.

The entry into force of the aforementioned reform resulted in a change in the accounting treatment of the severance pay (TFR), both with regard to the portions accrued up to 31 December 2006 and those accruing as from 1 January 2007.

In particular:

- the accrual of employee severance pay from 1 January 2007 constitutes a "defined contribution scheme" both where the employee opts for a supplementary pension scheme and where the payments are allocated to the INPS treasury fund. The amount of the portions must, therefore, be determined on the basis of the contributions due without the application of actuarial calculation methodologies;
- the employee severance pay (TFR) accrued as at 31 December 2006 continues to be considered a 'defined benefit plan', with the consequent need to continue performing an actuarial valuation which, however, compared to the calculation methodology applied until 31 December 2006, no longer involves the proportional attribution of the benefit to the period of service performed. This is because the service to be valued is considered to be fully vested as a result of the change in the accounting nature of the portions accruing as from 1 January 2007.

Actuarial gains/losses must be included in the calculation of net employee liabilities against an equity item, to be presented in the statement of other comprehensive income for the period.

#### *Share-based payments*

These are payments to employees or other similar persons, as consideration for services, settled in shares representing capital.

The relevant international accounting standard is IFRS 2 "Share-based payments"; in particular, as the Group's obligation in respect of the receipt of services is to be settled in shares ("to the value of", i.e. a specific amount is converted into a variable number of shares, based on the fair value at the grant date), the applicable accounting treatment is that of "equity-settled share-based payments". The cost of

transactions settled with equity instruments is determined by the fair value at the date on which the assignment is carried out using an appropriate valuation method.

This cost, together with the corresponding increase in shareholders' equity, is recognised under personnel costs over the vesting period in which the conditions relating to the achievement of targets and/or the provision of the service are met. The cumulative costs recognised in respect of these transactions at the end of each financial year until the maturity date are proportionate to the expiry of the vesting period and the best estimate of the number of equity instruments that will actually vest. The cost or revenue recognised in the income statement refers to the change in cumulative expense recognised at the beginning and end of the year. Any reduction in the number of financial instruments allocated shall be accounted for as derecognition of part of them.

#### *Own shares*

Under current Italian law, the purchase of own shares is subject to a specific resolution by the shareholders' meeting and the corresponding allocation of a specific equity reserve. Treasury shares held in portfolio are recognised in a specific item as a deduction from shareholders' equity and are measured at cost determined using the "weighted average cost" methodology. Any differences between the purchase and sale price arising from trading activities carried out during the reference financial year on such shares are recorded in shareholders' equity reserves.

#### *Recognition of costs and revenues*

##### *Revenue*

Revenue represents the gross inflows of economic benefits that flow to the entity as consideration for the obligation to transfer a wide range of goods and services to the customer, arising in the course of ordinary activities.

Pursuant to IFRS 15, the entity must recognise the revenue on the basis of the compensation expected to be received for the goods and services provided in the context of the ordinary activities. In detail, the recognition of revenues must take place on the basis of the following five steps:

- identification of the contract, defined as an agreement having commercial substance between two or more parties capable of generating rights and obligations;
- the identification of the individual performance obligations provided for in the contract;
- determination of the transaction price, i.e. the expected consideration for the transfer of the goods or services to the customer;
- allocation of the transaction price to each "performance obligation", on the basis of the sales prices of the individual obligation ("stand-alone selling price");
- recognition of the revenues allocated to the individual obligation when it is regulated, i.e. when the customer obtains the control of goods and services. That recognition takes into account the fact that certain services can be provided at a specific time or during a time period.

Revenues from contractual obligations with customers are recognised in the income statement if it is likely 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 set out in the contract and must be recognised as revenue in the income statement in accordance with the timing of the fulfilment of the obligation. In detail, revenues can be recognised in the income statement:

- at a point in time, when the entity fulfils its obligations to make by transferring the promised good or service to the customer, or
- over time, as the entity fulfils its obligation to make by transferring the promised good or service to the customer.

A performance obligation is considered satisfied when the customer obtains control of the transferred good or service.

The consideration provided for in the contract with the customer may include fixed amounts, variable amounts, or both. In detail, the contract consideration may vary as a result of reductions, discounts, repayments, incentives, performance bonuses or other similar elements. The variability of consideration



may also depend on the occurrence or not of a future event. In the presence of variable consideration, revenue recognition in the income statement is carried out if it is possible to reliably estimate the revenue and only if it is highly probable that this consideration should not subsequently be derecognised from the income statement, in whole or in a significant part.

Where an entity receives consideration from a customer that it intends 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 on the basis of the expected future refunds ("refund liability"). The estimate of this liability is updated at each annual or interim reporting date and is carried out on the basis of the portion of the consideration to which the entity does not expect to be entitled.

#### Costs

Costs incurred in securing and fulfilling contracts with customers are recognised in the income statement in the periods in which the corresponding revenue is recognised; costs that are not directly attributable to revenue are charged immediately to the income statement.

#### Dividends

Dividends are recognised in the income statement in the year in which their distribution is resolved.

#### Setting off financial instruments

In accordance with IAS 32, paragraph 42, financial assets and financial liabilities are offset and the net amount reported when, and only when, the entity:

- has a currently enforceable legal right to set off the recognised amounts in all circumstances, whether in the normal course of business or in the event of default, insolvency or bankruptcy of the parties;
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously (gross settlement) whose substantive effects are equivalent to net settlement.

#### Business combinations

The accounting standard applicable to business combinations is IFRS 3.

The transfer of control of a company (or of a group of integrated assets and goods, which are managed as a single unit) constitutes a business combination.

Control is considered to have been transferred when the investor is exposed to variable returns or holds rights to such returns due to its relations with the investee company, and can simultaneously affect the returns by exercising its power over the investee.

IFRS 3 requires that for all business combinations an acquirer is identified. The latter must be identified as the party that obtains control over another entity or group of assets. In cases where it is not possible to identify an acquirer following the definition of control described above, such as in the case of exchange of equity interests, the identification of the acquirer must be based on other factors such as: the entity whose fair value is significantly greater, the entity that potentially pays cash consideration, or the entity that issues the new shares.

The acquisition, and therefore the first-time consolidation of the acquired entity, must be accounted for on the date on which the acquirer effectively obtains control over the acquired business or assets. When the transaction occurs through a single exchange transaction, the exchange date normally coincides with the acquisition date. However, it is always necessary to verify the possible presence of agreements between the parties that may result in a transfer of control prior to the exchange date.

The price transferred in a business combination operation must be determined as a sum of the fair value, on the date of the exchange, of the assets transferred, the liabilities incurred or accepted and the equity instruments issued by the acquirer in exchange for control.

In transactions involving payment in cash (or where payment is provided through financial instruments equivalent to cash), the price is the agreed consideration, discounted where instalment payments are provided for over a period exceeding the short term; where payment is made through an instrument other

than cash, i.e. through the issuance of equity instruments, the price is equal to the fair value of the means of payment, net of costs directly attributable to the capital issuance transaction. For the methods of determining the fair value of financial instruments, reference should be made to the section "A.4 - Fair value disclosure", noting that, for shares listed on active markets, the fair value is represented by the stock exchange price at the acquisition date or, failing that, the last available price.

Contingent consideration – namely adjustments conditional on future events – is included in the consideration for the business combination at the acquisition date, if provided for in the agreements and only where it is probable, can be reliably determined, and is realised within twelve months of the date of acquisition of control. On the other hand, indemnification assets for the reduction in value of the assets used are not considered, as they are already reflected either in the fair value of the equity instruments or as a reduction in the premium or an increase in the discount on the initial issuance in the case of debt instruments.

Acquisition-related costs are the expenses the acquirer incurs to effect the business combination; by way of example, these include professional fees paid to auditors, appraisers, legal consultants, costs for appraisals and auditing of accounts, the preparation of information documents required by regulations, as well as consultancy expenses incurred to identify potential targets for acquisition if it is contractually established that payment is made only in the event of a successful outcome of the combination, as well as the costs of registering and issuing debt or equity securities.

The acquirer must account for acquisition-related costs as expenses in the periods in which the costs are incurred and the services are received, with the exception of the costs to issue debt or equity securities, which must be recognised in accordance with IAS 32.

Business combinations are accounted for according to the "acquisition method", according to which the identifiable assets acquired (including any intangible assets previously not recognised by the acquired company) and the identifiable liabilities assumed (including contingent liabilities) must be recognised at their respective fair values at the acquisition date.

Furthermore, as expressly provided for by IFRS 3, for each business combination, any non-controlling interests in the acquiree may be recognised at fair value (with a consequent increase in the consideration transferred) or in proportion to the non-controlling interest's share of the acquiree's identifiable net assets.

If control is achieved through successive purchases, the acquirer must remeasure its previously held equity interest in the acquiree at its acquisition-date fair value and recognise any resulting gain or loss compared to the previous carrying amount in the income statement.

The excess of the consideration transferred (represented by the fair value of the assets transferred, the liabilities incurred, or the equity instruments issued by the acquirer), potentially adjusted by the value of non-controlling interests (determined as set out above) and the fair value of any interests previously held by the acquirer, over the fair value of the assets and liabilities acquired must be recognised as goodwill; if the latter, instead, exceed the sum of the consideration, non-controlling interests, and the fair value of any interests already held, the difference must be recognised in the income statement.

The accounting of the combination transaction may take place provisionally by the end of the reference year in which the combination is carried out and must be completed within 12 months from the acquisition date.

The accounting of additional equity investments in already controlled companies is considered, pursuant to IFRS 10, as a capital transaction, i.e. transactions with shareholders acting in their capacity as shareholders. Consequently, the differences between the acquisition costs and the carrying amount of the acquired minority interests are recognised in the Group's equity; similarly, disposals of minority interests without a loss of control do not give rise to gains or losses in the income statement but to changes in the Group's equity.

Transactions aimed at controlling one or more companies that do not constitute a business activity or at control on a transitional basis or, finally, if the business combination is carried out for reorganising purposes, therefore between two or more companies or business activities already forming part of the Group, and which does not entail changes in the control structure regardless of the percentage of minority



interest rights before and after the transaction ("business combinations of companies subject to common control") are not considered business combinations. These transactions are considered not to have economic significance. Therefore, in the absence of specific indications required by IAS/IFRS standards and in compliance with IAS 8 assumptions, which requires that, in the absence of a specific standard, the company must use its judgement in applying an accounting standard that provides material, reliable and prudent disclosure that reflects the transaction's economic significance, they are accounted for by safeguarding the continuity of values in the acquirer's financial statements.

Mergers fall within transactions aimed at concentration of undertakings, representing the most complete form of business combination, since they involve both the legal and the economic unification of the parties involved.

Mergers, whether on their own right, i.e. with the establishment of a new legal entity, or "by incorporation", with the merger of one company into another already existing company, are recognised according to the criteria described above, in particular:

- if the transaction involves the transfer of control of a company, it is treated as an aggregation transaction pursuant to IFRS 3;
- if the transaction does not involve the transfer of control, it is accounted for by giving priority to the continuity of values.

### A.3 Disclosure on transfers between portfolios of financial assets

There were no such transfers in 2025.

### A.4 Disclosure on fair value

#### Qualitative disclosure

The fair value is the price that would be received for the sale of an asset or that would be paid for the transfer of a liability in a regular transaction on the main (or most advantageous) market on the valuation date, at current market conditions (i.e. at closing price), regardless of whether that price is directly observable or is estimated using another valuation method.

The fair value of an asset or liability is assessed by adopting the assumptions that the market operators would use when determining the price of the asset or liability, assuming that the market operators act to satisfy their own economic interests in the best possible way.

IFRS 13 establishes a fair value hierarchy based on the degree of observability of inputs from valuation techniques adopted for the measurements of underlying assets/liabilities; in particular, the hierarchy consists of three Levels.

- Level 1: the fair value of the instrument is determined on the basis of listing prices (not adjusted) observed on active markets;
- Level 2: the fair value of the instrument is determined on the basis of measurement models that use observable inputs on active markets, such as:
  - listed prices for similar assets or liabilities;
  - listed prices for identical or similar assets or liabilities on inactive markets;
  - observable parameters such as interest rates or yield curves, implied volatility, default rates and illiquidity factors;
  - parameters that are not observable but supported and confirmed by market data;
- Level 3: the fair value of the instrument is determined on the basis of measurement models that mainly use inputs not observable on active markets.

Each Group financial asset or liability is alternatively traced back to one of the previous Levels, whose assessments may be recurring or non-recurring (see IFRS 13, paragraph 93, letter a). The fair value valuation is classified entirely at the same level of the fair value hierarchy in which the lowest input level is classified.

The choice of evaluation techniques is not optional, the following are applied in hierarchical order: in fact, the fair value hierarchy gives the highest priority to (unadjusted) listed prices on active markets for identical assets or liabilities (Level 1 data) and the minimum priority to non-observable inputs (Level 3 data).

The measurement techniques used to measure fair value are applied uniformly and continuously over time, as described below.

#### **A.4.1 Fair value levels 2 and 3: valuation techniques and inputs used**

In the absence of a listing on an active market, the measurement of the fair value of a financial instrument takes place using measurement techniques that maximise the use of observable market inputs.

The use of a valuation technique aims to estimate the price at which a regular transaction would take place for the sale of an asset or the transfer of a liability between market operators at the valuation date, under current market conditions. In this case, the measurement of the fair value may be Level 2 or Level 3 depending on the degree of observability of the input parameters considered in the pricing model.

In the absence of observable prices on active markets for the financial asset or liability to be measured, the fair value of the financial instruments is determined through the “comparable approach” (Level 2), which assumes the use of valuation models relying on market parameters.

In this case the measurement is not based on prices of the same financial instrument being measured (identical asset), but on prices, credit spreads or other factors deriving from the official prices of substantially similar instruments, in terms of risk factors and durability/return characteristics, using a given calculation methodology (pricing model).

In cases where the listing of a similar instrument on an active market or the characteristics of the instrument to be assessed are not available, it is necessary to use valuation models that presuppose the use of parameters that are not directly observable on the market and which, therefore, involve estimates and assumptions by the evaluator (non-observable input - Level 3). In these cases, the valuation of the financial instrument is carried out using a given calculation methodology based on specific assumptions concerning:

- the development of future cash flows, possibly conditioned by future events to which probabilities may be attributed which derive from historical experience or on the basis of conduct assumptions;
- the Level of certain input parameters not listed on active markets, for whose estimation the information acquired from prices and spreads observed on the market is still preferred. If these are not available, historical data for the specific risk factor underlying them or specialised research in the field is used (e.g. rating agencies or leading market players reports).

In the cases described, the opportunity to use valuation adjustments that take into account the risk premium that operators typically evaluate when pricing instruments is always taken into account. Valuation adjustment, if not explicitly considered in the valuation model, may include:

- model adjustment: adjustments that take into account any weaknesses in the valuation models highlighted during the calibration phases;
- liquidity adjustment: adjustments to take into account the bid-ask spread if the model estimates a mid price;
- credit risk adjustment: adjustments related to counterparty risk or its own issuer risk;
- other risk adjustment: adjustments related to a market-based risk premium (e.g. related to the complexity of assessing the instrument).

With regard to fair value measurement, the Group adopts various methods tailored to the specific characteristics of the products being valued.

For the valuation of receivables mandatorily measured at fair value, the method used is mainly the Discounted Cash Flow Model (DCF Model), expressed by discounting the expected cash flows of each loan at a market rate established taking into account elements such as the risk free rate for equal maturities and the counterparty credit risk. This technique is supplemented with the enterprise value measurement method of the debtor (e.g. multiples and comparable transactions) when the loan characteristics mean that

its value depends on the value of the company. This dependence is normally due to the convertibility of the loan into equity or its degree of subordination.

For the valuation of structured loan products, these are attributable to two groups. The first concerns the subordinated tranches of securitisations of NPL portfolios, while the second concerns securitisations of performing underlyings structured by illimity and held with the eventual intention to sell, in line with an HTCS business model. In the first case the exposures are part of an investment strategy that involves the subscription of the senior quota by the bank and, as promoter, also the subscription of part of the subordinate (mezzanine or junior) tranches. The starting point for the valuation is the purchase transaction, in which the price is determined by analysing the debtor's capacity to repay firstly the senior portion and thereafter the subordinate tranches, according to a waterfall mechanism. This capacity is therefore monitored during payments in order to confirm expectations of recovery predicted during the origination stage. In the second case, as these are floating-rate senior securitisation notes, the performance of the collateral is periodically assessed and the strength of the structure checked to confirm the initial recognition price or applying a write down where necessary. The measurement includes prudent assumptions on the capacity of the underlying to generate cash flows, preferring an inclusion of expected cash flows when there is a high probability of their occurrence.

For the valuation of non-listed equity instruments, the "comparable transactions method" is mainly used. This method applies to transactions that have economic and equity characteristics similar to that subject to valuation and adjustment for the income statement and equity figures of the asset assessed.

With specific reference to the measurement of UCI units, these instruments are periodically measured at fair value in accordance with the rules expressed in IFRS 13, based on specific methodologies that take into account the nature and type of the assets underlying assets the Funds.

The valuation may also include a dedicated liquidity discount, depending primarily on the characteristics of the assets invested by the fund itself, in order to align the fair value of the instruments recognised in the financial statements with the price at which a potential third-party investor would be prepared to buy units of the fund (i.e. the "exit price").

Over The Counter (OTC) derivatives, whose value cannot be directly observed on the market, are valued using specific models and inputs pursuant to the asset class and the characteristics of the specific financial product. The valuation of OTC derivatives takes into consideration, as well as the market variables to which the instruments are sensitive, the specific risks pertaining to the counterparties with which they are traded, in particular:

- for transactions negotiated within a netting and margining agreement (CSA), the counterparty risk is considered non-material and the valuation of the instruments is based exclusively on the underlying risk factors, in accordance with the principle of non-arbitrage;
- for transactions negotiated without a netting and margining agreement, the valuation is carried out by adding the valuation of the instrument, as if it were subject to netting and margining, to the adjustments associated with the counterparty risk (i.e., Credit Valuation Adjustment and Debt Valuation Adjustment).

Derivatives in place at the end of the financial year are primarily allocated, on the underlying basis, to the interest rate and foreign exchange rate classes. For both classes, the prevalent model adopted is the discounting cash flow model, with the addition of the Black & Scholes model for the valuation of caps and floors.

With regard to the measurement of financial assets and liabilities measured at fair value on a non-recurring basis, and in particular the loan portfolio, fair value is conventionally taken to be equal to the carrying amount for all exposures classified as impaired and for exposures with a remaining maturity of less than one year, as it is considered that fair value can be regarded as equivalent to the carrying amount.

For the fair value measurement of performing loans, given the absence of prices directly observable on active and liquid markets, measurement techniques are used based on a theoretical model that meets the IAS/IFRS requirements (Level 3). The approach used to determine the fair value of performing receivables is the DCF Model applied to receivables with a residual life exceeding one year, while for other receivables

with short-term maturity or without maturity, the nominal value is considered. Future cash flows are composed of the sum of the principal and interest portions, discounted at a market rate that reflects the characteristics of the underlying.

With regard to financial liabilities at amortised cost, the fair value calculated for reporting purposes is determined by applying the following methodologies:

- for medium- and long-term liabilities, the measurement is carried out considering the values of the prices of liabilities issued on active markets or by discounting future cash flows using an interest rate that incorporates the component relating to own credit risk for unlisted issues;
- for on-demand liabilities with short-term or indefinite maturities, the carrying amount is a good approximation of the fair value.

#### A.4.2 Processes and sensitivity of valuations

As required by IFRS 13, the Group carries out sensitivity tests for financial assets and financial liabilities measured at Level 3 fair value with reference to the change in one or more of the non-observable parameters used in the valuation techniques used to determine the fair value, such as, but not limited to, the elements that make up the cash flow discount curve or expected cash flows.

The table below shows the sensitivity of assets and liabilities valued at level 3 fair value with regard to one or more non-observable parameters. Data are reported for instruments measured using models that allow for analysis.

| Financial assets | Non-observable parameters | Sensitivity (Thousands of euros) | Change in non-observable parameter |
|------------------|---------------------------|----------------------------------|------------------------------------|
| FVTPL securities | Credit spread             | (87)                             | 1 bp                               |
| FVTPL securities | Recovery rate             | (2,689)                          | (1%)                               |

#### A.4.3 Fair value hierarchy

With reference to financial assets and liabilities measured at fair value on a recurring basis, the illimity Group carries out transitions between Levels on the basis of the following guidelines:

- for debt securities and loans:
  - the transition from Level 3 to Level 2 takes place if the relevant parameters used as input in the measurement technique are, at the reference date, observable on the market;
  - the transition from Level 3 to Level 1 takes place when, on the reporting date, the presence of an active market has been successfully verified;
  - the transition from Level 2 to Level 3 occurs when, on the reporting date, some of the significant parameters in determining the fair value are not directly observable on the market;
- for equity instruments, the Level transfer takes place:
  - when observable market inputs were made available during the period (e.g. prices defined in comparable transactions on the same instrument between independent and knowledgeable counterparties). In this case, the reclassification is carried out from Level 3 to Level 2;
  - when the directly or indirectly observable elements taken as the basis for the valuation no longer exist or are no longer updated (for example, comparable transactions that are no longer recent or multiples that are no longer applicable). In this case, valuation techniques are used that use non-observable inputs.

#### A.4.4 Other information

As of the reporting date there is no information to be given in relation to IFRS 13, paragraphs 51, 93 (i), 96 as:

- there are no assets measured at fair value on the basis of “highest and best use”;

- there was no measurement of fair value at the level of total portfolio exposure to take into account the set-off of credit risk and market risk for a certain group of financial assets or liabilities (an exception ex IFRS 13, para. 48).

## Quantitative disclosure

### A.4.5 Fair value hierarchy

#### A.4.5.1 Assets and liabilities measured at fair value on a recurring basis: breakdown by levels of fair value

Below is the disclosure required by IFRS 7, for portfolios of financial assets and liabilities measured at fair value based on the three-level hierarchy illustrated above.

| Financial assets/liabilities measured at fair value                           | 31/12/2025     |                |                | 31/12/2024     |                |                |
|-------------------------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
|                                                                               | L1             | L2             | L3             | L1             | L2             | L3             |
| 1. Financial assets measured at fair value through profit or loss             | -              | 12,494         | 501,391        | -              | 44,004         | 519,218        |
| a) financial assets held for trading                                          | -              | 12,494         | 25             | -              | 44,004         | 25             |
| b) financial assets designated at fair value                                  | -              | -              | -              | -              | -              | -              |
| c) other financial assets mandatorily measured at fair value                  | -              | -              | 501,366        | -              | -              | 519,193        |
| 2. Financial assets measured at fair value through other comprehensive income | 374,513        | 164,185        | 5,468          | 581,839        | 159,929        | 6,259          |
| 3. Hedging derivatives                                                        | -              | 37,482         | -              | -              | 29,385         | -              |
| 4. Property and equipment                                                     | -              | -              | -              | -              | -              | -              |
| 5. Intangible assets                                                          | -              | -              | -              | -              | -              | -              |
| <b>Total</b>                                                                  | <b>374,513</b> | <b>214,161</b> | <b>506,859</b> | <b>581,839</b> | <b>233,318</b> | <b>525,477</b> |
| 1. Financial liabilities held for trading                                     | -              | 12,742         | -              | -              | 45,107         | -              |
| 2. Financial liabilities designated at fair value                             | -              | -              | -              | -              | -              | -              |
| 3. Hedging derivatives                                                        | -              | 16,556         | -              | -              | 43             | -              |
| <b>Total</b>                                                                  | <b>-</b>       | <b>29,298</b>  | <b>-</b>       | <b>-</b>       | <b>45,150</b>  | <b>-</b>       |

Key:

L1 = Level 1

L2 = Level 2

L3 = Level 3

Instruments that are measured to a significant extent on the basis of non-observable parameters (Level 3) amount to 39.2% of the total financial assets measured at fair value, and on the reporting date are mainly represented by investments classified in the portfolio of “Financial assets mandatorily measured at fair value”, referable to the Specialised Credit and Corporate Banking divisions.

**A.4.5.2 Annual changes in assets measured at fair value on a recurring basis (level 3)**

|                                  | Financial assets measured at fair value through profit or loss |                                                |                                                        |                                                                        | Financial assets measured at fair value through other comprehensive income | Hedging derivatives | Property and equipment | Intangible assets |
|----------------------------------|----------------------------------------------------------------|------------------------------------------------|--------------------------------------------------------|------------------------------------------------------------------------|----------------------------------------------------------------------------|---------------------|------------------------|-------------------|
|                                  | Total                                                          | of which: a) financial assets held for trading | of which: b) financial assets designated at fair value | of which: c) other financial assets mandatorily measured at fair value |                                                                            |                     |                        |                   |
| <b>1. Opening balance</b>        | <b>519,218</b>                                                 | <b>25</b>                                      | <b>-</b>                                               | <b>519,193</b>                                                         | <b>6,259</b>                                                               | <b>-</b>            | <b>-</b>               | <b>-</b>          |
| <b>2. Increases</b>              | <b>81,075</b>                                                  | <b>-</b>                                       | <b>-</b>                                               | <b>81,075</b>                                                          | <b>-</b>                                                                   | <b>-</b>            | <b>-</b>               | <b>-</b>          |
| 2.1 Purchases                    |                                                                |                                                |                                                        |                                                                        |                                                                            |                     |                        |                   |
| Purchases                        | 57,974                                                         | -                                              | -                                                      | 57,974                                                                 | -                                                                          | -                   | -                      | -                 |
| 2.2. Gains recognised in:        | 23,097                                                         | -                                              | -                                                      | 23,097                                                                 | -                                                                          | -                   | -                      | -                 |
| 2.2.1. Income Statement          | 23,097                                                         | -                                              | -                                                      | 23,097                                                                 | -                                                                          | -                   | -                      | -                 |
| - of which capital gains         | 6,558                                                          | -                                              | -                                                      | 6,558                                                                  | -                                                                          | -                   | -                      | -                 |
| 2.2.2. Shareholders' equity      | -                                                              | X                                              | X                                                      | X                                                                      | -                                                                          | -                   | -                      | -                 |
| 2.3 Transfers from other levels  | -                                                              | -                                              | -                                                      | -                                                                      | -                                                                          | -                   | -                      | -                 |
| 2.4. Other increases             | 4                                                              | -                                              | -                                                      | 4                                                                      | -                                                                          | -                   | -                      | -                 |
| <b>3. Decreases</b>              | <b>98,892</b>                                                  | <b>-</b>                                       | <b>-</b>                                               | <b>98,892</b>                                                          | <b>791</b>                                                                 | <b>-</b>            | <b>-</b>               | <b>-</b>          |
| 3.1. Sales                       | 466                                                            | -                                              | -                                                      | 466                                                                    | -                                                                          | -                   | -                      | -                 |
| 3.2. Repayments                  | 72,908                                                         | -                                              | -                                                      | 72,908                                                                 | -                                                                          | -                   | -                      | -                 |
| 3.3. Losses recognised in:       | 25,524                                                         | -                                              | -                                                      | 25,524                                                                 | 789                                                                        | -                   | -                      | -                 |
| 3.3.1. Income Statement          | 25,524                                                         | -                                              | -                                                      | 25,524                                                                 | -                                                                          | -                   | -                      | -                 |
| - of which capital losses        | 25,297                                                         | -                                              | -                                                      | 25,297                                                                 | -                                                                          | -                   | -                      | -                 |
| 3.3.2. Shareholders' equity      | -                                                              | X                                              | X                                                      | X                                                                      | 789                                                                        | -                   | -                      | -                 |
| 3.4. Transfers from other levels | -                                                              | -                                              | -                                                      | -                                                                      | -                                                                          | -                   | -                      | -                 |
| 3.5. Other decreases             | 4                                                              | -                                              | -                                                      | 4                                                                      | 2                                                                          | -                   | -                      | -                 |
| <b>4. Closing inventories</b>    | <b>501,391</b>                                                 | <b>25</b>                                      | <b>-</b>                                               | <b>501,366</b>                                                         | <b>5,468</b>                                                               | <b>-</b>            | <b>-</b>               | <b>-</b>          |

**A.4.5.3 Annual changes in liabilities measured at fair value on a recurring basis (level 3)**

There are no liabilities measured at fair value on a recurring basis (level 3).

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

| Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis | 31/12/2025       |                  |               |                  | 31/12/2024       |                |               |                  |
|------------------------------------------------------------------------------------------------------|------------------|------------------|---------------|------------------|------------------|----------------|---------------|------------------|
|                                                                                                      | BV               | L1               | L2            | L3               | BV               | L1             | L2            | L3               |
| 1. Financial assets measured at amortised cost                                                       | 5,119,518        | 1,004,068        | 22,334        | 4,117,314        | 5,961,177        | 987,528        | 41,114        | 4,949,299        |
| 2. Property and equipment held for investment                                                        | -                | -                | -             | -                | -                | -              | -             | -                |
| 3. Non-current assets held for sale and discontinued operations                                      | 146,843          | -                | -             | 150,530          | 3,029            | -              | -             | 3,029            |
| <b>Total</b>                                                                                         | <b>5,266,361</b> | <b>1,004,068</b> | <b>22,334</b> | <b>4,266,840</b> | <b>5,964,206</b> | <b>987,528</b> | <b>41,114</b> | <b>4,952,328</b> |
| 1. Financial liabilities measured at amortised cost                                                  | 6,260,487        | 573,734          | -             | 5,817,839        | 7,249,492        | 851,185        | -             | 6,382,133        |
| 2. Liabilities associated with assets held for sale                                                  | -                | -                | -             | -                | -                | -              | -             | -                |
| <b>Total</b>                                                                                         | <b>6,260,487</b> | <b>573,734</b>   | <b>-</b>      | <b>5,817,839</b> | <b>7,249,492</b> | <b>851,185</b> | <b>-</b>      | <b>6,382,133</b> |

Key:

BV = Book Value

L1 = Level 1

L2 = Level 2

L3 = Level 3

For the other financial instruments recognised at amortised cost and mainly classified among credits to banks or customers and among the financial liabilities, a fair value has been determined for the purposes of disclosure in the Explanatory Notes, as required by the reference accounting standard, IFRS 7.

#### A.5 Disclosure on “day one profit/loss”

According to paragraph 28 of IFRS 7, it is necessary to provide evidence of the “day one profit or loss” to be recognised in the income statement at year end, together with a reconciliation compared to the opening balance. “Day one profit or loss” refers to the difference between the fair value of a financial instrument acquired or issued at the time of initial recognition (transaction price) and the amount determined on that date using a valuation technique.

There are no cases that require disclosure in this section.

## Part B – Information on the Consolidated Balance Sheet

### Assets

#### Section 1 - Cash and cash equivalents – Item 10

##### 1.1 Cash and cash equivalents: breakdown

|                                                               | Total          | Total          |
|---------------------------------------------------------------|----------------|----------------|
|                                                               | 31/12/2025     | 31/12/2024     |
| a) Cash and cash equivalents                                  | 3              | 2              |
| b) Current accounts and on-demand deposits with Central Banks | 153,514        | 294,835        |
| c) Current accounts and on-demand deposits with banks         | 76,198         | 92,427         |
| <b>Total</b>                                                  | <b>229,715</b> | <b>387,264</b> |

The sub-item "b) On-demand deposits with Central Banks" records the liquidity deposited with the Bank of Italy.



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

### 2.1 Financial assets held for trading: breakdown by product type

| Items/Values                           | Total 31/12/2025 |               |           | Total 31/12/2024 |               |           |
|----------------------------------------|------------------|---------------|-----------|------------------|---------------|-----------|
|                                        | L1               | L2            | L3        | L1               | L2            | L3        |
| <b>A. Cash assets</b>                  |                  |               |           |                  |               |           |
| 1. Debt securities                     | -                | -             | -         | -                | -             | -         |
| 1.1 Structured securities              | -                | -             | -         | -                | -             | -         |
| 1.2 Other debt securities              | -                | -             | -         | -                | -             | -         |
| 2. Equity securities                   | -                | -             | -         | -                | -             | -         |
| 3. Units of UCIs                       | -                | -             | 25        | -                | -             | 25        |
| 4. Loans                               | -                | -             | -         | -                | -             | -         |
| 4.1 Repurchase agreements              | -                | -             | -         | -                | -             | -         |
| 4.2 Others                             | -                | -             | -         | -                | -             | -         |
| <b>Total (A)</b>                       | -                | -             | <b>25</b> | -                | -             | <b>25</b> |
| <b>B. Derivatives</b>                  | -                | -             | -         | -                | -             | -         |
| 1. Financial derivatives               | -                | 12,494        | -         | -                | 44,004        | -         |
| 1.1 held for trading                   | -                | 12,494        | -         | -                | 44,004        | -         |
| 1.2 connected to the fair value option | -                | -             | -         | -                | -             | -         |
| 1.3 other                              | -                | -             | -         | -                | -             | -         |
| 2. Credit derivatives                  | -                | -             | -         | -                | -             | -         |
| 2.1 held for trading                   | -                | -             | -         | -                | -             | -         |
| 2.2 connected to the fair value option | -                | -             | -         | -                | -             | -         |
| 2.3 others                             | -                | -             | -         | -                | -             | -         |
| <b>Total (B)</b>                       | -                | <b>12,494</b> | -         | -                | <b>44,004</b> | -         |
| <b>Total (A+B)</b>                     | -                | <b>12,494</b> | <b>25</b> | -                | <b>44,004</b> | <b>25</b> |

**Key:**

L1 = Level 1

L2 = Level 2

L3 = Level 3

## 2.2 Financial assets held for trading: borrower/issuer/counterparty breakdown

| Items/Values                  | Total         | Total         |
|-------------------------------|---------------|---------------|
|                               | 31/12/2025    | 31/12/2024    |
| <b>A. Cash assets</b>         |               |               |
| 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          | -             | -             |
| a) Banks                      | -             | -             |
| b) Other financial companies  | -             | -             |
| of which: insurance companies | -             | -             |
| c) Non-financial companies    | -             | -             |
| d) Other issuers              | -             | -             |
| 3. Units of UCIs              | 25            | 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                 | -             | -             |
| <b>Total (A)</b>              | <b>25</b>     | <b>25</b>     |
| <b>B. Derivatives</b>         |               |               |
| a) Central Counterparties     | -             | -             |
| b) Other                      | 12,494        | 44,004        |
| <b>Total (B)</b>              | <b>12,494</b> | <b>44,004</b> |
| <b>Total (A+B)</b>            | <b>12,519</b> | <b>44,029</b> |

## 2.3 Financial assets designated at fair value: breakdown by product type

The Group does not hold financial assets designated at fair value.

## 2.4 Financial assets designated at fair value: borrower/issuer breakdown

The Group does not hold financial assets designated at fair value.

## 2.5 Other financial assets mandatorily measured at fair value: breakdown by product type

| Items/Values                | Total 31/12/2025 |    |                | Total 31/12/2024 |    |                |
|-----------------------------|------------------|----|----------------|------------------|----|----------------|
|                             | L1               | L2 | L3             | L1               | L2 | L3             |
| <b>1. Debt securities</b>   | -                | -  | <b>37,798</b>  | -                | -  | <b>19,963</b>  |
| 1.1 Structured securities   | -                | -  | -              | -                | -  | -              |
| 1.2 Other debt securities   | -                | -  | 37,798         | -                | -  | 19,963         |
| <b>2. Equity securities</b> | -                | -  | <b>10,221</b>  | -                | -  | <b>12,189</b>  |
| <b>3. Units of UCIs</b>     | -                | -  | <b>417,711</b> | -                | -  | <b>440,163</b> |
| <b>4. Loans</b>             | -                | -  | <b>35,636</b>  | -                | -  | <b>46,878</b>  |
| 4.1 Repurchase agreements   | -                | -  | -              | -                | -  | -              |
| 4.2 Others                  | -                | -  | 35,636         | -                | -  | 46,878         |
| <b>Total</b>                | -                | -  | <b>501,366</b> | -                | -  | <b>519,193</b> |

Key:  
L1 = Level 1  
L2 = Level 2  
L3 = Level 3

Financial assets mandatorily measured at fair value through profit or loss amounted to EUR 501.4 million as of 31 December 2025, down by EUR 17.8 million on 31 December 2024. These financial assets consist mainly of Units of UCIs for EUR 417.7 million and mainly refer to transactions involving the transfer of non-performing loans in exchange for the subscription of fund units finalised in previous years. Loans measured at fair value refer to loans of the Turnaround Division for approximately EUR 35.6 million.

## 2.6 Other financial assets mandatorily measured at fair value: borrower/issuer breakdown

|                                     | Total          | Total          |
|-------------------------------------|----------------|----------------|
|                                     | 31/12/2025     | 31/12/2024     |
| <b>1. Equity securities</b>         | <b>10,221</b>  | <b>12,189</b>  |
| of which: banks                     | -              | -              |
| of which: other financial companies | -              | -              |
| of which: non-financial companies   | 10,221         | 12,189         |
| <b>2. Debt securities</b>           | <b>37,798</b>  | <b>19,963</b>  |
| a) Central banks                    | -              | -              |
| b) Public administrations           | -              | -              |
| c) Banks                            | -              | -              |
| d) Other financial companies        | 37,798         | 19,963         |
| of which: insurance companies       | -              | -              |
| e) Non-financial companies          | -              | -              |
| <b>3. Units of UCIs</b>             | <b>417,711</b> | <b>440,163</b> |
| <b>4. Loans</b>                     | <b>35,636</b>  | <b>46,878</b>  |
| a) Central banks                    | -              | -              |
| b) Public administrations           | -              | -              |
| c) Banks                            | -              | -              |
| d) Other financial companies        | -              | -              |
| of which: insurance companies       | -              | -              |
| e) Non-financial companies          | 35,636         | 46,878         |
| f) Households                       | -              | -              |
| <b>Total</b>                        | <b>501,366</b> | <b>519,193</b> |

As regards UCI units, amounting to a total of EUR 417.7 million as at 31 December 2025, they decreased by EUR 22.5 million compared to the end of last year. The UCI units subscribed by the illimity Group mainly refer to instruments using loans as their underlying.

As of December 31, 2025, the illimity Group does not hold any equity instruments with evident poor credit quality.

## Section 3 - Financial assets measured at fair value through other comprehensive income – Item 30

### 3.1 Financial assets measured at fair value through other comprehensive income breakdown by product type

| Items/Values                | Total 31/12/2025 |                |              | Total 31/12/2024 |                |              |
|-----------------------------|------------------|----------------|--------------|------------------|----------------|--------------|
|                             | L1               | L2             | L3           | L1               | L2             | L3           |
| <b>1. Debt securities</b>   | <b>374,513</b>   | <b>164,185</b> | <b>-</b>     | <b>581,839</b>   | <b>159,929</b> | <b>-</b>     |
| 1.1 Structured securities   | 90               | -              | -            | 2,953            | -              | -            |
| 1.2 Other debt securities   | 374,423          | 164,185        | -            | 578,886          | 159,929        | -            |
| <b>2. Equity securities</b> | <b>-</b>         | <b>-</b>       | <b>5,468</b> | <b>-</b>         | <b>-</b>       | <b>6,259</b> |
| <b>3. Loans</b>             | <b>-</b>         | <b>-</b>       | <b>-</b>     | <b>-</b>         | <b>-</b>       | <b>-</b>     |
| <b>Total</b>                | <b>374,513</b>   | <b>164,185</b> | <b>5,468</b> | <b>581,839</b>   | <b>159,929</b> | <b>6,259</b> |

**Key:**

L1 = Level 1

L2 = Level 2

L3 = Level 3

The debt securities in the financial statements item were issued by governments (EUR 373 million),

### 3.2 Financial assets measured at fair value through other comprehensive income: borrower/issuer breakdown

| Items/Values                  | Total          | Total          |
|-------------------------------|----------------|----------------|
|                               | 31/12/2025     | 31/12/2024     |
| <b>1. Debt securities</b>     | <b>538,698</b> | <b>741,768</b> |
| a) Central banks              | -              | -              |
| b) Public administrations     | 373,011        | 441,903        |
| c) Banks                      | -              | 95,213         |
| d) Other financial companies  | 164,459        | 169,688        |
| of which: insurance companies | -              | -              |
| e) Non-financial companies    | 1,228          | 34,964         |
| <b>2. Equity securities</b>   | <b>5,468</b>   | <b>6,259</b>   |
| a) Banks                      | -              | -              |
| b) Other issuers:             | 5,468          | 6,259          |
| - other financial companies   | 11             | 12             |
| of which: insurance companies | -              | -              |
| - non-financial companies     | 5,457          | 6,247          |
| - other                       | -              | -              |
| <b>3. Loans</b>               | <b>-</b>       | <b>-</b>       |
| a) Central banks              | -              | -              |
| b) Public administrations     | -              | -              |
| c) Banks                      | -              | -              |
| d) Other financial companies  | -              | -              |
| of which: insurance companies | -              | -              |
| e) Non-financial companies    | -              | -              |
| f) Households                 | -              | -              |
| <b>Total</b>                  | <b>544,166</b> | <b>748,027</b> |

Equity instruments classified as “Financial assets measured at fair value through other comprehensive income (IAS)” are represented by equity holdings not qualifying as investments in subsidiaries, associates or joint ventures.

The reduction observed in the item is mainly attributable to the RWA optimisation strategy implemented in consultation with the parent company Banca Ifis as from the second half of 2025.

### 3.3 Financial assets measured at fair value through other comprehensive income gross value and total value adjustments

|                 |                   | Gross amount   |                                            |              |              |                                         | Total value adjustments |            |              |                                         | Total partial write-offs |
|-----------------|-------------------|----------------|--------------------------------------------|--------------|--------------|-----------------------------------------|-------------------------|------------|--------------|-----------------------------------------|--------------------------|
|                 |                   | Stage one      | of which: Instruments with low credit risk | Stage two    | Stage three  | Purchased or originated credit impaired | Stage one               | Stage two  | Stage three  | Purchased or originated credit impaired |                          |
| Debt securities |                   | 538,662        | 373,466                                    | 100          | 3,202        | -                                       | 659                     | 66         | 2,541        | -                                       | -                        |
| Loans           |                   | -              | -                                          | -            | -            | -                                       | -                       | -          | -            | -                                       | -                        |
| <b>Total</b>    | <b>31/12/2025</b> | <b>538,662</b> | <b>373,466</b>                             | <b>100</b>   | <b>3,202</b> | <b>-</b>                                | <b>659</b>              | <b>66</b>  | <b>2,541</b> | <b>-</b>                                | <b>-</b>                 |
| <b>Total</b>    | <b>31/12/2024</b> | <b>742,347</b> | <b>437,168</b>                             | <b>1,053</b> | <b>427</b>   | <b>-</b>                                | <b>1,726</b>            | <b>313</b> | <b>20</b>    | <b>-</b>                                | <b>-</b>                 |

With regard to the approach used in the representation of the gross amount and total value adjustments of impaired financial assets, refer to Part A - Accounting policies.

## Section 4 – Financial assets measured at amortised cost – Item 40

### 4.1 Financial assets measured at amortised cost: breakdown by product of loans to banks

| Type of operations/Values        | Total<br>31/12/2025     |             |                                         |            |    |               | Total<br>31/12/2024     |             |                                         |            |               |                |
|----------------------------------|-------------------------|-------------|-----------------------------------------|------------|----|---------------|-------------------------|-------------|-----------------------------------------|------------|---------------|----------------|
|                                  | Book value              |             |                                         | Fair value |    |               | Book value              |             |                                         | Fair value |               |                |
|                                  | Stage one and Stage two | Stage three | Purchased or originated credit impaired | L1         | L2 | L3            | Stage one and Stage two | Stage three | Purchased or originated credit impaired | L1         | L2            | L3             |
| <b>A. Loans to Central Banks</b> | -                       | -           | -                                       | -          | -  | -             | -                       | -           | -                                       | -          | -             | -              |
| 1. Time deposits                 | -                       | -           | -                                       | -          | -  | -             | -                       | -           | -                                       | -          | -             | -              |
| 2. Reserve requirements          | -                       | -           | -                                       | X          | X  | X             | -                       | -           | -                                       | X          | X             | X              |
| 3. Repurchase agreements         | -                       | -           | -                                       | X          | X  | X             | -                       | -           | -                                       | X          | X             | X              |
| 4. Other                         | -                       | -           | -                                       | X          | X  | X             | -                       | -           | -                                       | X          | X             | X              |
| <b>B. Loans to banks</b>         | <b>98,023</b>           | -           | -                                       | -          | -  | <b>98,023</b> | <b>269,813</b>          | -           | -                                       | -          | <b>26,014</b> | <b>244,254</b> |
| 1. Loans                         | 98,023                  | -           | -                                       | -          | -  | 98,023        | 244,254                 | -           | -                                       | -          | -             | 244,254        |
| 1.1 Current accounts             | -                       | -           | -                                       | -          | -  | -             | -                       | -           | -                                       | -          | -             | -              |
| 1.2. Time deposits               | 64,303                  | -           | -                                       | X          | X  | X             | 98,051                  | -           | -                                       | X          | X             | X              |
| 1.3. Other loans:                | 33,720                  | -           | -                                       | X          | X  | X             | 146,203                 | -           | -                                       | X          | X             | X              |
| - Reverse repurchase agreements  | -                       | -           | -                                       | X          | X  | X             | -                       | -           | -                                       | X          | X             | X              |
| - Loans for leasing              | -                       | -           | -                                       | X          | X  | X             | -                       | -           | -                                       | X          | X             | X              |
| - Other                          | 33,720                  | -           | -                                       | X          | X  | X             | 146,203                 | -           | -                                       | X          | X             | X              |
| 2. Debt securities               | -                       | -           | -                                       | -          | -  | -             | 25,559                  | -           | -                                       | -          | 26,014        | -              |
| 2.1 Structured securities        | -                       | -           | -                                       | -          | -  | -             | -                       | -           | -                                       | -          | -             | -              |
| 2.2 Other debt securities        | -                       | -           | -                                       | -          | -  | -             | 25,559                  | -           | -                                       | -          | 26,014        | -              |
| <b>Total</b>                     | <b>98,023</b>           | -           | -                                       | -          | -  | <b>98,023</b> | <b>269,813</b>          | -           | -                                       | -          | <b>26,014</b> | <b>244,254</b> |

#### Key:

L1 = Level 1

L2 = Level 2

L3 = Level 3

The obligations to maintain the Reserve Requirements are fulfilled indirectly through BFF Bank S.p.A., with the balance recognised in the sub item “Time deposits”.

## 4.2 Financial assets measured at amortised cost breakdown by product of loans to customers

| Type of operations/Values                                             | Total<br>31/12/2025     |                |                                         |                  |               |                  | Total<br>31/12/2024     |                |                                         |                |               |                  |
|-----------------------------------------------------------------------|-------------------------|----------------|-----------------------------------------|------------------|---------------|------------------|-------------------------|----------------|-----------------------------------------|----------------|---------------|------------------|
|                                                                       | Book value              |                |                                         | Fair value       |               |                  | Book value              |                |                                         | Fair value     |               |                  |
|                                                                       | Stage one and stage two | Stage three    | Purchased or originated credit impaired | L1               | L2            | L3               | Stage one and stage two | Stage three    | Purchased or originated credit impaired | L1             | L2            | L3               |
| <b>1. Loans</b>                                                       | <b>2,368,412</b>        | <b>404,783</b> | <b>323,145</b>                          | -                | -             | <b>3,094,972</b> | <b>2,802,636</b>        | <b>247,989</b> | <b>506,356</b>                          | -              | -             | <b>3,564,464</b> |
| 1.1. Current accounts                                                 | 5,681                   | 5,074          | 19,579                                  | X                | X             | X                | 15,668                  | 4,354          | 29,131                                  | X              | X             | X                |
| 1.2. Reverse repurchase agreements                                    | 23,586                  | -              | -                                       | X                | X             | X                | 39,923                  | -              | -                                       | X              | X             | X                |
| 1.3. Mortgages                                                        | 184,840                 | 60,631         | 233,378                                 | X                | X             | X                | 341,095                 | 36,396         | 372,084                                 | X              | X             | X                |
| 1.4. Credit cards and personal loans, including wage assignment loans | 696                     | 497            | -                                       | X                | X             | X                | 996                     | 588            | -                                       | X              | X             | X                |
| 1.5. Loans for leasing                                                | 4,056                   | 2,757          | 61,692                                  | X                | X             | X                | 5,003                   | 3,321          | 68,748                                  | X              | X             | X                |
| 1.6. Factoring                                                        | 585,970                 | 11,468         | -                                       | X                | X             | X                | 683,695                 | 11,200         | -                                       | X              | X             | X                |
| 1.7. Other loans                                                      | 1,563,583               | 324,356        | 8,496                                   | X                | X             | X                | 1,716,256               | 192,130        | 36,393                                  | X              | X             | X                |
| <b>2. Debt securities</b>                                             | <b>1,407,036</b>        | <b>464,250</b> | <b>53,869</b>                           | <b>1,004,068</b> | <b>22,334</b> | <b>924,318</b>   | <b>1,989,154</b>        | <b>4,246</b>   | <b>140,982</b>                          | <b>987,528</b> | <b>15,100</b> | <b>1,140,581</b> |
| 1. Structured securities                                              | -                       | 2,460          | -                                       | 2,460            | -             | -                | -                       | 2,580          | -                                       | -              | 2,580         | -                |
| 2. Other debt securities                                              | 1,407,036               | 461,790        | 53,869                                  | 1,001,608        | 22,334        | 924,318          | 1,989,155               | 1,666          | 140,982                                 | 987,528        | 12,520        | 1,140,581        |
| <b>Total</b>                                                          | <b>3,775,448</b>        | <b>869,033</b> | <b>377,014</b>                          | <b>1,004,068</b> | <b>22,334</b> | <b>4,019,290</b> | <b>4,791,791</b>        | <b>252,235</b> | <b>647,338</b>                          | <b>987,528</b> | <b>15,100</b> | <b>4,705,045</b> |

### Key:

L1 = Level 1

L2 = Level 2

L3 = Level 3

The sub-item “Other performing debt securities” mainly includes government bonds for EUR 989.4 million. The “Purchased or originated impaired (POCI) financial assets” item under “Debt securities” also includes EUR 1.6 million relating to the Corporate Banking division and EUR 52.3 million of securities classified as unlikely to pay relating to the Specialised Credit division.



### 4.3 Financial assets measured at amortised cost: breakdown by borrower/issuer of loans to customers

| Type of operations/Values     | Total<br>31/12/2025           |                |                                                     | Total<br>31/12/2024           |                |                                                     |
|-------------------------------|-------------------------------|----------------|-----------------------------------------------------|-------------------------------|----------------|-----------------------------------------------------|
|                               | Stage one<br>and stage<br>two | Stage<br>three | Purchased<br>or<br>originated<br>assets<br>impaired | Stage one<br>and stage<br>two | Stage<br>three | Purchased<br>or<br>originated<br>assets<br>impaired |
| <b>1. Debt securities</b>     | <b>1,407,036</b>              | <b>464,250</b> | <b>53,869</b>                                       | <b>1,989,155</b>              | <b>4,246</b>   | <b>140,982</b>                                      |
| a) Public administrations     | 989,398                       | -              | -                                                   | 942,249                       | -              | -                                                   |
| b) Other financial companies  | 411,887                       | 461,790        | 53,869                                              | 1,020,188                     | -              | 130,354                                             |
| of which: insurance companies | -                             | -              | -                                                   | -                             | -              | -                                                   |
| c) Non-financial companies    | 5,751                         | 2,460          | -                                                   | 26,718                        | 4,246          | 10,628                                              |
| <b>2. Loans to:</b>           | <b>2,368,412</b>              | <b>404,783</b> | <b>323,145</b>                                      | <b>2,802,635</b>              | <b>247,989</b> | <b>506,356</b>                                      |
| a) Public administrations     | 9,788                         | 3,392          | -                                                   | 7,570                         | 3,543          | -                                                   |
| b) Other financial companies  | 279,684                       | 23,360         | 978                                                 | 357,974                       | 20,321         | 3,390                                               |
| of which: insurance companies | 532                           | -              | -                                                   | 2,873                         | -              | -                                                   |
| c) Non-financial companies    | 2,020,537                     | 375,222        | 304,369                                             | 2,376,433                     | 221,118        | 485,909                                             |
| d) Households                 | 58,403                        | 2,809          | 17,798                                              | 60,659                        | 3,007          | 17,057                                              |
| <b>Total</b>                  | <b>3,775,448</b>              | <b>869,033</b> | <b>377,014</b>                                      | <b>4,791,791</b>              | <b>252,235</b> | <b>647,338</b>                                      |

### 4.4 Financial assets measured at amortised cost: gross value and total value adjustments

|                 | Gross amount      |                                            |                  |                |                                         | Total value adjustments |                |                |                                         |            | Total partial write-offs |
|-----------------|-------------------|--------------------------------------------|------------------|----------------|-----------------------------------------|-------------------------|----------------|----------------|-----------------------------------------|------------|--------------------------|
|                 | Stage one         | of which: Instruments with low credit risk | Stage two        | Stage three    | Purchased or originated credit impaired | Stage one               | Stage two      | Stage three    | Purchased or originated credit impaired |            |                          |
|                 |                   |                                            |                  |                |                                         |                         |                |                |                                         |            |                          |
| Debt securities | 1,388,184         | 990,539                                    | 22,048           | 671,528        | 54,140                                  | 2,526                   | 670            | 207,278        | 271                                     | -          |                          |
| Loans           | 2,467,924         | 421,167                                    | 232,527          | 502,233        | 323,145                                 | 227,136                 | 6,880          | 97,450         | -                                       | -          |                          |
| <b>Total</b>    | <b>31/12/2025</b> | <b>3,856,108</b>                           | <b>1,411,706</b> | <b>254,575</b> | <b>1,173,761</b>                        | <b>377,285</b>          | <b>229,662</b> | <b>7,550</b>   | <b>304,728</b>                          | <b>271</b> | <b>-</b>                 |
| <b>Total</b>    | <b>31/12/2024</b> | <b>4,417,912</b>                           | <b>1,494,984</b> | <b>963,798</b> | <b>299,511</b>                          | <b>647,338</b>          | <b>211,393</b> | <b>108,713</b> | <b>47,276</b>                           | <b>-</b>   |                          |

With regard to the approach used in the representation of the gross amount and total write-downs/write-backs related to impaired financial assets, refer to Part A – Accounting policies.

## Section 5 - Hedging derivatives - Item 50

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

|                          | Fair Value<br>31/12/2025 |        |    | NV<br>31/12/2025 | Fair Value<br>31/12/2024 |        |    | NV<br>31/12/2024 |
|--------------------------|--------------------------|--------|----|------------------|--------------------------|--------|----|------------------|
|                          | L1                       | L2     | L3 |                  | L1                       | L2     | L3 |                  |
|                          |                          |        |    |                  |                          |        |    |                  |
| A. Financial derivatives |                          |        |    |                  |                          |        |    |                  |
| 1) Fair value            | -                        | 37,482 | -  | 660,000          | -                        | 29,385 | -  | 691,405          |
| 2) Cash flows            | -                        | -      | -  | -                | -                        | -      | -  | -                |
| 3) Foreign investments   | -                        | -      | -  | -                | -                        | -      | -  | -                |
| B. Credit derivatives    |                          |        |    |                  |                          |        |    |                  |
| 1) Fair value            | -                        | -      | -  | -                | -                        | -      | -  | -                |
| 2) Cash flows            | -                        | -      | -  | -                | -                        | -      | -  | -                |
| Total                    | -                        | 37,482 | -  | 660,000          | -                        | 29,385 | -  | 691,405          |

**Key:**

NV = Nominal Value

L1 = Level 1

L2 = Level 2

L3 = Level 3

### 5.2 Hedging derivatives: breakdown by hedged portfolios and by type of hedge

| Operations/Hedge type                                                         | Fair Value                         |                                     |                     |        |       |       |         | Cash flows |         |   | Foreign investments |
|-------------------------------------------------------------------------------|------------------------------------|-------------------------------------|---------------------|--------|-------|-------|---------|------------|---------|---|---------------------|
|                                                                               | Specific                           |                                     |                     |        |       |       | Generic | Specific   | Generic |   |                     |
|                                                                               | debt securities and interest rates | equity securities and share indices | currencies and gold | credit | goods | Other |         |            |         |   |                     |
| 1. Financial assets measured at fair value through other comprehensive income | 14,449                             | -                                   | -                   | -      | X     | X     | X       | -          | X       | X |                     |
| 2. Financial assets measured at amortised cost                                | 15,232                             | X                                   | -                   | -      | X     | X     | X       | -          | X       | X |                     |
| 3. Portfolio                                                                  | X                                  | X                                   | X                   | X      | X     | X     | -       | X          | -       | X |                     |
| 4. Other transactions                                                         | -                                  | -                                   | -                   | -      | -     | -     | X       | -          | X       | - |                     |
| <b>Total assets</b>                                                           | <b>29,681</b>                      | -                                   | -                   | -      | -     | -     | -       | -          | -       | - |                     |
| 1. Financial liabilities                                                      | 7,801                              | X                                   | -                   | -      | -     | -     | X       | -          | X       | X |                     |
| 2. Portfolio                                                                  | X                                  | X                                   | X                   | X      | X     | X     | -       | X          | -       | X |                     |
| <b>Total liabilities</b>                                                      | <b>7,801</b>                       | -                                   | -                   | -      | -     | -     | -       | -          | -       | - |                     |
| 1. Expected transactions                                                      | X                                  | X                                   | X                   | X      | X     | X     | X       | -          | X       | X |                     |
| 2. Portfolio of financial assets and liabilities                              | X                                  | X                                   | X                   | X      | X     | X     | -       | X          | -       | - |                     |

## Section 6 - Fair value change of financial assets in hedged portfolios – Item 60

The Bank has no generic hedging operations on financial assets.

## Section 7 - Equity investments - Item 70

### 7.1 Equity investments: information on shareholding relationships

| Name                                                     | Registered office | Operational headquarters | Type of relationship  | Ownership relationship<br>Held by | % Held | Votes % |
|----------------------------------------------------------|-------------------|--------------------------|-----------------------|-----------------------------------|--------|---------|
| A. Jointly-owned subsidiaries                            |                   |                          |                       |                                   |        |         |
| (*) <sup>35</sup>                                        | -                 | -                        | -                     | -                                 | -      | -       |
| B. Companies in which significant influence is exercised |                   |                          |                       |                                   |        |         |
| AltermAInd S.r.l.                                        | Milan             | Milan                    | Significant influence | Illimity Bank S.p.A.              | 48%    | 48%     |
| LAISA – Società tra Avvocati per Azioni                  | Milan             | Milan                    | Significant influence | ARECneprix S.p.A.                 | 9.99%  | 9.99%   |

### Companies under significant influence

On 8 November 2024, illimity finalised the terms of a binding agreement with the Finwave/OCS Group, through the company Fibonacci BidCo S.p.A., which is controlled by funds managed by Apax Partners LLP.

Following the fulfilment of the conditions precedent underlying the effectiveness of the transaction, on 24 December 2024, the closing of the agreement with the Finwave/OCS Group, through the company Fibonacci Subco S.r.l. wholly owned by Fibonacci BidCo S.p.A., controlled by funds managed by Apax Partners LLP, was completed.

The Transaction structure involved the contribution by illimity of the business unit consisting of its technology assets and highly qualified IT staff of the Digital Competence Line to a newco ("AltermAInd S.r.l.") - initially wholly owned by the Bank - and the sale of a 52% interest to Fibonacci for a consideration of EUR 62.4 million. The remaining 48% of the share capital of AltermAInd remained owned by illimity: this ownership interest was therefore classified as a company subject to significant influence.

As required by the IAS/IFRS standards, the equity investment was tested for impairment as trigger events were identified that could indicate that its recognition value may not be fully recoverable.

### Criteria for the determination of recoverable value

The recoverable amount of the equity investment was determined by estimating the fair value of the equity investment.

In particular, the Fair Value was determined using the Discounted Cash Flow Model methodology, which allows the value of a company to be appreciated on the basis of its development plan and its intrinsic characteristics, which are diversified according to the business lines.

### Estimates of cash flows

For the purposes of the consolidated financial statements as of 31 December 2025, the prospective financial information used to determine the Fair Value is derived from the economic - financial projections for the years 2025 to 2029 relating to the investee with reference to the 3 business lines of the investee:

- Digital Products:
- Banking Servicing
- Digital Services

<sup>35</sup>(\*) It should be noted that for the purposes of the financial statements as at 31 December 2025, illimity's joint control equity investment in Hype was reclassified under assets held for sale by virtue of the sale transaction contractualised in 2025 and finalised in February 2026

In order to determine the terminal value, for the two Digital Products and Digital Services business lines, the cash flows for the last year of the analytical forecast were projected in perpetuity based on a growth factor  $g$  determined as the average rate of growth of Italy's nominal GDP, which is equal to around 2%.

### Cash flow discounting rate

In determining the Fair Value, cash flows have to be discounted at a rate that reflects the current market valuations, the current value of money, and the specific risks of the business.

The cost of capital was determined by using the "Capital Asset Pricing Model" (CAPM). According to that model, the cost of capital is determined as the sum of the return on risk-free investments and of a risk premium, which in turn depends on the specific risk of the activity.

Looking in detail at the various components that go towards determining the discounting rate, the following decisions were made:

- with regard to the risk free rate, the average monthly yield (average of the preceding 3 months) on 10-year Italian government bonds (BTP) was used;
- with regard to the market risk premium, which represents the premium that an investor would require when investing in the equities market compared to the risk-free rate, the data in the international databases generally used for such valuations, were utilised;
- with regard to the alpha premium, a market size risk premium linked to the nature of the company's start-up was considered;
- with regard to the beta coefficient, which measures the specific risk of an individual company, this was determined by identifying a sample of comparable businesses (in terms of business), and the average beta recorded was then utilised by means of observations over a five-year period.

The  $K_e$  discount rate used for the impairment test for the year ended 31 December 2025 was 15%.

### Results of the impairment test

The results of the impairment test showed that the Fair Value of the investee is lower than the carrying amount. It was therefore necessary to partially write down the investee, for the purposes of the consolidated financial statements for the year ended 31 December 2025, for a value of around EUR 26.5 million.

The criteria and information used for the impairment tests are significantly influenced by the macroeconomic scenario and by the trends on the financial markets, which could show changes that are not currently foreseeable. If the macroeconomic scenario does deteriorate compared to the current forecast, this would impact the estimates of cash flows and the main assumptions, which could lead to results other than those prospected in these Financial Statements, over the coming years.

## 7.2 Significant equity investments: book values, fair values and dividends received

| Name                                                            | Book value    | Dividends received |
|-----------------------------------------------------------------|---------------|--------------------|
| <b>A. Jointly-owned subsidiaries</b>                            |               |                    |
| -                                                               | -             | -                  |
| <b>B. Companies in which significant influence is exercised</b> |               |                    |
| AltermAlnd S.r.l.                                               | 31,927        | -                  |
| LAISA – Società tra Avvocati per Azioni                         | 129           | -                  |
| <b>Total</b>                                                    | <b>32,056</b> | <b>-</b>           |

## 7.2 Significant equity investments: accounting information

| Name                                                            | Cash and cash equivalents | Financial assets | Non-financial assets | Financial liabilities | Non-financial liabilities | Total revenues | Net interest income | Value adjustments on property and equipment and intangible assets | Profit (loss) from current operations before tax | Profit (loss) from current operations after tax | Profit (loss) from assets held for sale after tax | Profit (loss) for the year (1) | Other income components, after tax (2) | Comprehensive income (3) = (1)+(2) |
|-----------------------------------------------------------------|---------------------------|------------------|----------------------|-----------------------|---------------------------|----------------|---------------------|-------------------------------------------------------------------|--------------------------------------------------|-------------------------------------------------|---------------------------------------------------|--------------------------------|----------------------------------------|------------------------------------|
| <b>A. Jointly-owned subsidiaries</b>                            |                           |                  |                      |                       |                           |                |                     |                                                                   |                                                  |                                                 |                                                   |                                |                                        |                                    |
| -                                                               | -                         | -                | -                    | -                     | -                         | -              | -                   | -                                                                 | -                                                | -                                               | -                                                 | -                              | -                                      | -                                  |
| <b>B. Companies in which significant influence is exercised</b> |                           |                  |                      |                       |                           |                |                     |                                                                   |                                                  |                                                 |                                                   |                                |                                        |                                    |
| AltermAInd S.r.l.                                               | 1,001                     | 10,682           | 77,580               | 910                   | 21,759                    | 45,060         | 230,643             | (9,971)                                                           | 635                                              | 370                                             | -                                                 | 370                            | -                                      | 370                                |
| LAISA – Società tra Avvocati per Azioni                         | 300                       | -                | 3,872                | 3,076                 | 792                       | 3,674          | (113)               | (310)                                                             | (185)                                            | (185)                                           | -                                                 | (185)                          | -                                      | (185)                              |

## 7.4 Non-significant equity investments: accounting information

The Group does not hold interests in equity investments that can be classified as non-significant as at the reporting date.

## 7.5 Equity investments: annual changes

|                                       | Total<br>31/12/2025 | Total<br>31/12/2024 |
|---------------------------------------|---------------------|---------------------|
| <b>A. Opening balances</b>            | <b>140,159</b>      | <b>81,199</b>       |
| <b>B. Increases</b>                   | <b>178</b>          | <b>58,960</b>       |
| B.1 Purchases                         |                     | -                   |
| - of which from business combinations |                     | -                   |
| B.2 Recoveries                        |                     | -                   |
| B.3 Revaluations                      |                     | -                   |
| B.4 Other changes                     | 1,798               | 58,960              |
| <b>C. Decreases</b>                   | <b>108,281</b>      | <b>-</b>            |
| C.1 Sales                             |                     | -                   |
| - of which from business combinations |                     | -                   |
| C.2 Value adjustments                 |                     | -                   |
| C.3 Depreciation                      | 26,526              | -                   |
| C.4 Other changes                     | 81,755              | -                   |
| <b>D. Closing inventories</b>         | <b>32,056</b>       | <b>140,159</b>      |
| <b>E. Total revaluations</b>          | <b>-</b>            | <b>-</b>            |
| <b>F. Total adjustments</b>           | <b>-</b>            | <b>-</b>            |

The write-downs refer to the outcome of AltermAInd's impairment test referred to above.

Other decreases include the reclassification of Hype under assets held for sale.

## 7.6 Significant assessments and assumptions to establish the existence of joint control or significant influence

With regard to significant assessments and assumptions to establish the existence of joint control or significant influence, please refer to the disclosure contained in A.2 Section on the main financial statements items, under the heading Equity investments, within Section A of the Explanatory Notes.

## 7.7 Commitments related to equity investments in jointly-controlled subsidiaries

The Group does not hold any commitments related to equity investments in jointly-controlled subsidiaries as of the reporting date.

## 7.8 Commitments related to equity investments in associates

The Group does not hold any commitments related to equity investments in associates as of the reporting date.

## 7.9 Significant restrictions

There are no significant restrictions as of the reporting date.

## 7.10 Other information

There is nothing to report as of the reporting date.

## Section 8 - Insurance assets – Item 80

The Group does not conduct insurance business.

## Section 9 - Property and equipment – Item 90

### 9.1 Property and equipment with functional use breakdown of assets measured at cost

| Assets/Values                                            | Total<br>31/12/2025 | Total<br>31/12/2024 |
|----------------------------------------------------------|---------------------|---------------------|
| <b>1. Proprietary assets</b>                             | <b>2,249</b>        | <b>4,083</b>        |
| a) land                                                  | -                   | -                   |
| b) buildings                                             | -                   | -                   |
| c) furniture and fittings                                | 150                 | 239                 |
| d) electronic systems                                    | 66                  | 148                 |
| e) others                                                | 2,033               | 3,696               |
| <b>2. Rights of use acquired through leases</b>          | <b>28,385</b>       | <b>31,817</b>       |
| a) land                                                  | -                   | -                   |
| b) buildings                                             | 18,168              | 19,607              |
| c) furniture and fittings                                | -                   | -                   |
| d) electronic systems                                    | -                   | -                   |
| e) others                                                | 10,217              | 12,210              |
| <b>Total</b>                                             | <b>30,634</b>       | <b>35,900</b>       |
| of which: obtained by enforcement of guarantees received | -                   | -                   |

With regard to Proprietary Assets and other Rights of Use acquired through lease agreements, it should be noted that the decrease is mainly attributable to the amortisation for the year as well as the value adjustments recognised following the annual valuation process.

The property and equipment related to rights of use acquired through leases mainly refer to the operating offices of the Bank and of the Group companies (included in the buildings). The category “Other”, on the other hand, includes cars, equipment and leased photovoltaic systems.

### 9.2 Property and equipment held for investment: breakdown of assets measured at cost

The Group does not hold Property and equipment measured at cost and held for investment as of the reporting date.

### 9.3 Property and equipment with functional use: breakdown of revalued assets

The Group does not hold Property and equipment with functional use as of the reporting date.

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

The Group does not hold Property and equipment held for investment measured at fair value as of the reporting date.

## 9.5 Inventories of property and equipment governed by IAS 2: breakdown

| Assets/Values                                                                                       | Total<br>31/12/2025 | Total<br>31/12/2024 |
|-----------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>1. Inventories of property and equipment obtained through enforcement of guarantees received</b> | <b>20,278</b>       | <b>53,489</b>       |
| a) land                                                                                             | -                   | -                   |
| b) buildings                                                                                        | 20,278              | 53,489              |
| c) furniture and fittings                                                                           | -                   | -                   |
| d) electronic systems                                                                               | -                   | -                   |
| e) others                                                                                           | -                   | -                   |
| <b>2. Other property and equipment inventories</b>                                                  | <b>-</b>            | <b>-</b>            |
| <b>Total</b>                                                                                        | <b>20,278</b>       | <b>53,489</b>       |
| <i>of which: measured at fair value net of costs to sell</i>                                        | -                   | -                   |



## 9.6 Property and equipment with functional use: annual changes

|                                                                 | Land | Buildings | Furnishings | Electronic systems | Others | Total  |
|-----------------------------------------------------------------|------|-----------|-------------|--------------------|--------|--------|
| <b>A. Gross opening balance</b>                                 | -    | 30,714    | 1,686       | 2,054              | 18,227 | 52,681 |
| A.1 Total net write-downs                                       | -    | 11,107    | 1,447       | 1,906              | 2,321  | 16,781 |
| <b>A.2 Net opening balance</b>                                  | -    | 19,607    | 239         | 148                | 15,906 | 35,900 |
| <b>B. Increases:</b>                                            | -    | 5,103     | 10          | -                  | 1,174  | 6,287  |
| B.1 Purchases                                                   | -    | -         | -           | -                  | 6-     | -      |
| - of which from business combinations                           | -    | -         | -           | -                  | -      | -      |
| B.2 Capitalised expenditure on improvements                     | -    | -         | -           | -                  | -      | -      |
| B.3 Recoveries                                                  | -    | -         | -           | -                  | -      | -      |
| B.4 Positive changes in fair value charged to                   | -    | -         | -           | -                  | -      | -      |
| a) shareholders' equity                                         | -    | -         | -           | -                  | -      | -      |
| b) income statement                                             | -    | -         | -           | -                  | -      | -      |
| B.5 Positive foreign exchange differences                       | -    | -         | -           | -                  | -      | -      |
| B.6 Transfers from properties held for investment purposes      | -    | -         | -           | -                  | -      | -      |
| B.7 Other changes                                               | -    | 5,103     | 10          | -                  | 1,174  | 6,287  |
| <b>C. Decreases:</b>                                            | -    | 6,542     | 99          | 82                 | 4,830  | 11,553 |
| C.1 Sales                                                       | -    | -         | -           | -                  | -      | -      |
| - of which from business combinations                           | -    | -         | -           | -                  | -      | -      |
| C.2 Depreciation                                                | -    | 2,633     | 99          | 82                 | 3,166  | 5,981  |
| C.3 Value adjustments from impairment charged to                | -    | -         | -           | -                  | 1,317  | 1,317  |
| a) shareholders' equity                                         | -    | -         | -           | -                  | -      | -      |
| b) income statement                                             | -    | -         | -           | -                  | 1,317  | 1,317  |
| C.4 Negative changes in fair value charged to                   | -    | -         | -           | -                  | -      | -      |
| a) shareholders' equity                                         | -    | -         | -           | -                  | -      | -      |
| b) income statement                                             | -    | -         | -           | -                  | -      | -      |
| C.5 Negative foreign exchange differences                       | -    | -         | -           | -                  | -      | -      |
| C.6 Transfers to:                                               | -    | -         | -           | -                  | -      | -      |
| a) property and equipment held for investment                   | -    | -         | -           | -                  | -      | -      |
| b) non-current assets held for sale and discontinued operations | -    | -         | -           | -                  | -      | -      |
| C.7 Other changes                                               | -    | 3,909     | -           | -                  | 347    | 4,256  |
| <b>D. Net closing inventories</b>                               | -    | 18,168    | 150         | 66                 | 12,250 | 30,634 |
| D.1 Total net write-downs                                       | -    | 10,977    | 1,536       | 2,001              | 6,588  | 21,102 |
| <b>D.2 Gross closing inventories</b>                            | -    | 29,145    | 1,686       | 2,067              | 18,838 | 51,736 |
| <b>E. Measurement at cost</b>                                   | -    | -         | -           | -                  | -      | -      |

## 9.7 Property and equipment held for investment: annual changes

The Group does not hold Property and equipment held for investment as of the reporting date.

## 9.8 Inventories of property and equipment governed by IAS 2: annual changes

|                                           | Inventories of property and equipment obtained through enforcement of guarantees received |               |             |                    |        | Other property and equipment inventories | Total         |
|-------------------------------------------|-------------------------------------------------------------------------------------------|---------------|-------------|--------------------|--------|------------------------------------------|---------------|
|                                           | Land                                                                                      | Buildings     | Furnishings | Electronic systems | Others |                                          |               |
| <b>A. Opening balance</b>                 | -                                                                                         | <b>53,489</b> | -           | -                  | -      | -                                        | <b>53,489</b> |
| <b>B. Increases</b>                       | -                                                                                         | -             | -           | -                  | -      | -                                        | -             |
| B.1 Purchases                             | -                                                                                         | -             | -           | -                  | -      | -                                        | -             |
| B.2 Recoveries                            | -                                                                                         | -             | -           | -                  | -      | -                                        | -             |
| B.3 Positive foreign exchange differences | -                                                                                         | -             | -           | -                  | -      | -                                        | -             |
| B.4 Other changes                         | -                                                                                         | -             | -           | -                  | -      | -                                        | -             |
| <b>C. Decreases</b>                       | -                                                                                         | <b>33,211</b> | -           | -                  | -      | -                                        | <b>33,211</b> |
| C.1 Sales                                 | -                                                                                         | 32,139        | -           | -                  | -      | -                                        | 32,139        |
| C.2 Value adjustments from impairment     | -                                                                                         | 1,072         | -           | -                  | -      | -                                        | 1,072         |
| C.3 Negative foreign exchange differences | -                                                                                         | -             | -           | -                  | -      | -                                        | -             |
| C.4 Other changes                         | -                                                                                         | -             | -           | -                  | -      | -                                        | -             |
| <b>D. Closing inventories</b>             | -                                                                                         | <b>20,278</b> | -           | -                  | -      | -                                        | <b>20,278</b> |

## 9.9 Commitments to purchase property and equipment

The Group does not hold commitments to purchase property and equipment as of the reporting date.

## Section 10 - Intangible assets – Item 100

### 10.1 Intangible assets: breakdown by asset type

| Assets/Values                             | Total<br>31/12/2025   |                           | Total<br>31/12/2024   |                           |
|-------------------------------------------|-----------------------|---------------------------|-----------------------|---------------------------|
|                                           | Finite<br>useful life | Indefinite<br>useful life | Finite<br>useful life | Indefinite<br>useful life |
| <b>A.1 Goodwill</b>                       | X                     | <b>21,971</b>             | X                     | <b>33,731</b>             |
| A.1.1 attributable to the group           | X                     | 21,971                    | X                     | 33,731                    |
| A.1.2 attributable to minorities          | X                     | -                         | X                     | -                         |
| <b>A.2 Other intangible assets</b>        | <b>22,623</b>         | <b>-</b>                  | <b>30,550</b>         | <b>-</b>                  |
| of which: software                        | 19,817                | -                         | <b>23,305</b>         | -                         |
| A.2.1 Assets measured at cost:            | 22,623                | -                         | 30,550                | -                         |
| a) Intangible assets generated internally | 911                   | -                         | 6,448                 | -                         |
| b) Other assets                           | 21,712                | -                         | 24,102                | -                         |
| A.2.2 Assets measured at fair value:      | -                     | -                         | -                     | -                         |
| a) Intangible assets generated internally | -                     | -                         | -                     | -                         |
| b) Other assets                           | -                     | -                         | -                     | -                         |
| <b>Total</b>                              | <b>22,623</b>         | <b>21,971</b>             | <b>30,550</b>         | <b>33,731</b>             |

Key

DEF: finite useful life

INDEF: indefinite useful life

Other intangible assets as at 31 December 2025 relate primarily to the acquisition and development of software, which is amortised on a straight-line basis over an estimated period based on the useful life determined as part of the integration with the parent company, Banca IFIS. The balance at the end of 2025 amounted to EUR 22.6 million.

### Identification of the CGUs of the illimity Group

The estimate of the value in use, for impairment testing purposes, in keeping with provisions in IAS 36, of intangible assets with an indefinite life (including goodwill), that do not generate cash flows unless with the contribution of other company assets, requires the preliminary allocation of such intangible assets to organisational units that are fairly autonomous in management terms, that can generate flows of financial resources widely independent of those produced by other areas of activities, but interdependent within the organisational unit generating them. According to IFRS, these organisational units are called Cash Generating Units (CGU).

According to IAS 36, when identifying whether incoming cash flows originating from an asset (or group of assets) are widely independent of those arising from other assets (or groups of assets), the entity considers various factors, including the way in which company management controls the operations of the entity or how company management makes decisions on keeping the goods and assets of the entity operational or on their disposal.

In line with provisions in IAS 36, the level at which goodwill is tested must be correlated with the level of reporting within which management controls the dynamics that increase and decrease this value. Under this profile, the definition of such a level depends closely on the organisational models and allocation of management responsibilities for the purposes of defining guidance for operating activities and consequent monitoring. The organisational models may leave aside the structure of the legal entities through which operations take place and, very often, are closely related to the definition of operating segments used in the segment reporting contemplated in IFRS 8.

Moreover, each CGU or group of CGUs to which goodwill is allocated must:

- a) represent the minimum level within the entity at which the goodwill is monitored for internal operational purposes; and
- b) must not be larger than an operating segment, as defined in section 5 of IFRS 8, before the combination.

It should be noted that the illimity Group identifies the following reporting segments:

- a) illimity – *business*
- b) Illimity – HQ Functions

Within the Illimity reporting segment - business functions, the following CGUs were identified:

- a) illimity Banca, which includes all direct investment activity in credit portfolios, in securitisation notes, in the disbursement of senior loans or asset-backed loans. In addition, all activities carried out by the former Corporate Banking, Investment Banking and b-ilty Divisions are included. The central costs of the “illimity– HQ Functions” operating segment are thus fully recharged to this CGU;
- b) Arec neprix, as a separate subsidiary operating in the field of credit and real estate management and structuring of complex transactions with the market offering of structuring, asset management, special servicing and advisory services to third-party counterparties;
- c) Abilio, understood as the sum of the companies of the Abilio Group net of Quimmo Prestige Agency (Abilio S.p.A., Quimmo Agency S.r.l. and Industrial Discount S.r.l.), a separate group specialising in the sale of real estate and capital assets from insolvency and enforcement procedures, leasing companies and voluntary sales;
- d) Quimmo Prestige Agency as a separate subsidiary operating in the specific field of real estate brokerage of premium properties;
- e) SGR, as a separate subsidiary operating in the field of asset management through mutual open-end investment funds.

In addition to these CGUs, there is the contribution to the Group's consolidated financial statements from the Joint Venture equity investment in Hype S.p.A., which is shown separately and is subject to reclassification under Non-current assets held for sale and discontinued operations pursuant to IFRS 5.

### **Allocation of goodwill to the identified CGUs**

The goodwill resulting from the purchase price allocation of AREC S.p.A.'s purchase price, equal to EUR 29.1 million, and the specific intangible assets, for a residual value of EUR 2 million as at 31 December 2025, were allocated to the Arec neprix CGU.

The goodwill resulting from the purchase price allocation of the purchase price of Residenze Porta Nuova S.r.l. (now Quimmo Prestige Agency S.r.l.), equal to EUR 4.6 million, was allocated in full to the Quimmo Prestige Agency CGU.

It should also be recalled that in 2024 the Group recognised in its income statement the full write-off of goodwill related to the acquisition of Banca Interprovinciale (previously allocated to the illimity Banca CGU), the acquisition of Abilio (previously allocated to the Abilio CGU), as well as the goodwill that had arisen following the acquisition of the instrumental companies linked to the Energy business (previously allocated to the illimity Bank CGU) for a total of EUR 38.7 million.

As at 31 December 2025, only the Arec neprix CGU and the CGU Quimmo Prestige agency have allocated goodwill.

The table below shows the allocation of goodwill to the illimity Group's CGUs prior to the performance of the impairment test on the Group's goodwill.

| €/thousand                                    | Arec neprix | Quimmo<br>Prestige<br>Agency | Total         |
|-----------------------------------------------|-------------|------------------------------|---------------|
| Goodwill arising from the acquisition of AREC | 29,115      | -                            | <b>29,115</b> |
| Goodwill arising from the acquisition of RPN  | -           | 4,616                        | <b>4,616</b>  |
| Total Goodwill                                | 29,115      | 4,616                        | <b>33,731</b> |

### Impairment test

The impairment test is governed by accounting standard IAS 36 – Impairment of Assets, which requires that, at least annually and, in any case, whenever events arise suggesting a potential impairment, a test must be carried out to verify the adequacy of the value of goodwill subject to recognition.

The impairment test is carried out identifying the units generating financial flows (CGU) to which goodwill is allocated and, if the value of goodwill is lower than its recoverable value (determined as its value in use), any losses in value must be recognised in the income statement, they are not susceptible to future write-backs. As required by IAS 36, goodwill was tested for impairment to check for evidence that its recognition value may not be fully recoverable.

The process of recognising impairment requires checking impairment indicators and determining any impairment losses. There are essentially two categories of impairment indicators: qualitative indicators such as a negative financial performance or a significant deviation from the budget targets or the targets in long-term plans announced to the market, the announcement/start of insolvency proceedings or restructuring plans; quantitative indicators showing a carrying amount of the entity's net assets higher than its market capitalisation, or a carrying amount of the equity investment in the separate financial statements higher than the carrying amount of the net assets and goodwill of the subsidiary on the consolidated financial statements, or the distribution by the latter of a dividend that is higher than its total income.

The illimity Group performed the impairment test by considering individually the cash flows of the CGUs to which the goodwill was allocated (CGUs Arec neprix and Quimmo Prestige Agency).

### Criteria for the determination of Value in Use

The value in use was determined using the Discounted Dividend Model, in the “Excess Capital” variant, commonly used in valuation practices in the financial industry, on the basis of which the economic value is equal to the sum of the following elements

- the current value of the dividends potentially available for distribution over a certain period of time, maintaining a minimum level of capital base consistent with the growth of the business and with the regulatory requirements;
- the current value of a perpetual yield defined on the basis of a sustainable dividend for the years following the planning period.

For the purposes of the consolidated financial statements as of 31 December 2025, the prospective financial information used to determine the value in use was inferred from the financial position as of 31 December 2025 and the 2026-2028 prospective data relating to the individual CGUs.

### Estimates of cash flows

To extrapolate the cash flows beyond the analytical forecasting period, consideration was given to the market context in which the forward-looking scenario is defined. With regard to the impairment test as at 31 December 2025 (consistent with the methodology adopted in the previous financial year), in order to determine the terminal value, the cash flows for 2028, the last year of the analytical forecast, were projected

in perpetuity based on a growth factor  $g$  determined as the average long-term rate of growth of Italy's nominal GDP, which is equal to 2%.

In accordance with provisions in section 33 of IAS 36, new initiatives not yet started at the test date were excluded from the year's estimate of financial flows. Instead, initiatives already underway at the reporting date were included.

As far as prudential supervisory requirements are concerned, in the development of business volumes related to the different CGUs, the Bank has envisaged a capital base profile with a CET1 ratio of 9.6%, consistent with the latest SREP letter.

Cash flow discounting rate

In determining the value in use, cash flows have to be discounted at a rate that reflects the current market valuations, the current value of money, and the specific risks of the business. In the case of a banking business, it is estimated using the "equity side" approach, which means considering only the cost of own capital ( $K_e$ ), in line with the method used to determine the cash flows which, as mentioned, include the cash flows from the financial assets and liabilities.

The cost of capital was determined by using the "Capital Asset Pricing Model" (CAPM). According to that model, the cost of capital is determined as the sum of the return on risk-free investments and of a risk premium, which in turn depends on the specific risk of the activity (which means the risk level of the operating unit and the geographical risk level, which is the so-called "country risk").

The cost of capital is determined after taxes, to be consistent with the discounted cash flows. As the cash flows have been determined in nominal terms, the discounted rates have also been determined in the same way, in other words by incorporating the expectations on inflation.

Looking in detail at the various components that go towards determining the discounting rate, the following decisions were made:

- with regard to the risk free rate, the average monthly yield (average of the preceding 6 months) on 10-year Italian government bonds (BTP) was used;
- with regard to the market risk premium, which represents the premium that an investor would require when investing in the equities market compared to the risk-free rate, the data in the international databases generally used for such valuations, were utilised;
- with regard to the beta coefficient, which measures the specific risk of an individual company, this was determined by identifying a sample of comparable businesses (in terms of business), and the average beta recorded was then utilised by means of weekly observations over a five-year period.

The  $K_e$  discounting rate used for the impairment test on the CGUs for the year ended 31 December 2025 was 9.24% for the Arec neprix CGU and 9% for the Quimmo Prestige Agency CGU.

Carrying amount of the CGUs

For the execution of the impairment test, the carrying amount of the Arec neprix and Quimmo Prestige Agency CGUs was determined by taking the shareholders' equity as the best measure of the net assets attributable to these cash-generating units, plus the goodwill directly or indirectly attributable to the individual CGU, or the specific intangibles allocated to it recognised in the Group's consolidated financial statements.

| The table below shows the carrying amount of the CGUs of the illimity Group before the performance of the impairment | ARECneprix |  | Quimmo Prestige Agency |  |
|----------------------------------------------------------------------------------------------------------------------|------------|--|------------------------|--|
|                                                                                                                      |            |  |                        |  |

|                                |        |       |
|--------------------------------|--------|-------|
| test on<br>goodwill:€/thousand |        |       |
| <b>Carrying amount</b>         | 61,121 | 4,966 |

### Results of the impairment test

The results of the impairment test showed that the value in use for the Quimmo Prestige Agency CGU exceeded the carrying amount while they showed the value in use for the Arec neprix CGU as being lower than the carrying amount.

It was therefore deemed necessary to write down the goodwill allocated to the Arec neprix CGU for a total value of EUR 11.8 million.

The table below shows the carrying amount of the illimity Group CGUs after the impairment test and the write-down of part of the goodwill allocated on the Arec neprix CGU:

| €/ thousand            | Carrying amount | Of which: goodwill |
|------------------------|-----------------|--------------------|
| Arec neprix            | 49,361          | 17,355             |
| Quimmo Prestige agency | 4,966           | 4,616              |
| <b>Total</b>           | <b>54,327</b>   | <b>21,971</b>      |

The criteria and information used for the impairment tests are significantly influenced by the macroeconomic scenario and by the trends on the financial markets, which could show changes that are not currently foreseeable. If the macroeconomic scenario does deteriorate compared to the current forecast, this would impact the estimates of cash flows and the main assumptions, which could lead to results other than those prospected in these Financial Statements, over the coming years.

### Sensitivity tests

As the value in use is determined by using estimates and assumptions that may contain uncertainties, sensitivity tests were carried out as required by IAS/IFRS, aimed at verifying the sensitivity of the results obtained, if certain parameters or underlying assumptions should vary.

Furthermore, an impact was verified on the value in use of the CGUs of a change of up to 50 bps for the discounting rates, the g growth coefficient used to determine cash flows for the purposes of the terminal value, and the capital requirement. The sensitivity analysis also included scenarios in which the terminal value net profit is subject to a contraction of 5%.

In particular, for the Quimmo Prestige Agency CGU, the impact on the Value in Use of a change in the “g” growth rate of +/-0.5% (compared to the rate of 2.0% used) and a change in ke of +/-0.5% (compared to the rate of 9% used) was verified while maintaining the other assumptions unchanged. The following table shows the percentage changes in Value in Use resulting from the above changes in terms of “g” and “ke” rate.

The following tables show the sensitivity analyses for the value in use of the CGUs, the change in the growth rate g or the discount rate only for the Quimmo Prestige Agency CGU since, as described, the recoverable value for the Arec neprix CGU was lower than the carrying amount.

Table 1 - Sensitivity analysis of the Quimmo Prestige Agency CGU

|   |       | Ke    |       |       |
|---|-------|-------|-------|-------|
|   |       | 8.50% | 9.00% | 9.50% |
| g | 1.50% | 1%    | -6%   | -12%  |
|   | 2.00% | 8%    | 0%    | -7%   |
|   | 2.50% | 17%   | 7%    | -1%   |

With regard to the Quimmo Prestige Agency CGU, none of the scenarios outlined above would result in a potential impairment of the carrying amount of the CGUs described above.

## 10.2 Intangible assets: annual changes

|                                                  | Goodwill      | Other intangible assets: internally generated |          | Other intangible assets: others |          | Total         |
|--------------------------------------------------|---------------|-----------------------------------------------|----------|---------------------------------|----------|---------------|
|                                                  |               | DEF                                           | INDEF    | DEF                             | INDEF    |               |
| <b>A. Opening balance</b>                        | <b>33,731</b> | <b>8,851</b>                                  | <b>-</b> | <b>52,867</b>                   | <b>-</b> | <b>95,449</b> |
| A.1 Total net write-downs                        | -             | 2,403                                         | -        | 28,765                          | -        | 31,168        |
| <b>A.2 Net opening balance</b>                   | <b>33,731</b> | <b>6,448</b>                                  | <b>-</b> | <b>24,102</b>                   | <b>-</b> | <b>64,281</b> |
| <b>B. Increases</b>                              | <b>-</b>      | <b>202</b>                                    | <b>-</b> | <b>6,955</b>                    | <b>-</b> | <b>7,157</b>  |
| B.1 Purchases                                    | -             | 179                                           | -        | 1,502                           | -        | 1,681         |
| - of which from business combinations            | -             | -                                             | -        | -                               | -        | -             |
| B.2 Increases in internal intangible assets      | X             | -                                             | -        | -                               | -        | -             |
| B.3 Recoveries                                   | X             | -                                             | -        | -                               | -        | -             |
| B.4 Increases in fair value                      | -             | -                                             | -        | -                               | -        | -             |
| - to shareholders' equity                        | X             | -                                             | -        | -                               | -        | -             |
| - to the income statement                        | X             | -                                             | -        | -                               | -        | -             |
| B.5 Positive foreign exchange differences        | -             | -                                             | -        | -                               | -        | -             |
| B.6 Other changes                                | -             | 23                                            | -        | 5,453                           | -        | 5,476         |
| <b>C. Decreases</b>                              | <b>11,760</b> | <b>5,739</b>                                  | <b>-</b> | <b>9,345</b>                    | <b>-</b> | <b>26,844</b> |
| C.1 Sales                                        | -             | -                                             | -        | -                               | -        | -             |
| - of which from business combinations            | -             | -                                             | -        | -                               | -        | -             |
| C.2 Value adjustments                            | 11,760        | 874                                           | -        | 9,252                           | -        | 21,886        |
| - Amortisation                                   | X             | 592                                           | -        | 7,579                           | -        | 8,171         |
| - Write-downs                                    | 11,760        | 282                                           | -        | 1,673                           | -        | 13,715        |
| + shareholders' equity                           | X             | -                                             | -        | -                               | -        | -             |
| + income statement                               | 11,760        | 282                                           | -        | 1,673                           | -        | 13,715        |
| C.3 Negative changes in fair value:              | -             | -                                             | -        | -                               | -        | -             |
| - to shareholders' equity                        | X             | -                                             | -        | -                               | -        | -             |
| - to the income statement                        | X             | -                                             | -        | -                               | -        | -             |
| C.4 Transfer to non-current assets held for sale | -             | -                                             | -        | -                               | -        | -             |
| C.5 Negative foreign exchange differences        | -             | -                                             | -        | -                               | -        | -             |
| C.6 Other changes                                | -             | 4,865                                         | -        | 93                              | -        | 4,958         |
| <b>D. Net closing inventories</b>                | <b>21,971</b> | <b>911</b>                                    | <b>-</b> | <b>21,712</b>                   | <b>-</b> | <b>44,594</b> |
| D.1 Total net write-downs/write-backs            | -             | 3,379                                         | -        | 33,771                          | -        | 37,150        |
| <b>E. Gross closing inventories</b>              | <b>21,971</b> | <b>4,290</b>                                  | <b>-</b> | <b>55,483</b>                   | <b>-</b> | <b>81,744</b> |
| F. Valuation at cost                             | -             | -                                             | -        | -                               | -        | -             |

### Key

DEF: finite useful life

INDEF: indefinite useful life

## 10.3 Other information

The following information is provided in accordance with IAS 38:



- there are no revalued intangible assets nor impediments to the distribution of the related gains to shareholders;
- there are no intangible assets acquired through government concession;
- there are no intangible assets provided as a guarantee to secure own liabilities nor commitments to buy such assets;
- there are no leases pertaining to intangible assets.

## Section 11 - Tax assets and tax liabilities – Item 110 of assets and Item 60 of liabilities

### 11.1 Deferred tax assets: breakdown

Tax assets amounted to EUR 65.9 million as of 31 December 2025, down from the EUR 78.3 million recognised as of 31 December 2024. Details of the breakdown of tax assets are shown below.

| Main deductible temporary differences     | 31/12/2025    | 31/12/2024    |
|-------------------------------------------|---------------|---------------|
| As a contra entry to the income statement | 57,600        | 66,503        |
| As a contra entry to shareholders' equity | 8,271         | 11,843        |
| <b>Total</b>                              | <b>65,871</b> | <b>78,346</b> |

Deferred tax assets refer primarily to the effects of the exercise of the tax relief option on goodwill and other intangible assets recognised in the financial statements following extraordinary transactions and purchases of equity investments, of the write-downs recorded on the securities portfolio measured at fair value through other comprehensive income and of the tax losses recognised during 2024.

| Main deductible temporary differences: IRES        | 31/12/2025    | 31/12/2024    |
|----------------------------------------------------|---------------|---------------|
| Write-down of loans and receivables with customers | 368           | 414           |
| Tax losses                                         | 26,465        | 24,938        |
| ACE                                                | -             | -             |
| Write-down of HTCS/FVOCI securities                | 6,777         | 9,736         |
| Goodwill                                           | 19,858        | 26,929        |
| Funds for risks and charges                        | 4,980         | 7,282         |
| Others                                             | 984           | 403           |
| <b>Total</b>                                       | <b>59,432</b> | <b>69,702</b> |

| Main deductible temporary differences: IRAP        | 31/12/2025   | 31/12/2024   |
|----------------------------------------------------|--------------|--------------|
| Write-down of loans and receivables with customers | 56           | 51           |
| Write-down of HTCS/FVOCI securities                | 1,373        | 1,972        |
| Goodwill                                           | 4,772        | 5,389        |
| Funds for risks and charges                        | 147          | 1,192        |
| Others                                             | 91           | 40           |
| <b>Total</b>                                       | <b>6,439</b> | <b>8,644</b> |

In accordance with the provisions of IAS 12, the Group has recognised deferred tax assets (DTAs), having first verified that the amounts recognised are supported by a reasonable expectation that they will be recoverable. In reaching the above conclusion, account has been taken of the applicable tax regulations, with particular reference to the rules governing the conversion of certain deferred tax assets into tax credits, and the Group's ability to generate future taxable income.

As regards the qualified DTA that can be converted into tax credits, amounting to EUR 0.4 million as at 31 December 2025, the tax rules introduced by Law 214/2011, together with the exercise of the option for the annual instalment scheme, ensure that they are recoverable. This treatment is in line with the regulations contained in the Bank of Italy/Consob/Isvap Document no. 5 of 15 May 2012 "Accounting treatment of deferred tax assets deriving from Law 214/2011".

For the remaining tax assets (non-convertible deferred tax assets), totalling EUR 65.4 million, their recognition and subsequent retention on the balance sheet are strictly dependent on the Group's and/or individual companies' ability to generate future taxable income ("tax capability").

Details of the assumptions used for the probability test and their outcomes are provided below.

#### Performance test and sensitivity analysis outcomes

As at 31 December 2025, the valuation was carried out by the parent company, Banca IFIS, taking into account its future taxable income as inferred from the most recent economic projections and on the assumption that the proposed merger of illimity Bank into the parent company would go ahead; this valuation led to the conclusion that the full recovery of the deferred tax assets recognised as at 31 December 2025 is likely.

Given the current lack of economic and financial projections for the new banking group derived from an updated business plan, and the resulting uncertainty surrounding long-term projections, no deferred tax assets totalling EUR 76.8 million relating to tax losses incurred by the bank in the 2025 financial year were recognised in the financial statements as at 31 December 2025.

#### 11.2 Deferred tax liabilities: breakdown

Tax liabilities, relating to deferred taxes, as of 31 December 2025 amounted to EUR 2.8 million, compared to EUR 5.8 million as of 31 December 2024.

| Main taxable temporary differences: IRES | 31/12/2025   | 31/12/2024   |
|------------------------------------------|--------------|--------------|
| Value adjustment of FVOCI securities     | 321          | 1,226        |
| Others                                   | 2,202        | 4,309        |
| <b>Total</b>                             | <b>2,523</b> | <b>5,535</b> |

| Main taxable temporary differences: IRAP | 31/12/2025 | 31/12/2024 |
|------------------------------------------|------------|------------|
| Revaluations of FVOCI securities         | 65         | 248        |
| Others                                   | 236        | 37         |
| <b>Total</b>                             | <b>301</b> | <b>285</b> |

Deferred taxes are recognised to reflect the temporary differences between the book value of an asset or liability, and its fiscal value. This recognition takes place in accordance with current tax laws.

### 11.3 Changes in deferred tax assets (through profit or loss)

|                                                                     | Total<br>31/12/2025 | Total<br>31/12/2024 |
|---------------------------------------------------------------------|---------------------|---------------------|
| <b>1. Initial amount</b>                                            | <b>66,503</b>       | <b>44,520</b>       |
| <b>2. Increases</b>                                                 | <b>10,935</b>       | <b>27,178</b>       |
| 2.1 Deferred tax assets recognised during the year                  | 10,090              | 27,178              |
| a) related to previous years                                        | 1,593               | -                   |
| b) due to changes in accounting criteria                            | -                   | -                   |
| c) recoveries                                                       | -                   | -                   |
| d) others                                                           | 8,497               | 27,178              |
| 2.2 New taxes or increases in tax rates                             | 845                 | -                   |
| 2.3 Other increases                                                 | -                   | -                   |
| <b>3. Decreases</b>                                                 | <b>19,838</b>       | <b>5,195</b>        |
| 3.1 Deferred tax assets derecognised during the year                | 19,076              | 1,441               |
| a) reversals                                                        | 19,076              | 1,441               |
| b) write-downs of non-recoverable items                             | -                   | -                   |
| c) changes in accounting criteria                                   | -                   | -                   |
| d) others                                                           | -                   | -                   |
| 3.2 Reductions in tax rates                                         | -                   | -                   |
| 3.3 Other reductions:                                               | 762                 | 3,754               |
| a) conversion into tax credits pursuant to Italian Law No. 214/2011 | 51                  | 402                 |
| b) other                                                            | 711                 | 3,352               |
| <b>4. Final amount</b>                                              | <b>57,600</b>       | <b>66,503</b>       |

#### 11.4 Changes in deferred tax assets pursuant to Italian Law No. 214/2011

|                                      | Total<br>31/12/2025 | Total<br>31/12/2024 |
|--------------------------------------|---------------------|---------------------|
| <b>1. Initial amount</b>             | <b>465</b>          | <b>867</b>          |
| <b>2. Increases</b>                  | <b>10</b>           | <b>-</b>            |
| of which: from business combinations | 10                  | -                   |
| <b>3. Decreases</b>                  | <b>51</b>           | <b>402</b>          |
| 3.1 Reversals                        | -                   | -                   |
| 3.2 Conversion into tax credits      | 51                  | 402                 |
| a) arising from losses for the year  | 51                  | -                   |
| b) arising from tax losses           | -                   | 402                 |
| 3.3 Other reductions                 | -                   | -                   |
| <b>4. Final amount</b>               | <b>424</b>          | <b>465</b>          |

#### 11.5 Changes in deferred tax liabilities (through profit or loss)

|                                                 | Total<br>31/12/2025 | Total<br>31/12/2024 |
|-------------------------------------------------|---------------------|---------------------|
| <b>1. Initial amount</b>                        | <b>2,672</b>        | <b>1,094</b>        |
| <b>2. Increases</b>                             | <b>116</b>          | <b>1,590</b>        |
| 2.1 Deferred taxes recognised during the year   | -                   | -                   |
| a) related to previous years                    | -                   | -                   |
| b) due to changes in accounting criteria        | -                   | -                   |
| c) other                                        | 116                 | 62                  |
| 2.2 New taxes or increases in tax rates         | -                   | -                   |
| 2.3 Other increases                             | -                   | 1,528               |
| <b>3. Decreases</b>                             | <b>2,278</b>        | <b>12</b>           |
| 3.1 Deferred taxes derecognised during the year | -                   | -                   |
| a) reversals                                    | 2,278               | 12                  |
| b) due to changes in accounting criteria        | -                   | -                   |
| c) other                                        | -                   | -                   |
| 3.2 Reductions in tax rates                     | -                   | -                   |
| 3.3 Other reductions                            | -                   | -                   |
| <b>4. Final amount</b>                          | <b>510</b>          | <b>2,672</b>        |

## 11.6 Changes in deferred tax assets (recognised in shareholders' equity)

|                                                      | Total<br>31/12/2025 | Total<br>31/12/2024 |
|------------------------------------------------------|---------------------|---------------------|
| <b>1. Initial amount</b>                             | <b>11,843</b>       | <b>16,399</b>       |
| <b>2. Increases</b>                                  | <b>26</b>           | <b>27</b>           |
| 2.1 Deferred tax assets recognised during the year   | 26                  | 27                  |
| a) related to previous years                         | -                   | -                   |
| b) due to changes in accounting criteria             | -                   | -                   |
| c) other                                             | 26                  | 27                  |
| 2.2 New taxes or increases in tax rates              | -                   | -                   |
| 2.3 Other increases                                  | -                   | -                   |
| <b>3. Decreases</b>                                  | <b>3,597</b>        | <b>4,583</b>        |
| 3.1 Deferred tax assets derecognised during the year | 3,597               | 4,583               |
| a) reversals                                         | 3,597               | 4,583               |
| b) write-downs of non-recoverable items              | -                   | -                   |
| c) due to changes in accounting criteria             | -                   | -                   |
| d) others                                            | -                   | -                   |
| 3.2 Reductions in tax rates                          | -                   | -                   |
| 3.3 Other reductions                                 | -                   | -                   |
| <b>4. Final amount</b>                               | <b>8,271</b>        | <b>11,843</b>       |

**11.7 Changes in deferred taxes (recognised in shareholders' equity)**

|                                                 | Total<br>31/12/2025 | Total<br>31/12/2024 |
|-------------------------------------------------|---------------------|---------------------|
| <b>1. Initial amount</b>                        | <b>3,148</b>        | <b>2,172</b>        |
| <b>2. Increases</b>                             | <b>255</b>          | <b>1,408</b>        |
| 2.1 Deferred taxes recognised during the year   | 255                 | 1,408               |
| a) related to previous years                    | -                   | -                   |
| b) due to changes in accounting criteria        | -                   | -                   |
| c) other                                        | 255                 | 1,408               |
| 2.2 New taxes or increases in tax rates         | -                   | -                   |
| 2.3 Other increases                             | -                   | -                   |
| <b>3. Decreases</b>                             | <b>1,088</b>        | <b>432</b>          |
| 3.1 Deferred taxes derecognised during the year | -                   | -                   |
| a) reversals                                    | -                   | -                   |
| b) due to changes in accounting criteria        | -                   | -                   |
| c) other                                        | 1,088               | 432                 |
| 3.2 Reductions in tax rates                     | -                   | -                   |
| 3.3 Other reductions                            | -                   | -                   |
| <b>4. Final amount</b>                          | <b>2,315</b>        | <b>3,148</b>        |

**11.8 Other information**

Current taxes for the year and for prior years, where unpaid, are recognised as liabilities; any surplus paid in terms of an advance on the amount due, is recognised as an asset. The current tax liabilities (assets) for the current year and for prior years are determined at the value expected to be paid/recovered from the tax authorities, applying the current tax rates and regulations. Current tax assets and liabilities are derecognised in the year in which the assets are realised or the liabilities are discharged.

The tables below show the amounts of the current tax assets and liabilities.

**Current tax assets: breakdown**

| Type of operations/Values      | 31/12/2025    | 31/12/2024    |
|--------------------------------|---------------|---------------|
| Advances paid to tax authority | 26,041        | 22,360        |
| Withholding taxes              | 2,730         | 1,030         |
| Other tax receivables          | 463           | 1,065         |
| <b>Total</b>                   | <b>29,234</b> | <b>24,455</b> |

**Current tax liabilities: breakdown**

| Main taxable temporary differences: IRAP | 31/12/2025 | 31/12/2024 |
|------------------------------------------|------------|------------|
| Balance for the previous year            | 1          | 21,704     |
| Provision for taxes                      | 471        | 1          |
| Withdrawals to pay taxes                 | -          | (21,704)   |
| <b>Total</b>                             | <b>472</b> | <b>1</b>   |

## Section 12 - Non-current assets held for sale and discontinued operations and associated liabilities – Item 120 of assets and Item 70 of liabilities

|                                                                                | Total<br>31/12/2025 | Total<br>31/12/2024 |
|--------------------------------------------------------------------------------|---------------------|---------------------|
| <b>A. Assets held for sale</b>                                                 |                     |                     |
| A.1 Financial assets                                                           | 65,530              | 3,029               |
| A.2 Equity investments                                                         | 81,313              | -                   |
| A.3 Property and equipment                                                     | -                   | -                   |
| of which: obtained by enforcement of guarantees received                       | -                   | -                   |
| A.4 Intangible assets                                                          | -                   | -                   |
| A.5 Other non-current assets                                                   | -                   | -                   |
| <b>Total (A)</b>                                                               | <b>146,843</b>      | <b>3,029</b>        |
| <i>of which measured at cost</i>                                               | 146,843             | 3,029               |
| <i>of which measured at level 1 fair value</i>                                 | -                   | -                   |
| <i>of which measured at level 2 fair value</i>                                 | -                   | -                   |
| <i>of which measured at level 3 fair value</i>                                 | -                   | -                   |
| <b>B. Discontinued operations</b>                                              |                     |                     |
| B.1 Financial assets measured at fair value through profit or loss             | -                   | -                   |
| - financial assets held for trading                                            | -                   | -                   |
| - financial assets designated at fair value                                    | -                   | -                   |
| - other financial assets mandatorily measured at fair value                    | -                   | -                   |
| B.2 Financial assets measured at fair value through other comprehensive income | -                   | -                   |
| B.3 Financial assets measured at amortised cost                                | -                   | -                   |
| B.4 Equity investments                                                         | -                   | -                   |
| B.5 Property and equipment                                                     | -                   | -                   |
| of which: obtained by enforcement of guarantees received                       | -                   | -                   |
| B.6 Intangible assets                                                          | -                   | -                   |
| B.7 Other assets                                                               | -                   | -                   |
| <b>Total (B)</b>                                                               | <b>-</b>            | <b>-</b>            |
| <i>of which measured at cost</i>                                               | -                   | -                   |
| <i>of which measured at level 1 fair value</i>                                 | -                   | -                   |
| <i>of which measured at level 2 fair value</i>                                 | -                   | -                   |
| <i>of which measured at level 3 fair value</i>                                 | -                   | -                   |
| <b>C. Liabilities associated with assets held for sale</b>                     |                     |                     |
| C.1 Payables                                                                   | -                   | -                   |
| C.2 Securities                                                                 | -                   | -                   |
| C.3 Other liabilities                                                          | -                   | -                   |
| <b>Total (C)</b>                                                               | <b>-</b>            | <b>-</b>            |
| <i>of which measured at cost</i>                                               | -                   | -                   |
| <i>of which measured at level 1 fair value</i>                                 | -                   | -                   |
| <i>of which measured at level 2 fair value</i>                                 | -                   | -                   |
| <i>of which measured at level 3 fair value</i>                                 | -                   | -                   |
| <b>D. Liabilities associated with discontinued operations</b>                  |                     |                     |



|                                                      |   |   |
|------------------------------------------------------|---|---|
| D.1 Financial liabilities measured at amortised cost | - | - |
| D.2 Financial liabilities held for trading           | - | - |
| D.3 Financial liabilities designated at fair value   | - | - |
| D.4 Funds                                            | - | - |
| D.5 Other liabilities                                | - | - |
| <b>Total (D)</b>                                     | - | - |
| <i>of which measured at cost</i>                     | - | - |
| <i>of which measured at level 1 fair value</i>       | - | - |
| <i>of which measured at level 2 fair value</i>       | - | - |
| <i>of which measured at level 3 fair value</i>       | - | - |

This item includes the 50% equity investment in Hype S.p.A., as on 9 December 2025 a sale agreement was signed for the entire equity investment held by illimity Bank in Hype to Banca Sella for a consideration of EUR 85 million (transaction finalised in February 2026). Having fulfilled the conditions set out in IFRS 5, the ownership interest was therefore reclassified under Assets held for sale.

In conclusion, the item includes a number of reclassified credit exposures under Assets held for sale in the face of the receipt of binding offers for the sale of the same.

## Section 13 - Other assets – Item 130

### 13.1 Other assets: breakdown

| Items                               | 31/12/2025     | 31/12/2024     |
|-------------------------------------|----------------|----------------|
| Ecobonus tax credits                | 77,142         | 105,111        |
| Miscellaneous items                 | 88,157         | 65,515         |
| Various borrowers                   | 58,540         | 110,683        |
| Items being processed               | 12,401         | 26,832         |
| Accrued income and prepaid expenses | 3,500          | 3,736          |
| Leasehold improvements              | 2,181          | 1,915          |
| <b>Total</b>                        | <b>241,921</b> | <b>313,792</b> |

The item is largely composed of ecobonus tax credits, miscellaneous items and items being processed, linked to normal banking operations, which will be properly recorded in the days following their generation, and balances due from various borrowers.

## Liabilities

### Section 1 - Financial liabilities measured at amortised cost - Item 10

#### 1.1 Financial liabilities measured at amortised cost: composition of amounts due to banks by product

| Type of operations/Values                                                  | Total<br>31/12/2025 |            |    |                | Total<br>31/12/2024 |            |    |                |
|----------------------------------------------------------------------------|---------------------|------------|----|----------------|---------------------|------------|----|----------------|
|                                                                            | BV                  | Fair Value |    |                | BV                  | Fair Value |    |                |
|                                                                            |                     | L1         | L2 | L3             |                     | L1         | L2 | L3             |
| <b>1. Due to central banks</b>                                             | -                   | X          | X  | X              | <b>100,009</b>      | X          | X  | X              |
| <b>2. Due to banks</b>                                                     | <b>726,634</b>      | X          | X  | X              | <b>765,159</b>      | X          | X  | X              |
| 2.1 Current accounts and on-demand deposits                                | 91,223              | X          | X  | X              | 3,199               | X          | X  | X              |
| 2.2 Time deposits                                                          | 290,131             | X          | X  | X              | 147,354             | X          | X  | X              |
| 2.3 Loans                                                                  | 324,771             | X          | X  | X              | 580,345             | X          | X  | X              |
| 2.3.1 Repurchase agreements - payable                                      | 324,771             | X          | X  | X              | 580,333             | X          | X  | X              |
| 2.3.2 Others                                                               | -                   | X          | X  | X              | 12                  | X          | X  | X              |
| 2.4 Liabilities in respect of commitments to repurchase equity instruments | -                   | X          | X  | X              | -                   | X          | X  | X              |
| 2.5 Lease liabilities                                                      | 162                 | X          | X  | X              | 210                 | X          | X  | X              |
| 2.6 Other payables                                                         | 20,347              | X          | X  | X              | 34,051              | X          | X  | X              |
| <b>Total</b>                                                               | <b>726,634</b>      | -          | -  | <b>733,998</b> | <b>865,168</b>      | -          | -  | <b>865,168</b> |

**Key:**

BV = Book value

L1 = Level 1

L2 = Level 2

L3 = Level 3

The explanation of the criteria for determining fair value is reported in Part A – Accounting policies. Repurchase agreements payables against financial assets sold and not derecognised are detailed in Part E – Section E of the Explanatory Notes.

## 1.2 Financial liabilities measured at amortised cost: breakdown of amounts due to customers

| Type of operations/Values                                                 | Total            |            |          |                  | Total            |            |          |                  |
|---------------------------------------------------------------------------|------------------|------------|----------|------------------|------------------|------------|----------|------------------|
|                                                                           | 31/12/2025       |            |          |                  | 31/12/2024       |            |          |                  |
|                                                                           | BV               | Fair Value |          |                  | BV               | Fair Value |          |                  |
|                                                                           | 12/08/4788       | L1         | L2       | L3               |                  | L1         | L2       | L3               |
| 1. Current accounts and on-demand deposits                                | 1,055,046        | X          | X        | X                | 1,323,640        | X          | X        | X                |
| 2. Time deposits                                                          | 3,315,376        | X          | X        | X                | 3,261,172        | X          | X        | X                |
| 3. Loans                                                                  | 564,623          | X          | X        | X                | 722,112          | X          | X        | X                |
| 3.1 Repurchase agreements - payable                                       | 352,330          | X          | X        | X                | 488,419          | X          | X        | X                |
| 3.2 Others                                                                | 212,293          | X          | X        | X                | 233,693          | X          | X        | X                |
| 4. Liabilities in respect of commitments to repurchase equity instruments | -                | X          | X        | X                | -                | X          | X        | X                |
| 5. Payables for leases                                                    | 23,409           | X          | X        | X                | 25,037           | X          | X        | X                |
| 6. Other payables                                                         | 922              | X          | X        | X                | 496              | X          | X        | X                |
| <b>Total</b>                                                              | <b>4,959,376</b> | <b>-</b>   | <b>-</b> | <b>5,078,535</b> | <b>5,332,457</b> | <b>-</b>   | <b>-</b> | <b>5,332,457</b> |

**Key:**

BV = Book value  
L1 = Level 1  
L2 = Level 2  
L3 = Level 3

## 1.3 Financial liabilities measured at amortised cost: breakdown of securities issued

| Type of securities/Values | Total          |                |          |              | Total            |                |          |                |
|---------------------------|----------------|----------------|----------|--------------|------------------|----------------|----------|----------------|
|                           | 31/12/2025     |                |          |              | 31/12/2024       |                |          |                |
|                           | BV             | Fair Value     |          |              | BV               | Fair Value     |          |                |
|                           |                | L1             | L2       | L3           |                  | L1             | L2       | L3             |
| <b>A. Securities</b>      |                |                |          |              |                  |                |          |                |
| 1. bonds                  | 574,477        | 573,734        | -        | 5,306        | 1,051,867        | 851,185        | -        | 184,508        |
| 1.1 structured            | -              | -              | -        | -            | -                | -              | -        | -              |
| 1.2 others                | 574,477        | 573,734        | -        | 5,306        | 1,051,867        | 851,185        | -        | 184,508        |
| 2. other securities       | -              | -              | -        | -            | -                | -              | -        | -              |
| 2.1 structured            | -              | -              | -        | -            | -                | -              | -        | -              |
| 2.2 others                | -              | -              | -        | -            | -                | -              | -        | -              |
| <b>Total</b>              | <b>574,477</b> | <b>573,734</b> | <b>-</b> | <b>5,306</b> | <b>1,051,867</b> | <b>851,185</b> | <b>-</b> | <b>184,508</b> |

**Key:**

BV = Book value  
L1 = Level 1  
L2 = Level 2  
L3 = Level 3

Securities issued amounted to EUR 574.5 million, down by EUR 477.4 million from the value at the end of 2024, mainly due to the repayment of the senior notes vis-à-vis third parties of the GRO SPV - sub-unit 1 and the maturity of one of the Bank's EUR 300 million bond tranches.

## 1.4 Detail of subordinated securities/debts

|                                    | 31/12/2025     | 31/12/2024     |
|------------------------------------|----------------|----------------|
| <b>B.1 Subordinated securities</b> | <b>201,855</b> | <b>201,499</b> |
| - banks                            | -              | -              |
| - customers                        | 201,855        | 201,499        |
| <b>Total</b>                       | <b>201,855</b> | <b>201,499</b> |

The item “Subordinated securities” includes a subordinated security for EUR 202 million, relating to the issue of a Tier 2 Bond, which took place in July 2021, for a nominal value of EUR 200 million.

## 1.6 Lease liabilities

At the reporting date, the Group had outstanding payables for leases totalling EUR 23.6 million, of which EUR 23.4 million were classified as payables due to customers and EUR 0.2 million as payables due to banks. The total payables for leases are broken down into EUR 22.1 million relating to the real estate component, EUR 1.3 million relating to the company car component and EUR 0.2 million relating to the long-term equipment rental component, as commented in more detail in “Part M - Leases disclosure” of this document.

The rate applied to lease liabilities expresses the average cost of funding, in line with the requirements of IFRS 16.

## Section 2 - Financial liabilities held for trading – Item 20

### 2.1 Financial liabilities held for trading: breakdown by product type

| Type of operations/Values              | Total<br>31/12/2025 |            |        |    |            | Total<br>31/12/2024 |            |        |    |            |
|----------------------------------------|---------------------|------------|--------|----|------------|---------------------|------------|--------|----|------------|
|                                        | NV                  | Fair Value |        |    | Fair Value | NV                  | Fair Value |        |    | Fair Value |
|                                        |                     | L1         | L2     | L3 |            |                     | L1         | L2     | L3 |            |
| A. Cash liabilities                    |                     |            |        |    |            |                     |            |        |    |            |
| 1. Due to banks                        | -                   | -          | -      | -  | -          | -                   | -          | -      | -  | -          |
| 2. 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 Others                           | -                   | -          | -      | -  | X          | -                   | -          | -      | -  | X          |
| Total (A)                              | -                   | -          | -      | -  | -          | -                   | -          | -      | -  | -          |
| B. Derivatives                         |                     |            |        |    |            |                     |            |        |    |            |
| 1. Financial derivatives               | -                   | -          | 12,742 | -  | -          | -                   | -          | 45,107 | -  | -          |
| 1.1 Held for trading                   | X                   | -          | 12,742 | -  | X          | X                   | -          | 45,107 | -  | 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 Held for trading                   | X                   | -          | -      | -  | X          | X                   | -          | -      | -  | X          |
| 2.2 Connected to the fair value option | X                   | -          | -      | -  | X          | X                   | -          | -      | -  | X          |
| 2.3 Others                             | X                   | -          | -      | -  | X          | X                   | -          | -      | -  | X          |
| Total (B)                              | X                   | -          | 12,742 | -  | X          | X                   | -          | 45,107 | -  | X          |
| Total (A+B)                            | X                   | -          | 12,742 | -  | X          | X                   | -          | 45,107 | -  | X          |

**Key:**  
 NV = Nominal value  
 L1 = Level 1  
 L2 = Level 2  
 L3 = Level 3

### 2.2 Detail of "Financial liabilities held for trading": subordinated liabilities

The Group does not hold financial liabilities subject to trading on the reporting date.

### 2.3 Detail of "Financial liabilities held for trading": structured debt

The Group does not hold financial liabilities held for trading consisting of structured debts on the reporting date.

## Section 3 - Financial liabilities designated at fair value – Item 30

The Group does not hold such financial liabilities on the reporting date.

## Section 4 - Hedging derivatives – Item 40

### 4.1 Hedging derivatives: breakdown by hedge type and level

|                          | Fair Value |        |    | NV         | Fair Value |    |    | NV         |
|--------------------------|------------|--------|----|------------|------------|----|----|------------|
|                          | 31/12/2025 |        |    | 31/12/2025 | 31/12/2024 |    |    | 31/12/2024 |
|                          | L1         | L2     | L3 |            | L1         | L2 | L3 |            |
| A. Financial derivatives |            |        |    |            |            |    |    |            |
| 1) Fair value            | -          | 16,556 | -  | 1,761,000  | -          | 43 | -  | 20,000     |
| 2) Cash flows            | -          | -      | -  | -          | -          | -  | -  | -          |
| 3) Foreign investments   | -          | -      | -  | -          | -          | -  | -  | -          |
| B. Credit derivatives    |            |        |    |            |            |    |    |            |
| 1) Fair value            | -          | -      | -  | -          | -          | -  | -  | -          |
| 2) Cash flows            | -          | -      | -  | -          | -          | -  | -  | -          |
| Total                    | -          | 16,556 | -  | 1,761,000  | -          | 43 | -  | 20,000     |

**Key:**

L1 = Level 1

L2 = Level 2

L3 = Level 3

## 4.2 Hedging derivatives: breakdown by hedged portfolios and by type of hedge

| Operations/Hedge type                                                         | Fair Value                         |                                     |                     |          |          |          |              | Cash flows |          | Investments Abroad |
|-------------------------------------------------------------------------------|------------------------------------|-------------------------------------|---------------------|----------|----------|----------|--------------|------------|----------|--------------------|
|                                                                               | Specific                           |                                     |                     |          |          |          | Generic      | Specific   | Generic  |                    |
|                                                                               | debt securities and interest rates | equity securities and share indices | currencies and gold | Credit   | goods    | other    |              |            |          |                    |
| 1. Financial assets measured at fair value through other comprehensive income | 12,743                             | -                                   | -                   | -        | X        | X        | X            | -          | X        | X                  |
| 2. Financial assets measured at amortised cost                                | -                                  | X                                   | -                   | -        | X        | X        | X            | -          | X        | X                  |
| 3. Portfolio                                                                  | X                                  | X                                   | X                   | X        | X        | X        | -            | X          | -        | X                  |
| 4. Other transactions                                                         | -                                  | -                                   | -                   | -        | -        | -        | X            | -          | X        | -                  |
| <b>Total assets</b>                                                           | <b>12,743</b>                      | <b>-</b>                            | <b>-</b>            | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b>     | <b>-</b>   | <b>-</b> | <b>-</b>           |
| 1. Financial liabilities                                                      | -                                  | X                                   | -                   | -        | -        | -        | X            | -          | X        | X                  |
| 2. Portfolio                                                                  | X                                  | X                                   | X                   | X        | X        | X        | 3,813        | X          | -        | X                  |
| <b>Total liabilities</b>                                                      | <b>-</b>                           | <b>-</b>                            | <b>-</b>            | <b>-</b> | <b>-</b> | <b>-</b> | <b>3,813</b> | <b>-</b>   | <b>-</b> | <b>-</b>           |
| 1. Expected transactions                                                      | X                                  | X                                   | X                   | X        | X        | X        | X            | -          | X        | X                  |
| 2. Portfolio of financial assets and liabilities                              | X                                  | X                                   | X                   | X        | X        | X        | -            | X          | -        | -                  |

## Section 5 - Fair value change of financial liabilities in hedged portfolio – Item 50

### 5.1 Fair value change of hedged financial liabilities

| Fair value change of hedged liabilities/ Values | Total          | Total      |
|-------------------------------------------------|----------------|------------|
|                                                 | 31/12/2025     | 31/12/2024 |
| 1. Positive change in financial liabilities     | -              | -          |
| 2. Negative change in financial liabilities     | (2,861)        | -          |
| <b>Total</b>                                    | <b>(2,861)</b> | <b>-</b>   |

## Section 6 - Tax liabilities – Item 60

For details on tax liabilities, see *Section 11 – Tax assets and tax liabilities – Item 110 of assets and Item 60 of liabilities*

## Section 7 - Liabilities associated with non-current assets held for sale and discontinued operations – Item 70

The Group did not hold liabilities associated with non-current assets held for sale and discontinued operations at the balance sheet date.

## Section 8 - Other liabilities – Item 80

### 8.1 Other liabilities: breakdown

| Items                                     | Total<br>31/12/2025 | Total<br>31/12/2024 |
|-------------------------------------------|---------------------|---------------------|
| Miscellaneous items                       | 50,606              | 86,351              |
| Due to suppliers                          | 42,354              | 29,671              |
| Tax payables                              | 48,625              | 40,502              |
| Due to staff                              | 4,051               | 5,704               |
| Accrued expenses and deferred income      | 6,319               | 6,192               |
| Due to social security and welfare bodies | 2,228               | 4,365               |
| <b>Total</b>                              | <b>154,183</b>      | <b>172,785</b>      |

Other liabilities consist mainly of miscellaneous items and trade payables to suppliers, as well as tax payables.

## Section 9 - Employee severance pay – Item 90

Following the reforms to supplementary pensions in Italian legislative decree no. 252 of 5 December 2005, post-employment benefits accruing from 1 January 2007 can be allocated either to supplementary pension schemes or transferred to the INPS pension fund, at the employee's discretion. The provisions take into account the actuarial valuations.

### 9.1 Employee severance pay: annual changes

|                                       | Total<br>31/12/2025 | Total<br>31/12/2024 |
|---------------------------------------|---------------------|---------------------|
| <b>A. Opening balance</b>             | <b>4,666</b>        | <b>5,030</b>        |
| <b>B. Increases</b>                   | <b>1,614</b>        | <b>1,492</b>        |
| B.1 Provision for the year            | 865                 | 873                 |
| B.2 Other changes                     | 749                 | 619                 |
| - of which from business combinations | -                   | -                   |
| <b>C. Decreases</b>                   | <b>1,991</b>        | <b>1,856</b>        |
| C.1 Payments made                     | 783                 | 401                 |
| C.2 Other changes                     | 1,208               | 1,455               |
| - of which from business combinations | -                   | -                   |
| <b>D. Closing inventories</b>         | <b>4,289</b>        | <b>4,666</b>        |
| <b>Total</b>                          | <b>4,289</b>        | <b>4,666</b>        |

The following criteria were used to calculate the employee severance pay for IAS purposes:



## Summary of technical economic assumptions

|                                                | 31/12/2025 | 31/12/2024 |
|------------------------------------------------|------------|------------|
| Annual discount rate                           | 4.09%      | 3.61%      |
| Annual inflation rate                          | 2.00%      | 2.00%      |
| Annual rate of employee severance pay increase | 3.00%      | 3.00%      |
| Annual rate of salary increase                 | 1.00%      | 1.00%      |

It should be noted that:

- the annual discount rate used to determine the current value of the obligation is taken, in accordance with paragraph 83 of IAS 19, from the Iboxx Corporate A index with a duration of 10+ as recorded on the measurement date. The yield with a comparable duration to that of the collective body of workers being valued was chosen for this purpose;
- the annual rate of increase in employee severance pay as provided for in Article 2120 of the Italian civil code is 75% of inflation +1.5 percentage points;

The technical demographic assumptions used are illustrated below.

## SUMMARY OF TECHNICAL DEMOGRAPHIC ASSUMPTIONS

|            |                                       |
|------------|---------------------------------------|
| Death      | ISTAT 2022                            |
| Incapacity | INPS tables by age and gender         |
| Retirement | 100% on reaching the AGO requirements |

## 9.2 Other information

With regard to the additional information required pursuant to IAS 19, for post-employment defined-benefit plans, please see the paragraph in Section B - Explanatory Notes of the parent company, illimity Bank S.p.A. – Section 9 – Employee severance pay – Item 90 - “9.2 Other Information”.

As required by IAS 19, a sensitivity analysis was carried out in relation to the obligation on post-employment benefits in the case of an increase or decrease in the discounting rate and in the inflation rate by 50 basis points. The analysis is aimed at showing how liabilities in the financial statements would vary in relation to reasonably possible fluctuations in these actuarial assumptions.

The results of the sensitivity analysis, in terms of absolute changes and percentages of consolidated post-employment benefits, are shown in the table below.

|                                            | Change in post-employment benefits in absolute terms<br>(Thousand EUR) | Change in post-employment benefits in percentage terms |
|--------------------------------------------|------------------------------------------------------------------------|--------------------------------------------------------|
| <b>Amendment to actuarial assumptions:</b> |                                                                        |                                                        |
| 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)%                                                 |

## Section 10 - Allowances for risks and charges – Item 100

### 10.1 Allowances for risks and charges: breakdown

| Items/Components                                                            | Total<br>31/12/2025 | Total<br>31/12/2024 |
|-----------------------------------------------------------------------------|---------------------|---------------------|
| 1. Credit risk funds relating to commitments and financial guarantees given | 2,223               | 2,290               |
| 2. Funds for other commitments and guarantees issued                        | -                   | -                   |
| 3. Corporate pension funds                                                  | 61                  | 46                  |
| 4. Other funds for risks and charges                                        | 14,764              | 22,787              |
| 4.1 legal and tax disputes                                                  | 4,087               | 1,492               |
| 4.2 staff cost                                                              | 8,901               | 642                 |
| 4.3 others                                                                  | 1,776               | 20,652              |
| <b>Total</b>                                                                | <b>17,048</b>       | <b>25,122</b>       |

### 10.2 Allowances for risks and charges: annual changes

|                                                    | Funds for other<br>commitments<br>and guarantees<br>issued | Pension/retirement<br>funds | Other funds<br>for risks and<br>charges | Total  |
|----------------------------------------------------|------------------------------------------------------------|-----------------------------|-----------------------------------------|--------|
| <b>A. Opening balance</b>                          | -                                                          | 46                          | 22,786                                  | 22,832 |
| <b>B. Increases</b>                                | -                                                          | 15                          | 27,048                                  | 27,063 |
| B.1 Provision for the year                         | -                                                          | -                           | 26,376                                  | 26,376 |
| B.2 Changes due to the passage of time             | -                                                          | -                           | -                                       | -      |
| B.3 Changes due to variations in the discount rate | -                                                          | -                           | -                                       | -      |
| B.4 Other changes                                  | -                                                          | 15                          | 672                                     | 687    |
| - of which from business combinations              | -                                                          | -                           | -                                       | -      |
| <b>C. Decreases</b>                                | -                                                          | -                           | 35,070                                  | 35,070 |
| C.1 Utilisations for the year                      | -                                                          | -                           | 34,345                                  | 34,345 |
| C.2 Changes due to variations in the discount rate | -                                                          | -                           | -                                       | -      |
| C.3 Other changes                                  | -                                                          | -                           | 725                                     | 725    |
| - of which from business combinations              | -                                                          | -                           | -                                       | -      |
| <b>D. Closing inventories</b>                      | -                                                          | 61                          | 14,764                                  | 14,825 |

### 10.3 Allowances for credit risk relating to commitments and financial guarantees given

|                               | Credit risk funds relating to commitments and financial guarantees given |           |             |                                  |              |
|-------------------------------|--------------------------------------------------------------------------|-----------|-------------|----------------------------------|--------------|
|                               | Stage one                                                                | Stage two | Stage three | Purchased or originated impaired | Total        |
| Commitments to disburse funds | 1,054                                                                    | 2         | -           | 606                              | 1,662        |
| Financial guarantees issued   | 467                                                                      | 3         | -           | 91                               | 561          |
| <b>Total</b>                  | <b>1,521</b>                                                             | <b>5</b>  | <b>-</b>    | <b>697</b>                       | <b>2,223</b> |

As of December 31, 2025, the balance of €2.2 million reflects the impairment of irrevocable commitments to lend funds and financial guarantees issued, and is in line with the previous year.

### 10.4 Allowances for other commitments and guarantees issued

The Group does not make any provision for other commitments and guarantees issued as of the reporting date.

### 10.5 Defined-benefit pension funds

Corporate pension funds, amounting to EUR 61 thousand, refer to the supplementary benefits of agents of Group companies.

### 10.6 Allowances for risks and charges – other provisions

This item includes a provision of approximately EUR 14.8 million, primarily attributable to personnel expenses of EUR 8.9 million related to the severance management for certain Group executives in the context of the acquisition by Banca Ifis. These provisions were recognized based on instructions from the Parent Company.

The item also includes specific provisions for litigation regarding contractual indemnities amounting to EUR 1.3 million, while the remaining amount relates to litigation on credit exposures.

## Section 11 - Insurance liabilities – Item 110

The Group does not conduct insurance business.

## Section 12 - Redeemable shares – Item 130

The Group does not hold redeemable shares as of the reporting date.

## Section 13 - Group's shareholders' equity - Items 120, 130, 140, 150, 160, 170 and 180

### 13.1 "Capital" and "Treasury shares": breakdown

As of 31 December 2025, the Bank's share capital amounted to EUR 54,789,379.31, fully subscribed and paid up, divided into 84,067,808 Ordinary Shares, without indication of the par value, wholly owned by the shareholder Banca IFIS S.p.A.

As of 31 December 2025, the Bank held 998,182 treasury shares for an equivalent value of EUR 5.1 million, down from the amount recorded as of 31 December 2024, following the assignment of treasury shares within the sphere of the Group's incentive schemes. The Bank's subsidiaries do not hold any of its shares.

### 13.2 Capital - Number of parent company shares: annual changes

| Items/Type                                        | Ordinary          | Others   |
|---------------------------------------------------|-------------------|----------|
| <b>A. Shares as of the beginning of the year</b>  | <b>83,013,617</b> | <b>-</b> |
| - fully paid-up                                   | 84,067,808        | -        |
| - not fully paid-up                               | -                 | -        |
| A.1 Treasury shares (-)                           | (1,054,191)       | -        |
| <b>A.2 Shares outstanding: opening balance</b>    | <b>83,013,617</b> | <b>-</b> |
| <b>B. Increases</b>                               | <b>-</b>          | <b>-</b> |
| B.1 New issues                                    | -                 | -        |
| - against payment:                                | -                 | -        |
| - bonds converted                                 | -                 | -        |
| - warrants exercised                              | -                 | -        |
| - other                                           | -                 | -        |
| - free:                                           | -                 | -        |
| - for employees                                   | -                 | -        |
| - for directors                                   | -                 | -        |
| - other                                           | 56,009            | -        |
| B.2 Sales of treasury shares                      | -                 | -        |
| B.3 Other changes                                 | -                 | -        |
| <b>C. Decreases</b>                               | <b>-</b>          | <b>-</b> |
| C.1 Cancellation                                  | -                 | -        |
| C.2 Purchase of treasury shares                   | -                 | -        |
| C.3 Disposal of companies                         | -                 | -        |
| C.4 Other changes                                 | -                 | -        |
| <b>D. Shares outstanding: closing inventories</b> | <b>83,069,626</b> | <b>-</b> |
| D.1 Treasury shares (+)                           | 998,182           | -        |
| D.2 Shares as of the end of the year              | 84,067,808        | -        |
| - fully paid-up                                   | 83,069,626        | -        |
| - not fully paid-up                               | -                 | -        |

### 13.3 Capital: other information

See Part B - Explanatory Notes of the parent company illimity Bank S.p.A. – Section 12 – Bank assets – Items 110, 130, 140, 150, 160, 170 and 180 – "12.3 Capital: other information", which is fully disclosed here.

**13.4 Profit reserves: other information**

|                       | Balance as of<br>31/12/2025 |
|-----------------------|-----------------------------|
| Legal reserve         | 5,621                       |
| Extraordinary reserve | 10,521                      |
| Other Reserves        | 178,343                     |
| <b>Total</b>          | <b>194,485</b>              |

**13.5 Equity instruments: breakdown and annual changes**

The Group does not hold equity instruments.

The table below gives a reconciliation of the shareholders' equity and the result of illimity Bank S.p.A. with the respective data for the Group as of 31 December 2025:

|                                                                           | Shareholders'<br>equity | Profit/loss      |
|---------------------------------------------------------------------------|-------------------------|------------------|
| <b>illimity Bank S.p.A.</b>                                               | <b>575,402</b>          | <b>(257,593)</b> |
| Effect of consolidation of subsidiaries                                   | 49,146                  | -                |
| Result of subsidiaries                                                    | (30,724)                | (30,724)         |
| Consolidation adjustments                                                 | (6,463)                 | (3,120)          |
| Dividends                                                                 | (11,344)                | (11,344)         |
| Effect of measuring associates and joint ventures using the equity method | (3,413)                 | (2,272)          |
| <b>Group</b>                                                              | <b>585,530</b>          | <b>(305,053)</b> |

**Section 14 - Equity of minority interests – Item 190**

| Company names                                                                       | Total<br>31/12/2025 | Total<br>31/12/2024 |
|-------------------------------------------------------------------------------------|---------------------|---------------------|
| Equity investments in consolidated subsidiaries with significant minority interests | -                   | -                   |
| Other equity investments                                                            | 4,927               | 5,289               |
| <b>Total</b>                                                                        | <b>4,927</b>        | <b>5,289</b>        |

## Other information

## 1. Commitments and financial guarantees issued

|                                         | Nominal value on commitments and financial guarantees given |              |              |                                  | Total<br>31/12/2025 | Total<br>31/12/2024 |
|-----------------------------------------|-------------------------------------------------------------|--------------|--------------|----------------------------------|---------------------|---------------------|
|                                         | Stage one                                                   | Stage two    | Stage three  | Purchased or originated impaired |                     |                     |
| <b>1. Commitments to disburse funds</b> | <b>271,554</b>                                              | <b>54</b>    | <b>1,838</b> | <b>11,267</b>                    | <b>284,713</b>      | <b>305,854</b>      |
| a) Central banks                        | -                                                           | -            | -            | -                                | -                   | -                   |
| b) Public administrations               | -                                                           | -            | -            | -                                | -                   | -                   |
| c) Banks                                | -                                                           | -            | -            | -                                | -                   | -                   |
| d) Other financial companies            | 116,789                                                     | -            | -            | -                                | 116,789             | 158,312             |
| e) Non-financial companies              | 153,100                                                     | 45           | 1,817        | 10,877                           | 165,839             | 144,651             |
| f) Households                           | 1,665                                                       | 9            | 21           | 390                              | 2,085               | 2,891               |
| <b>2. Financial guarantees issued</b>   | <b>20,880</b>                                               | <b>3,350</b> | <b>958</b>   | <b>6,040</b>                     | <b>31,228</b>       | <b>36,643</b>       |
| a) Central banks                        | -                                                           | -            | -            | -                                | -                   | -                   |
| b) Public administrations               | -                                                           | -            | -            | -                                | -                   | -                   |
| c) Banks                                | 84                                                          | -            | -            | -                                | 84                  | 84                  |
| d) Other financial companies            | -                                                           | -            | -            | -                                | -                   | -                   |
| e) Non-financial companies              | 20,791                                                      | 3,350        | 958          | 6,040                            | 31,139              | 34,609              |
| f) Households                           | 5                                                           | -            | -            | -                                | 5                   | 1,950               |

## 2. Other commitments and guarantees issued

|                                           | Nominal value<br>Total<br>31/12/2025 | Nominal value<br>Total<br>31/12/2024 |
|-------------------------------------------|--------------------------------------|--------------------------------------|
| <b>1. Other guarantees issued</b>         |                                      |                                      |
| of which: non-performing credit exposures | -                                    | -                                    |
| a) Central banks                          | -                                    | -                                    |
| b) Public administrations                 | -                                    | -                                    |
| c) Banks                                  | -                                    | -                                    |
| d) Other financial companies              | -                                    | -                                    |
| e) Non-financial companies                | -                                    | -                                    |
| f) Households                             | -                                    | -                                    |
| <b>2. Other commitments</b>               |                                      |                                      |
| of which: non-performing credit exposures | 619                                  | 841                                  |
| a) Central banks                          | -                                    | -                                    |
| b) Public administrations                 | -                                    | -                                    |
| c) Banks                                  | -                                    | -                                    |
| d) Other financial companies              | 19,019                               | 12,589                               |
| e) Non-financial companies                | 16,551                               | 21,214                               |
| f) Households                             | 50                                   | 33                                   |

## 3. Assets given as collateral for own liabilities and commitments

| Portfolios<br>0                                                               | Amount<br>31/12/2025 | Amount<br>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 | 159,169              | 685,984              |
| 3. Financial assets measured at amortised cost                                | 649,177              | 1,195,084            |
| 4. Property and equipment                                                     | -                    | -                    |
| of which: property and equipment held as inventories                          | -                    | -                    |

## 5. Administration and brokerage for third parties

| Type of service                                                                                               | Amount           |
|---------------------------------------------------------------------------------------------------------------|------------------|
| <b>1. Execution of orders for customers</b>                                                                   | -                |
| a) purchases                                                                                                  | -                |
| 1. settled                                                                                                    | -                |
| 2. not settled                                                                                                | -                |
| b) sales                                                                                                      | -                |
| 1. settled                                                                                                    | -                |
| 2. not settled                                                                                                | -                |
| <b>2. Portfolio management</b>                                                                                | -                |
| a) individual                                                                                                 | -                |
| b) collective                                                                                                 | -                |
| <b>3. Custody and administration of securities</b>                                                            | <b>5,673,625</b> |
| a) third-party securities on deposit: relating to depositary bank activities (excluding portfolio management) | -                |
| 1. securities issued by companies included in the consolidation                                               | -                |
| 2. other securities                                                                                           | -                |
| b) third-party securities on deposit (excluding portfolio management): other                                  | 963,882          |
| 1. securities issued by companies included in the consolidation                                               | -                |
| 2. other securities                                                                                           | 963,882          |
| c) third party securities deposited with third parties                                                        | 952,066          |
| d) proprietary securities deposited with third parties                                                        | 4,709,743        |
| <b>4. Other transactions</b>                                                                                  | -                |



## 6. Assets subject to offsetting in financial statements, or subject to master netting agreements or similar agreements

| Technical formats        | Gross amount of financial assets (a) | Amount of financial liabilities offset in the financial statements (b) | Net amount of financial assets reported in the financial statements (c=a-b) | Related amounts not offset in the financial statements |                                          | Net amount (f=c-d-e) | Net amount |
|--------------------------|--------------------------------------|------------------------------------------------------------------------|-----------------------------------------------------------------------------|--------------------------------------------------------|------------------------------------------|----------------------|------------|
|                          |                                      |                                                                        |                                                                             | Financial instruments (d)                              | Cash deposits received as guarantees (e) | 31/12/2025           | 31/12/2024 |
| 1. Derivatives           | 43,157                               | -                                                                      | 43,157                                                                      | -                                                      | 43,157                                   | -                    | -          |
| 2. Repurchase agreements | 23,284                               | -                                                                      | 23,284                                                                      | 23,284                                                 | -                                        | -                    | -          |
| 3. Loan of securities    | -                                    | -                                                                      | -                                                                           | -                                                      | -                                        | -                    | -          |
| 4. Others                | -                                    | -                                                                      | -                                                                           | -                                                      | -                                        | -                    | -          |
| <b>Total</b>             | <b>31/12/2025</b>                    | <b>66,441</b>                                                          | <b>-</b>                                                                    | <b>66,441</b>                                          | <b>23,284</b>                            | <b>43,157</b>        | <b>-</b>   |
| <b>Total</b>             | <b>31/12/2024</b>                    | <b>223,161</b>                                                         | <b>-</b>                                                                    | <b>223,161</b>                                         | <b>39,923</b>                            | <b>183,238</b>       | <b>X</b>   |

## 7. Financial liabilities subject to offsetting in financial statements, or subject to master netting agreements and or similar agreements

| Technical formats        | Gross amount of financial liabilities (a) | Amount of financial assets offset in the financial statements (b) | Net amount of financial liabilities reported in the financial statements (c=a-b) | Related amounts not offset in the financial statements |                                 | Net amount (f=c-d-e) | Net amount |
|--------------------------|-------------------------------------------|-------------------------------------------------------------------|----------------------------------------------------------------------------------|--------------------------------------------------------|---------------------------------|----------------------|------------|
|                          |                                           |                                                                   |                                                                                  | Financial instruments (d)                              | Cash deposits as guarantees (e) | 31/12/2025           | 31/12/2024 |
| 1. Derivatives           | 30,488                                    | -                                                                 | 30,488                                                                           | -                                                      | 30,488                          | -                    | -          |
| 2. Repurchase agreements | 677,101                                   | -                                                                 | 677,101                                                                          | 677,101                                                | -                               | -                    | -          |
| 3. Loan of securities    | -                                         | -                                                                 | -                                                                                | -                                                      | -                               | -                    | -          |
| 4. Other transactions    | -                                         | -                                                                 | -                                                                                | -                                                      | -                               | -                    | -          |
| <b>Total</b>             | <b>31/12/2025</b>                         | <b>707,589</b>                                                    | <b>-</b>                                                                         | <b>707,589</b>                                         | <b>677,101</b>                  | <b>30,488</b>        | <b>-</b>   |
| <b>Total</b>             | <b>31/12/2024</b>                         | <b>1,119,621</b>                                                  | <b>-</b>                                                                         | <b>1,119,621</b>                                       | <b>1,068,753</b>                | <b>50,869</b>        | <b>X</b>   |

Since 1 January 2013, the changes to IFRS 7 concerning disclosures on set-off agreements, as approved with Regulation no. 1256 of 13 December 2012, came into mandatory application. IFRS 7 requires specific disclosures to be given about financial instruments that have been offset in the balance sheet under IAS 32, and which can potentially be offset under certain conditions, but presented in the Balance Sheet with opening balances as they are regulated by “master netting agreements or similar” which do not however meet the criteria of IAS 32 to make the set off in the financial statements.

In providing disclosures of these agreements, the standard also requires that consideration be given to the effects of the financial collaterals (including guarantees in cash) received and given.

In particular, the table above shows derivative instruments and Repurchase Agreements (Repos) recorded under due to banks.

## 8. Securities lending transactions

There are no securities lending transactions at the reporting date.

## 9. Disclosure on joint control activities

It should be noted that for the purposes of the financial statements as at 31 December 2025, illimity's joint control equity investment in Hype was reclassified under assets held for sale by virtue of the sale transaction contractualised in 2025 and finalised in February 2026

The information pursuant to IFRS 12, paragraphs 3 and 21 a), is provided in sections 7.1 and 7.3 of part B (balance sheet - assets) of these Explanatory Notes.

# Part C – Information on the consolidated income statement

## Section 1 - Interest – Items 10 and 20

### 1.1 Interest income and similar income: breakdown

| Items/Technical forms<br>0                                                           | Debt<br>securities<br>0 | Loans<br>0     | Other<br>transactions<br>0 | Total<br>31/12/2025 | Total<br>31/12/2024 |
|--------------------------------------------------------------------------------------|-------------------------|----------------|----------------------------|---------------------|---------------------|
| <b>1. Financial assets measured at fair value through profit or loss</b>             | <b>2,858</b>            | <b>-</b>       | <b>-</b>                   | <b>2,858</b>        | <b>2,906</b>        |
| 1.1 Financial assets held for trading                                                | 1                       | -              | -                          | 1                   | -                   |
| 1.2 Financial assets designated at fair value                                        | -                       | -              | -                          | -                   | -                   |
| 1.3 Other financial assets mandatorily measured at fair value                        | 2,857                   | -              | -                          | 2,857               | 2,906               |
| <b>2. Financial assets measured at fair value through other comprehensive income</b> | <b>16,222</b>           | <b>-</b>       | <b>X</b>                   | <b>16,222</b>       | <b>21,246</b>       |
| <b>3. Financial assets measured at amortised cost:</b>                               | <b>110,775</b>          | <b>217,190</b> | <b>-</b>                   | <b>327,965</b>      | <b>391,539</b>      |
| 3.1 Loans to banks                                                                   | 967                     | 8,364          | X                          | 9,331               | 15,765              |
| 3.2 Loans to customers                                                               | 109,808                 | 208,826        | X                          | 318,634             | 375,774             |
| <b>4. Hedging derivatives</b>                                                        | <b>X</b>                | <b>X</b>       | <b>(256)</b>               | <b>(256)</b>        | <b>13,944</b>       |
| <b>5. Other assets</b>                                                               | <b>X</b>                | <b>X</b>       | <b>3,462</b>               | <b>3,462</b>        | <b>4,527</b>        |
| <b>6. Financial liabilities</b>                                                      | <b>X</b>                | <b>X</b>       | <b>X</b>                   | <b>1,068</b>        | <b>1,141</b>        |
| <b>Total</b>                                                                         | <b>129,855</b>          | <b>217,190</b> | <b>3,206</b>               | <b>351,319</b>      | <b>435,303</b>      |
| of which: interest income on impaired financial assets                               | 7,575                   | 35,724         | -                          | 43,299              | 76,707              |
| of which: interest income on finance leases                                          | X                       | 596            | X                          | 596                 | 1,040               |

### 1.2 Interest income and similar income: other information

#### 1.2.1 Interest income on financial assets denominated in foreign currency

| Items/Values                                                        | 31/12/2025 | 31/12/2024 |
|---------------------------------------------------------------------|------------|------------|
| Interest income on financial assets denominated in foreign currency | 306        | 1,203      |

### 1.3 Interest expenses and similar charges: breakdown

| Items/Technical forms                                    | Debt             | Securities      | Other transactions | Total<br>31/12/2025 | Total<br>31/12/2024 |
|----------------------------------------------------------|------------------|-----------------|--------------------|---------------------|---------------------|
| 1. Financial liabilities measured at amortised cost      | (179,012)        | (54,160)        | X                  | (233,172)           | (262,037)           |
| 1.1 Amounts due to central banks                         | (44)             | X               | X                  | (44)                | (37)                |
| 1.2 Amounts due to banks                                 | (20,540)         | X               | X                  | (20,540)            | (45,757)            |
| 1.3 Amounts due to customers                             | (158,428)        | X               | X                  | (158,428)           | (167,580)           |
| 1.4.                                                     | X                | (54,160)        | X                  | (54,160)            | (48,663)            |
| 2. Financial liabilities held for trading                | -                | -               | -                  | -                   | -                   |
| 3. Financial liabilities designated at fair value        | -                | -               | -                  | -                   | -                   |
| 4. Other liabilities and provisions                      | X                | X               | (481)              | (481)               | (533)               |
| 5. Hedging derivatives                                   | X                | X               | (3,843)            | (3,843)             | (13,701)            |
| 6. Financial assets                                      | X                | X               | X                  | (198)               | (460)               |
| <b>Total</b>                                             | <b>(179,012)</b> | <b>(54,160)</b> | <b>(4,324)</b>     | <b>(237,694)</b>    | <b>(276,731)</b>    |
| of which: interest expense relative to lease liabilities | (1,457)          | X               | X                  | (1,457)             | (1,753)             |

### 1.4 Interest expenses and similar charges: other information

#### 1.4.1 Interest expenses on liabilities denominated in foreign currency

| Items/Values                                                               | Total<br>31/12/2025 | Total<br>31/12/2024 |
|----------------------------------------------------------------------------|---------------------|---------------------|
| Interest expenses on financial liabilities denominated in foreign currency | (592)               | -                   |

### 1.5 Differentials arising from hedging transactions

| Items                                                       | Total<br>31/12/2025 | Total<br>31/12/2024 |
|-------------------------------------------------------------|---------------------|---------------------|
| A. Positive differentials arising from hedging transactions | 493                 | 13,944              |
| B. Negative differentials arising from hedging transactions | (4,592)             | (13,701)            |
| <b>C. Balance (A-B)</b>                                     | <b>(4,099)</b>      | <b>243</b>          |

## Section 2 - Fees and commissions – Items 40 and 50

### 2.1 Fees and commission income: breakdown

| Type of service/Values<br>0                                                              | Total<br>31/12/2025 | Total<br>31/12/2024 |
|------------------------------------------------------------------------------------------|---------------------|---------------------|
| a) Financial instruments                                                                 | -                   | -                   |
| 1. Placement of securities                                                               | -                   | -                   |
| 1.1 With underwriting and/or on the basis of an irrevocable commitment                   | -                   | -                   |
| 1.2 Without an irrevocable commitment                                                    | -                   | -                   |
| 2. Receipt and transmission of orders and execution of orders for customers              | -                   | -                   |
| 2.1 Receipt and transmission of orders of one or more financial instruments              | -                   | -                   |
| 2.2 Execution of orders for customers                                                    | -                   | -                   |
| 3. Other fees and commissions connected with activities related to financial instruments | -                   | -                   |
| of which: proprietary trading                                                            | -                   | -                   |
| of which: individual portfolio management                                                | -                   | -                   |
| b) Corporate Finance                                                                     | 2,988               | 3,909               |
| 1. Consultancy on mergers and acquisitions                                               | -                   | -                   |
| 2. Treasury services                                                                     | -                   | -                   |
| 3. Other fees and commissions connected with corporate finance services                  | 2,988               | 3,909               |
| c) Investment consultancy activities                                                     | -                   | -                   |
| d) Netting and settlement                                                                | -                   | -                   |
| e) Collective portfolio management                                                       | 7,840               | 6,403               |
| f) Custody and administration                                                            | -                   | -                   |
| 1. Custodian bank                                                                        | -                   | -                   |
| 2. Other fees and commissions related to custody and administration activities           | -                   | -                   |
| g) Central administrative services for collective portfolio management                   | -                   | -                   |
| h) Fiduciary activities                                                                  | -                   | -                   |
| i) Payment services                                                                      | 3,711               | 3,510               |
| 1. Current accounts                                                                      | 2,523               | 2,294               |
| 2. Credit cards                                                                          | 821                 | 755                 |
| 3. Debit cards and other payment cards                                                   | 82                  | 93                  |
| 4. Bank transfers and other payment orders                                               | 86                  | 170                 |
| 5. Other fees and commissions related to payment services                                | 199                 | 198                 |
| j) Distribution of third party services                                                  | 72                  | 178                 |
| 1. Collective portfolio management                                                       | -                   | -                   |
| 2. Insurance products                                                                    | 5                   | 8                   |
| 3. Other products                                                                        | 67                  | 170                 |
| of which: individual portfolio management                                                | -                   | -                   |
| k) Structured finance                                                                    | -                   | -                   |
| l) Servicing activities for securitisation operations                                    | 18,018              | 23,166              |
| m) Commitments to disburse funds                                                         | -                   | -                   |
| n) Financial guarantees issued                                                           | 1,166               | 1,260               |
| of which: credit derivatives                                                             | -                   | -                   |

|                                                          |               |               |
|----------------------------------------------------------|---------------|---------------|
| o) Loan transactions                                     | 29,135        | 41,119        |
| of which: for factoring operations                       | 10,292        | 9,358         |
| p) Currency trading                                      | 28            | 62            |
| q) Goods                                                 | -             | -             |
| r) Other fees and commission income                      | 13,166        | 12,475        |
| of which: for management of multilateral trading systems | -             | -             |
| of which: for management of organised trading systems    | -             | -             |
| <b>Total</b>                                             | <b>76,124</b> | <b>92,082</b> |

The item “r) Other fees and commission income” refers primarily to commission deriving from the specific business of the Group companies Abilio, Quimmo Agency and Quimmo Prestige Agency – and, in particular, commission from auctions and associated services accrued for the use of the companies’ property portals. The reduction in fees and commission income mainly derives from the minor origination activities carried out by the Group.

## 2.2 Commission expense: breakdown

| Type of service/Values                                                   | Total<br>31/12/2025 | Total<br>31/12/2024 |
|--------------------------------------------------------------------------|---------------------|---------------------|
| a) Financial instruments                                                 | -                   | -                   |
| of which: trading in financial instruments                               | -                   | -                   |
| of which: placement of financial instruments                             | -                   | -                   |
| of which: individual portfolio management                                | -                   | -                   |
| - Proprietary                                                            | -                   | -                   |
| - Delegated to third parties                                             | -                   | -                   |
| b) Netting and settlement                                                | -                   | -                   |
| c) Collective portfolio management                                       | -                   | -                   |
| 1. Proprietary                                                           | -                   | -                   |
| 2. Delegated to third parties                                            | -                   | -                   |
| d) Custody and administration                                            | (954)               | (945)               |
| e) Collection and payment services                                       | (2,569)             | (2,468)             |
| of which: credit cards, debit cards and other payment cards              | (2,070)             | (1,976)             |
| f) Servicing activities for securitisation operations                    | (124)               | (95)                |
| g) Commitments to receive funds                                          | -                   | -                   |
| h) Financial guarantees received                                         | (179)               | (210)               |
| of which: credit derivatives                                             | -                   | -                   |
| i) Off-site distribution of financial instruments, products and services | -                   | -                   |
| j) Currency trading                                                      | -                   | -                   |
| k) Other fees and commission expense                                     | (10,900)            | (6,769)             |
| <b>Total</b>                                                             | <b>(14,726)</b>     | <b>(10,487)</b>     |

### Section 3 - Dividends and similar income – Item 70

| Items/Income                                                                  | Total<br>31/12/2025 |                | Total<br>31/12/2024 |                |
|-------------------------------------------------------------------------------|---------------------|----------------|---------------------|----------------|
|                                                                               | Dividends           | Similar income | Dividends           | Similar income |
| A. Financial assets held for trading                                          | -                   | -              | -                   | -              |
| B. Other financial assets mandatorily measured at fair value                  | 2,795               | 43             | -                   | 255            |
| C. Financial assets measured at fair value through other comprehensive income | -                   | -              | -                   | 2              |
| D. Equity investments                                                         | -                   | -              | -                   | -              |
| <b>Total</b>                                                                  | <b>2,795</b>        | <b>43</b>      | <b>-</b>            | <b>257</b>     |

### Section 4 - Net profit of trading activity – Item 80

#### 4.1 Net trading result: breakdown

| Transactions/Income items                                                | Capital gains<br>(A) | Profits from<br>trading (B) | Capital losses<br>(C) | Losses from<br>trading (D) | Net profit<br>(loss)<br>[(A+B)<br>(C+D)] |
|--------------------------------------------------------------------------|----------------------|-----------------------------|-----------------------|----------------------------|------------------------------------------|
| <b>0</b>                                                                 | <b>0.00</b>          | <b>0</b>                    | <b>0.00</b>           | <b>0</b>                   | <b>-</b>                                 |
| <b>1. Financial assets held for trading</b>                              | <b>-</b>             | <b>7</b>                    | <b>-</b>              | <b>-</b>                   | <b>7</b>                                 |
| 1.1 Debt securities                                                      | -                    | 7                           | -                     | -                          | 7                                        |
| 1.2 Equity instruments                                                   | -                    | -                           | -                     | -                          | -                                        |
| 1.3 UCITS units                                                          | -                    | -                           | -                     | -                          | -                                        |
| 1.4 Loans                                                                | -                    | -                           | -                     | -                          | -                                        |
| 1.5 Others                                                               | -                    | -                           | -                     | -                          | -                                        |
| <b>2. Financial liabilities held for trading</b>                         | <b>-</b>             | <b>-</b>                    | <b>-</b>              | <b>-</b>                   | <b>-</b>                                 |
| 2.1 Debt securities                                                      | -                    | -                           | -                     | -                          | -                                        |
| 2.2 Payables                                                             | -                    | -                           | -                     | -                          | -                                        |
| 2.3 Others                                                               | -                    | -                           | -                     | -                          | -                                        |
| <b>3. Financial assets and liabilities: foreign exchange differences</b> | <b>X</b>             | <b>X</b>                    | <b>X</b>              | <b>X</b>                   | <b>(1,931)</b>                           |
| <b>4. Derivatives</b>                                                    | <b>37,499</b>        | <b>42,163</b>               | <b>(41,738)</b>       | <b>(36,960)</b>            | <b>2,315</b>                             |
| 4.1 Financial derivatives:                                               | 37,499               | 42,163                      | (41,738)              | (36,960)                   | 2,315                                    |
| - On debt securities and interest rates                                  | 37,499               | 42,163                      | (41,738)              | (36,960)                   | 964                                      |
| - On equity securities and share indices                                 | -                    | -                           | -                     | -                          | -                                        |
| - On currencies and gold                                                 | X                    | X                           | X                     | X                          | 1,351                                    |
| - Other                                                                  | -                    | -                           | -                     | -                          | -                                        |
| 4.2 Credit derivatives                                                   | -                    | -                           | -                     | -                          | -                                        |
| of which: natural hedging related to the fair value option               | X                    | X                           | X                     | X                          | -                                        |
| <b>Total</b>                                                             | <b>37,499</b>        | <b>42,170</b>               | <b>(41,738)</b>       | <b>(36,960)</b>            | <b>391</b>                               |

### Section 5 - Net profit (loss) in hedge accounting – Item 90

#### 5.1 Net hedging result: breakdown

| Income item/Values                             | Total<br>31/12/2025 | Total<br>31/12/2024 |
|------------------------------------------------|---------------------|---------------------|
| <b>A. Income relating to:</b>                  |                     |                     |
| A.1 Fair value hedging derivatives             | 6,576               | 16,372              |
| A.2 Hedged financial assets (fair value)       | 1,418               | 7,949               |
| A.3 Hedged financial liabilities (fair value)  | 6,505               | 208                 |
| A.4 Cash flow financial hedging derivatives    | -                   | -                   |
| A.5 Assets and liabilities in foreign currency | -                   | -                   |
| <b>Total income from hedging (A)</b>           | <b>14,499</b>       | <b>24,529</b>       |
| <b>B. Costs relating to:</b>                   |                     |                     |
| B.1 Fair value hedging derivatives             | (8,023)             | (8,158)             |
| B.2 Hedged financial assets (fair value)       | (6,101)             | (4,309)             |
| B.3 Hedged financial liabilities (fair value)  | (308)               | (11,805)            |
| B.4 Cash flow financial hedging derivatives    | -                   | -                   |
| B.5 Assets and liabilities in foreign currency | -                   | -                   |
| <b>Total costs from hedging (B)</b>            | <b>(14,432)</b>     | <b>(24,272)</b>     |
| <b>C. Net hedging result (A - B)</b>           | <b>67</b>           | <b>257</b>          |
| of which: result of hedging of net positions   | -                   | -                   |



## Section 6 - Profits (Losses) on disposal/repurchase – Item 100

### 6.1 Profits (Losses) on disposal/repurchase: breakdown

| Item/Income items                                                             | Total<br>31/12/2025 |                |                    | Total<br>31/12/2024 |                |                    |
|-------------------------------------------------------------------------------|---------------------|----------------|--------------------|---------------------|----------------|--------------------|
| 0                                                                             | Profit              | Loss           | Net<br>profit/loss | Profit              | Loss           | Net<br>profit/loss |
| <b>Financial assets</b>                                                       |                     |                |                    |                     |                |                    |
| 1. Financial assets measured at amortised cost                                | 7,703               | (549)          | 7,154              | 4,389               | (1,352)        | 3,037              |
| 1.1 Loans to banks                                                            | -                   | -              | -                  | -                   | -              | -                  |
| 1.2 Loans to customers                                                        | 7,703               | (549)          | 7,154              | 4,389               | (1,352)        | 3,037              |
| 2. Financial assets measured at fair value through other comprehensive income | 2,833               | (4,807)        | (1,974)            | 1,934               | (1,422)        | 512                |
| 2.1 Debt securities                                                           | 2,833               | (4,807)        | (1,974)            | 1,934               | (1,422)        | 512                |
| 2.2 Loans                                                                     | -                   | -              | -                  | -                   | -              | -                  |
| <b>Total assets (A)</b>                                                       | <b>10,536</b>       | <b>(5,356)</b> | <b>5,180</b>       | <b>6,323</b>        | <b>(2,774)</b> | <b>3,549</b>       |
| <b>Financial liabilities measured at amortised cost</b>                       |                     |                |                    |                     |                |                    |
| 1. Due to banks                                                               | -                   | -              | -                  | -                   | -              | -                  |
| 2. Due to customers                                                           | -                   | -              | -                  | -                   | -              | -                  |
| 3. Securities issued                                                          | -                   | -              | -                  | -                   | (20)           | (20)               |
| <b>Total liabilities (B)</b>                                                  | <b>-</b>            | <b>-</b>       | <b>-</b>           | <b>-</b>            | <b>(20)</b>    | <b>(20)</b>        |

## Section 7 – Net profit (loss) on other financial assets and liabilities measured at fair value through profit or loss – Item 110

### 7.1 Net change in value of other financial assets and liabilities measured at fair value through profit or loss: breakdown of financial assets and liabilities designated at fair value

The Group did not record any profits (or losses) from such financial assets or liabilities at fair value in 2025.

## 7.2 Net change in value of other financial assets and liabilities measured at fair value through profit or loss: breakdown of other financial assets mandatorily measured at fair value

| Transactions/Income items                                | Capital gains (A) | Realised profits (B) | Capital losses (C) | Losses on disposal (D) | Net profit (loss) [(A+B) - (C+D)] |
|----------------------------------------------------------|-------------------|----------------------|--------------------|------------------------|-----------------------------------|
| Transactions/Income items                                | Capital gains (A) | Realised profits (B) | Capital losses (C) | Losses on disposal (D) |                                   |
| <b>1. Financial assets</b>                               | <b>6,888</b>      | <b>16,540</b>        | <b>(25,852)</b>    | <b>-</b>               | <b>(2,424)</b>                    |
| 1.1 Debt securities                                      | 71                | -                    | (333)              | -                      | (262)                             |
| 1.2 Equity instruments                                   | 273               | 9,053                | (1,998)            | -                      | 7,328                             |
| 1.3 UCIs Units                                           | 3,943             | -                    | (20,381)           | -                      | (16,438)                          |
| 1.4 Loans                                                | 2,601             | 7,487                | (3,140)            | -                      | 6,948                             |
| <b>2. Financial assets: foreign exchange differences</b> | <b>X</b>          | <b>X</b>             | <b>X</b>           | <b>X</b>               | <b>-</b>                          |
| <b>Total</b>                                             | <b>6,888</b>      | <b>16,540</b>        | <b>(25,852)</b>    | <b>-</b>               | <b>(2,424)</b>                    |

## Section 8 – Net value adjustments for credit risk – Item 130

### 8.1 Net value adjustments for credit risk relating to financial assets measured at amortised cost: breakdown

| Transactions/Income items | Value adjustments (1) |           |             |           |                                         |          | Recoveries (2) |           |             |                                         | Total<br><br>31/12/2025 | Total<br><br>31/12/2024 |
|---------------------------|-----------------------|-----------|-------------|-----------|-----------------------------------------|----------|----------------|-----------|-------------|-----------------------------------------|-------------------------|-------------------------|
|                           | Stage one             | Stage two | Stage three |           | Purchased originated or credit impaired |          | Stage one      | Stage two | Stage three | Purchased or originated credit impaired |                         |                         |
|                           |                       |           | Write-offs  | Others    | Write-offs                              | Others   |                |           |             |                                         |                         |                         |
|                           |                       |           |             |           |                                         |          |                |           |             |                                         |                         |                         |
| A. Loans to banks         | (19)                  | -         | -           | -         | -                                       | -        | 174            | -         | -           | -                                       | 155                     | (114)                   |
| - Loans                   | (19)                  | -         | -           | -         | -                                       | -        | 144            | -         | -           | -                                       | 125                     | (84)                    |
| - Debt securities         | -                     | -         | -           | -         | -                                       | -        | 30             | -         | -           | -                                       | 30                      | (30)                    |
| B. Loans to customers     | (27,160)              | (2,188)   | (2,104)     | (280,778) | -                                       | (50,555) | 6,121          | 105,439   | 10,419      | 45,418                                  | (195,388)               | (125,007)               |
| - Loans                   | (25,557)              | (2,181)   | (2,104)     | (73,684)  | -                                       | (50,555) | 3,480          | 7,662     | 10,419      | 45,418                                  | (87,102)                | (25,672)                |
| - Debt securities         | (1,603)               | (7)       | -           | (207,094) | -                                       | -        | 2,641          | 97,777    | -           | -                                       | (108,286)               | (99,335)                |
| Total                     | (27,179)              | (2,188)   | (2,104)     | (280,778) | -                                       | (50,555) | 6,295          | 105,439   | 10,419      | 45,418                                  | (195,233)               | (125,121)               |

The sub-item "purchased or originated impaired financial assets" refers to the amount of write-downs/write-backs of loans classified as purchased or originated impaired loans as a result of receipts or revisions of business plans.

During 2025, analysis activities continued on the valuation of some loan portfolios, a number of securitisation notes and AIF units recognised as a result of own asset transformation transactions carried out in previous financial years, which had started already in 2024 after the recommendations formulated by Bank of Italy following the inspection the Bank had undergone in the previous financial year.

These analyses are part of a verification process aimed at ensuring, at each reporting date, that estimates are updated accurately and promptly, with a view to including the best information available – at any given

time – in determining the expected cash flows and related effects on the financial statements for these instruments.

In particular, with reference to the Expected Credit Loss (ECL) estimate for certain credit exposures, AIFs, and securitisation notes underlying the aforementioned asset transformation transactions, model refinements were introduced and the most up-to-date information regarding the actual recoverability of the credit positions in the portfolio was factored in, also in relation to the results of the Due Diligence activities carried out by the new Parent Company, which were concluded in December.

These derive primarily from the natural process of effective and continuous management of the positions over time, also following the communications from the servicers last received in December. This information formed the basis for the review, refinement, and update work performed by the business functions, as well as the activities carried out by Risk Management and the CLO, with the timely involvement of the Corporate Bodies.

Furthermore, Internal Audit carried out a third update of the assessment concerning the verification of the classification and measurement, for accounting and prudent purposes, of these financial instruments, which was completed in December and also factored in for the purpose of these Financial Statements.

The inclusion of these elements, with regard to the best estimates of the recoverability of the instruments, also for certain specific securitisation notes, led to the reclassification in terms of credit status, resulting in a change in their classification to Stage 3 among Impaired Financial Assets.

In addition, with specific reference to the loan portfolio, a comprehensive analysis was carried out, which also factored in the results of the due diligence, including on the recoverability of the other remaining credit exposures recognised in the financial statements, with a particular focus on positions attributable to the b-ilty business, so that the most up-to-date information was included in the estimates, which led to an increase in value adjustments, also considering the progressive deterioration of the portfolio during the financial year.

Overall, considering all the instruments subject to verification and analysis, the above resulted in the recognition at the end of 2025 of higher charges in the item “Net value adjustments for credit risk relating to financial assets measured at amortised cost” for a value of approximately EUR 135.2 million.

## 8.2 Net value adjustments for credit risk relating to financial assets measured at fair value through other comprehensive income: breakdown

| Transactions/Income items | Value adjustments (1) |             |             |                |                                         |          | Recoveries (2) |            |             |                                         | Total          | Total      |
|---------------------------|-----------------------|-------------|-------------|----------------|-----------------------------------------|----------|----------------|------------|-------------|-----------------------------------------|----------------|------------|
|                           | Stage one             | Stage two   | Stage three |                | Purchased or originated credit impaired |          | Stage one      | Stage two  | Stage three | Purchased or originated credit impaired | 31/12/2025     | 31/12/2024 |
|                           | Write-offs            | Others      | Write-offs  | Others         | Write-offs                              | Others   |                |            |             |                                         |                |            |
| A. Debt securities        | (406)                 | (66)        | -           | (2,521)        | -                                       | -        | 1,472          | 313        | -           | -                                       | (1,208)        | 385        |
| B. Loans                  | -                     | -           | -           | -              | -                                       | -        | -              | -          | -           | -                                       | -              | -          |
| - To customers            | -                     | -           | -           | -              | -                                       | -        | -              | -          | -           | -                                       | -              | -          |
| - To banks                | -                     | -           | -           | -              | -                                       | -        | -              | -          | -           | -                                       | -              | -          |
| <b>Total</b>              | <b>(406)</b>          | <b>(66)</b> | <b>-</b>    | <b>(2,521)</b> | <b>-</b>                                | <b>-</b> | <b>1,472</b>   | <b>313</b> | <b>-</b>    | <b>-</b>                                | <b>(1,208)</b> | <b>385</b> |

## Section 9 - Profits/losses on changes in contracts without derecognition – Item 140

During 2025, the Bank carried out a single contractual amendment transaction without derecognition, which resulted in a negative effect on the Income Statement of EUR 788 thousand.

## Section 10 - Profit (loss) from insurance services – Item 160

The Group does not conduct insurance business.

## Section 11 - Balance of financial revenues and costs relating to insurance management - Item 170

The Group does not conduct insurance business.

## Section 12 - Administrative expenses – Item 190

### 12.1 Personnel expenses: breakdown

| Type of expense/Amount                                            | Total<br>31/12/2025 | Total<br>31/12/2024 |
|-------------------------------------------------------------------|---------------------|---------------------|
| 1) Employees                                                      | (78,627)            | (67,618)            |
| a) wages and salaries                                             | (46,956)            | (49,821)            |
| b) social security contributions                                  | (12,736)            | (11,802)            |
| c) provision for employee severance pay                           | -                   | -                   |
| d) pension costs                                                  | -                   | -                   |
| e) provision for employee severance pay                           | (1,779)             | (1,564)             |
| f) provision for post-employment benefits and similar provisions: | (144)               | (1,674)             |
| - defined contribution                                            | (144)               | (1,674)             |
| - defined benefits                                                | -                   | -                   |
| g) payments to external supplementary pension funds:              | (1,741)             | (181)               |
| - defined contribution                                            | (1,741)             | (181)               |
| - defined benefits                                                | -                   | -                   |
| h) costs related to share-based payments                          | 1,754               | 256                 |
| i) other employee benefits                                        | (17,025)            | (2,832)             |
| 2) Other staff in service                                         | 873                 | (1,238)             |
| 3) Directors and statutory auditors                               | (2,374)             | (3,196)             |
| 4) Retired staff                                                  | -                   | -                   |
| <b>Total</b>                                                      | <b>(81,874)</b>     | <b>(72,052)</b>     |

### 12.2 Average number of employees per category

| Job level              | 2025       |
|------------------------|------------|
| a) senior managers     | 70         |
| b) middle managers     | 308        |
| c) other employees     | 357        |
| <b>Total employees</b> | <b>735</b> |
| <b>Other staff</b>     | <b>33</b>  |

### 12.3 Defined-benefit corporate pension funds: costs and revenue

This item includes the provision for post-employment benefits for supplementary benefits of agents of a Group company.

### 12.4 Other employee benefits

The other benefits to employees mainly relate to remunerated benefits, canteen vouchers and various insurance policies.

### 12.5 Other administrative expenses: breakdown

| Type of expense/Amount             | 31/12/2025       | 31/12/2024      |
|------------------------------------|------------------|-----------------|
| Insurance                          | (5,020)          | (4,385)         |
| Various consulting services        | (18,685)         | (10,458)        |
| Sundry contributions               | (1,258)          | (7,523)         |
| Cost of services                   | (5,026)          | (4,824)         |
| Financial information              | (4,947)          | (5,504)         |
| Adverts and advertising            | (1,598)          | (2,820)         |
| Financial statement audit          | (1,293)          | (1,248)         |
| IT and software expenses           | (65,930)         | (6,071)         |
| Legal and notary's fees            | (5,487)          | (7,056)         |
| Property management expenses       | (4,705)          | (4,450)         |
| Expenses for professional services | (6,583)          | (9,783)         |
| Utilities and services             | (259)            | (386)           |
| Other indirect taxes and duties    | (11,307)         | (11,717)        |
| Others                             | (3,213)          | (4,678)         |
| <b>Total</b>                       | <b>(135,311)</b> | <b>(80,903)</b> |

## Section 13 - Net provisions to allowances for risks and charges – Item 200

### 13.1 Net provisions for credit risk relating to commitments to disburse funds and financial guarantees given: breakdown

| Items/Values                              | Value adjustments       |             |              | Recoveries              |             |              | Total        |
|-------------------------------------------|-------------------------|-------------|--------------|-------------------------|-------------|--------------|--------------|
|                                           | Stage one and Stage two | Stage three | Impaired     | Stage one and Stage two | Stage three | Impaired     |              |
| Guarantees issued                         | (379)                   | -           | -            | 244                     | 4           | -            | (131)        |
| Irrevocable commitments to disburse funds | (807)                   | -           | (315)        | 411                     | -           | 876          | 165          |
| <b>Total 31/12/2025</b>                   | <b>(1,186)</b>          | <b>-</b>    | <b>(315)</b> | <b>655</b>              | <b>4</b>    | <b>876</b>   | <b>34</b>    |
| <b>Total 31/12/2024</b>                   | <b>(740)</b>            | <b>(4)</b>  | <b>(771)</b> | <b>630</b>              | <b>-</b>    | <b>3,949</b> | <b>3,064</b> |

### 13.2 Net provisions relating to other commitments and guarantees issued: breakdown

The Group did not make any net provisions relating to other commitments and guarantees issued over the course of the year.

### 13.3 Net provisions for other allowances for risks and charges: breakdown

The item “net allocations to funds for risks and charges”, which has a negative balance of EUR 17.5 million (compared with a negative balance of EUR 20.6 million as of 31 December 2024), includes provisions for legal disputes for the year, as well as other risks and charges. For further details, please refer to the Explanatory Notes, Part B, Section 10 of the liabilities side of the balance sheet.

## Section 14 - Net value adjustments on property and equipment – Item 210

### 14.1. Net value adjustments on property and equipment: breakdown

| Assets/Income items                     | Depreciation & amortisation | Value adjustments for impairment | Recoveries | Net profit/loss |
|-----------------------------------------|-----------------------------|----------------------------------|------------|-----------------|
|                                         | (a)                         | (b)                              | (c)        | (a + b - c)     |
| <b>A. Property and equipment</b>        |                             |                                  |            |                 |
| 1 For business use                      | (5,981)                     | (1,317)                          | -          | (7,298)         |
| - Owned                                 | (527)                       | (1,317)                          | -          | (1,844)         |
| - Rights of use acquired through leases | (5,454)                     | -                                | -          | (5,454)         |
| 2 Held for investment                   | -                           | -                                | -          | -               |
| - Owned                                 | -                           | -                                | -          | -               |
| - Rights of use acquired through leases | -                           | -                                | -          | -               |
| 3 Inventories                           | X                           | (1,072)                          | -          | (1,072)         |
| <b>Total</b>                            | <b>(5,981)</b>              | <b>(2,389)</b>                   | <b>-</b>   | <b>(8,370)</b>  |

## Section 15 - Net value adjustments on intangible assets – Item 220

### 15.1 Net value adjustments on intangible assets: breakdown

| Asset/Income item                         | Depreciation & amortisation | Value adjustments for impairment | Recoveries | Net profit/loss |
|-------------------------------------------|-----------------------------|----------------------------------|------------|-----------------|
|                                           | (a)                         | (b)                              | (c)        | (a + b - c)     |
| <b>A. Intangible assets</b>               |                             |                                  |            |                 |
| of which: software                        | (7,132)                     | (1,259)                          | -          | (8,391)         |
| A.1 Owned                                 | (8,171)                     | (1,955)                          | -          | (10,126)        |
| - Generated internally by the company     | (592)                       | (282)                            | -          | (874)           |
| - Other                                   | (7,579)                     | (1,673)                          | -          | (9,252)         |
| A.2 Rights of use acquired through leases | -                           | -                                | -          | -               |
| B. Assets held for sale                   | -                           | -                                | -          | -               |
| <b>Total</b>                              | <b>(8,171)</b>              | <b>(1,955)</b>                   | <b>-</b>   | <b>(10,126)</b> |

## Section 16 - Other operating expenses and income – Item 230

### 16.1 Other operating expenses: breakdown

| Items/Technical Forms                                           | 31/12/2025     | 31/12/2024     |
|-----------------------------------------------------------------|----------------|----------------|
| Amortisation of expenses for improvements on third party assets | (290)          | (190)          |
| Other operating expenses                                        | (8,284)        | (1,791)        |
| <b>Total</b>                                                    | <b>(8,574)</b> | <b>(1,981)</b> |

The increase in operating expenses compared to the previous year is attributable to the write-down of tax assets acquired in previous years and recognised among other assets, as well as value adjustments on trade receivables recognised in the year.

### 16.2 Other operating income: breakdown

| Items/Technical Forms                       | 31/12/2025    | 31/12/2024    |
|---------------------------------------------|---------------|---------------|
| Recoveries of expenses from other customers | 8,621         | 8,839         |
| Other income                                | 10,787        | 8,315         |
| Rental income                               | 1,595         | 2,269         |
| <b>Total</b>                                | <b>21,003</b> | <b>19,423</b> |

The increase in other income of EUR 1.6 million is mainly related to GSE (electricity services operator) incentives related to Energy Business loans.

The decrease in rental income is mainly related to the sale of the real estate asset Bufalotta, finalised in June 2025.



## Section 17 - Profit (losses) on equity investments – Item 250

### 17.1 Profits (losses) on equity investments: breakdown

| Income items/Sectors<br>0                                       | Total<br>31/12/2025 | Total<br>31/12/2024 |
|-----------------------------------------------------------------|---------------------|---------------------|
| <b>1) Jointly controlled companies</b>                          |                     |                     |
| A. Income                                                       | -                   | 604                 |
| 1. Revaluations                                                 | -                   | 604                 |
| 2. Gains on disposal                                            | -                   | -                   |
| 3. Recoveries                                                   | -                   | -                   |
| 4. Other income                                                 | -                   | -                   |
| B. Costs                                                        | (2,388)             | 16,851              |
| 1. Write-downs                                                  | (2,388)             | 16,851              |
| 2. Value adjustments from impairment                            | -                   | -                   |
| 3. Losses on disposal                                           | -                   | -                   |
| 4. Other charges                                                | -                   | -                   |
| <b>Net profit/loss</b>                                          | <b>(2,388)</b>      | <b>604</b>          |
| <b>2) Companies in which significant influence is exercised</b> |                     |                     |
| A. Income                                                       | 178                 | 203                 |
| 1. Revaluations                                                 | -                   | 203                 |
| 2. Gains on disposal                                            | -                   | -                   |
| 3. Recoveries                                                   | 178                 | -                   |
| 4. Other income                                                 | -                   | -                   |
| B. Costs                                                        | (60)                | -                   |
| 1. Write-downs                                                  | (60)                | -                   |
| 2. Value adjustments from impairment                            | (26,526)            | -                   |
| 3. Losses on disposal                                           | -                   | -                   |
| 4. Other charges                                                | -                   | -                   |
| <b>Net profit/loss</b>                                          | <b>(26,408)</b>     | <b>203</b>          |
| <b>Total</b>                                                    | <b>(28,796)</b>     | <b>807</b>          |

## Section 18 - Net profit on the measurement at fair value of property and equipment and intangible assets - Item 260

The Group did not hold property and equipment and intangible assets measured at fair value during the year.

## Section 19 – Goodwill value adjustments – Item 270

The balance of the item as of 31 December 2025 was a negative EUR 11,760 thousand. The item includes the partial write-down carried out on the goodwill emerging at the time of the acquisition of the Arec business (now merged by incorporation into Arecneprix S.p.A.).

For more details on the impairment test, please refer to Part B, Section 10 of these Explanatory Notes.

## Section 20 - Profit (loss) from disposal of investments – Item 280

### 20.1 Profits (losses) on disposal of investments breakdown

| Income items/Sectors<br>0 | Total<br>31/12/2025 | Total<br>31/12/2024 |
|---------------------------|---------------------|---------------------|
| A. Property               | 817                 | 1,252               |
| - Gains on disposal       | 817                 | 1,252               |
| - Losses on disposal      | -                   | -                   |
| B. Other assets           | -                   | -                   |
| - Gains on disposal       | -                   | -                   |
| - Losses on disposal      | -                   | -                   |
| <b>Net profit/loss</b>    | <b>817</b>          | <b>1,252</b>        |

## Section 21 - Income taxes for the year on continuing operations –Item 300

### 21.1 Income taxes for the year on continuing operations: breakdown

| Income items/Sectors<br>0                                                                       | Total<br>31/12/2025 | Total<br>31/12/2024 |
|-------------------------------------------------------------------------------------------------|---------------------|---------------------|
| 1. Current taxes (-)                                                                            | (1,654)             | (3,112)             |
| 2. Change in current taxes for previous years (+/-)                                             | 271                 | 4,117               |
| 3. Reduction of current taxes for the year (+)                                                  |                     |                     |
| 3.bis Reduction of current taxes for the year due to tax credits under Italian Law 214/2011 (+) | 51                  | -                   |
| 4. Change in deferred tax assets (+/-)                                                          | (10,496)            | 12,892              |
| 5. Change in deferred taxes (+/-)                                                               | 2,162               | (1,578)             |
| 6. Tax expense for the year (-) (-1+/-2+3+3bis+/-4+/-5)                                         | (9,666)             | 12,319              |

Total negative income taxes for the year amounted to EUR 9,666 thousand, broken down as follows: expense of EUR 1,654 thousand relating to current taxes, income of EUR 271 thousand relating to current taxes for the previous year, expense of EUR 10,445 thousand relating to the change in deferred IRES and IRAP tax assets, and income of EUR 2,162 thousand relating to the change in IRES and IRAP deferred taxes.

### 21.2 Reconciliation of the theoretical tax charge with the actual tax charge

The theoretical tax charge, considered on an individual basis, was equal to 33.07% (24% ordinary IRES, 3.5% additional IRES and 5.57% Lombardy region IRAP), for banks and financial entities, and equal to 27.9% (24% ordinary IRES and 3.9% Lombardy region IRAP) for industrial and service companies. The effective tax rate for the year is overall negative. The tax expense is almost exclusively represented by changes in deferred and prepaid tax assets and liabilities. In this regard, it is specified that no new deferred tax assets were recognised on the tax loss that accrued during 2025, amounting to EUR 76.8 million.

## Section 22 - Profit (loss) from discontinued operations after tax – Item 320

### 22.1 Profit (loss) from discontinued operations after tax: breakdown

| Income items/Sectors                                           | Total      | Total         |
|----------------------------------------------------------------|------------|---------------|
| 0                                                              | 31/12/2025 | 31/12/2024    |
| 1. Income                                                      | -          | 540           |
| 2. Charges                                                     | -          | (45,754)      |
| 3. Result of asset group valuations and associated liabilities | -          | -             |
| 4. Realised gains (losses)                                     | -          | 52,526        |
| 5. Taxes and fees                                              | -          | 11,878        |
| <b>Profit (loss)</b>                                           | <b>-</b>   | <b>19,190</b> |

### 22.2 Details of income taxes on discontinued operations

| Type of operations/Values                        | 31/12/2025 | 31/12/2024    |
|--------------------------------------------------|------------|---------------|
| 1. Current taxation (-)                          | -          | (38)          |
| 2. Change in deferred tax assets (+/-)           | -          | 11,916        |
| 3. Change in deferred taxes (+/-)                | -          | -             |
| <b>4. Income taxes for the year (-1+/-2+/-3)</b> | <b>-</b>   | <b>11,878</b> |

## Section 23 - Profit (loss) for the year attributable to minority interests – Item 340

### 23.1 Breakdown of item 340 “Profit (loss) for the financial year attributable to minority interests”

| Company names                                                                       | Total        | Total        |
|-------------------------------------------------------------------------------------|--------------|--------------|
|                                                                                     | 31/12/2025   | 31/12/2024   |
| Equity investments in consolidated subsidiaries with significant minority interests | -            | -            |
| Other equity investments                                                            | 1,212        | 2,355        |
| <b>Total</b>                                                                        | <b>1,212</b> | <b>2,355</b> |

## Section 24 - Other information

No information other than that already provided in the previous sections is reported.

# PART D – CONSOLIDATED COMPREHENSIVE INCOME

## Analytical statement of the consolidated comprehensive income

|                                                                                                               | 31/12/2025       | 31/12/2024      |
|---------------------------------------------------------------------------------------------------------------|------------------|-----------------|
| <b>10. Profit (loss) for the year</b>                                                                         | <b>(306,265)</b> | <b>(40,755)</b> |
| <b>Other income components not reclassified through the income statement</b>                                  |                  |                 |
| <b>20. Equity instruments measured at fair value through other comprehensive income:</b>                      | (791)            | -               |
| a) fair value changes                                                                                         | (791)            | -               |
| b) transfers to other items of shareholders' equity                                                           | -                | -               |
| <b>30. Financial liabilities measured at fair value through profit or loss (changes in credit rating)</b>     | -                | -               |
| a) fair value changes                                                                                         | -                | -               |
| b) transfers to other items of shareholders' equity                                                           | -                | -               |
| <b>40. Hedging of equity instruments measured at fair value through other comprehensive income</b>            |                  |                 |
| a) fair value changes (hedged instrument)                                                                     | -                | -               |
| b) fair value changes (hedging instrument)                                                                    | -                | -               |
| <b>50. Property and equipment</b>                                                                             | -                | -               |
| <b>60. Intangible assets</b>                                                                                  | -                | -               |
| <b>70. Defined-benefit plans</b>                                                                              | 325              | 95              |
| <b>80. Non-current assets held for sale and discontinued operations</b>                                       | -                | -               |
| <b>90. Share of valuation reserves for equity investments measured at equity</b>                              | 13               | 21              |
| <b>100. Financial revenues or costs relating to insurance contracts issued</b>                                | -                | -               |
| <b>110. Income taxes relating to other income components without reclassification to income statement</b>     | (80)             | (30)            |
| <b>Other income components with reclassification through income statement</b>                                 |                  |                 |
| <b>120. Hedging of foreign investments</b>                                                                    |                  |                 |
| a) fair value changes                                                                                         | -                | -               |
| b) reclassification through income statement                                                                  | -                | -               |
| c) other changes                                                                                              | -                | -               |
| <b>130. Foreign exchange differences</b>                                                                      |                  |                 |
| a) fair value changes                                                                                         | -                | -               |
| b) reclassification through income statement                                                                  | -                | -               |
| c) other changes                                                                                              | -                | -               |
| <b>140. Cash flow hedges</b>                                                                                  |                  |                 |
| a) fair value changes                                                                                         | -                | -               |
| b) reclassification through income statement                                                                  | -                | -               |
| c) other changes                                                                                              | -                | -               |
| <b>150. Hedging instruments (undesignated elements)</b>                                                       |                  |                 |
| a) fair value changes                                                                                         | -                | -               |
| b) reclassification through income statement                                                                  | -                | -               |
| c) other changes                                                                                              | -                | -               |
| <b>160. Financial assets (other than equities) measured at fair value through other comprehensive income:</b> | 8,684            | 17,582          |
| a) fair value changes                                                                                         | 9,450            | 17,455          |

|             |                                                                                                |                  |                 |
|-------------|------------------------------------------------------------------------------------------------|------------------|-----------------|
|             | b) reclassification through income statement                                                   | (766)            | 127             |
|             | - adjustments for credit risk                                                                  | 1,208            | (385)           |
|             | - profits/losses on disposals                                                                  | (1,974)          | 512             |
|             | c) other changes                                                                               | -                | -               |
| <b>170.</b> | Non-current assets held for sale and discontinued operations:                                  |                  |                 |
|             | a) fair value changes                                                                          | -                | -               |
|             | b) reclassification through income statement                                                   | -                | -               |
|             | c) other changes                                                                               | -                | -               |
| <b>180.</b> | Share of valuation reserves for equity investments measured at shareholders' equity:           |                  |                 |
|             | a) fair value changes                                                                          | -                | -               |
|             | b) reclassification through income statement                                                   |                  |                 |
|             | - adjustment due to impairment                                                                 | -                | -               |
|             | - profits/losses on disposals                                                                  | -                | -               |
|             | c) other changes                                                                               | -                | -               |
| <b>190.</b> | Financial revenues or costs relating to insurance contracts issued                             |                  |                 |
|             | a) fair value changes                                                                          | -                | -               |
|             | b) reclassification through income statement                                                   | -                | -               |
|             | c) other changes                                                                               | -                | -               |
| <b>200.</b> | Financial revenues or costs relating to disposals in reinsurance                               |                  |                 |
|             | a) fair value changes                                                                          | -                | -               |
|             | b) reclassification through income statement                                                   | -                | -               |
|             | c) other changes                                                                               | -                | -               |
| <b>210.</b> | Income taxes relating to other income components with reclassification to the income statement | (2,472)          | (5,942)         |
| <b>220.</b> | <b>Total other income components</b>                                                           | <b>5,679</b>     | <b>11,726</b>   |
| <b>230.</b> | <b>Comprehensive income (Item 10+220)</b>                                                      | <b>(300,586)</b> | <b>(29,029)</b> |
| <b>240.</b> | Consolidated comprehensive income attributable to minority interests                           | <b>1,204</b>     | <b>2,351</b>    |
| <b>250.</b> | <b>Consolidated comprehensive income attributable to the Parent Company</b>                    | <b>(299,382)</b> | <b>(26,678)</b> |

# PART E – Information on risks and related hedging policies

## Introduction

### Risk Management Process and Internal Control System

With reference to most of the 2025 financial year, in continuity with what was done in previous years, Illimity and its Subsidiaries have operated in terms of risk management through a structured Risk Management Process (RMP), used as a reference model in the organisational and procedural development and systematic performance of all operations and business activities put in place - both of an ordinary or non-systematic or contingent nature. In line with the mission assigned, strategies and objectives pursued, these operations and activities entail undertaking and continually managing risks, in order to contribute to a sustainable value creation process, while also ensuring regulatory compliance and, among others, a coordinated use of human resources, technologies and methodologies.

At general level, illimity and its Subsidiaries implement the aforementioned process through an organisation model that requires the coordinated use of human resources, technologies and methodologies based on a set of internal rules that define the structure of management controls, the policies (rules, authorities, objectives and limits in governing risks of various operating and business segments), and the processes in which the activities are carried out, including the control activities.

The Board of Directors of the illimity Bank Spa plays a fundamental role in risk management and control. It sets the strategic guidelines, targets and risk limits, approves and reviews the risk management policies and assesses the level of efficiency and adequacy of the Internal Control System. In collaboration with the Chief Executive Officer, it is also responsible for the implementation of strategic guidelines, the Risk Appetite Framework ("RAF") and risk governance policies.

The Board of Statutory Auditors supervises the adequacy and practical functioning of the Company's organisational structure and internal control system, and supports the Board of Directors in establishing the directional lines of the internal control and risk management system, consistent with the Bank's strategies, and in assessing, on at least an annual basis, the adequacy of this system with respect to the Bank's characteristics and assumed risk profile, as well as its effectiveness.

The Competence Line Risk oversees the "second level" control activities as a Risk Management Function, ensuring, through the support of the technical functions concerned, constant control of the risks assumed by illimity and its Subsidiaries, governing the process of identification, analysis, modelling, assessment, measuring, controlling and reporting.

The Competence Line Compliance & AFC, as the "second level" control function, oversees compliance with laws and regulations, with a view to preventing, managing and mitigating the risk of incurring judicial or administrative penalties, significant financial losses or reputational damage arising from breaches of imperative laws and regulations or self-regulation requirements as well as with a view to prevent money laundering risk, terrorist financing and breaches of financial sanctions. In addition, the Compliance & AFC discharges illimity Bank spa's controls on matters regarding the processing of personal data in support of the Data Protection Officer, identified in compliance with applicable laws and regulations in the person of the Chief Compliance & AFC Officer.

The ICT and Security Risks Function (made up of the resources of Risk and Compliance & AFC), ensures the control of the risk to ICT and Security arising from the information system (managed in outsourcing, as of the end of December 2024, through the outsourcing of Essential or Important Functions to the newly-formed company AltermaInd), consistent with the RAF limits.

The Internal Audit Department oversees the so-called "third level" control activities as the Internal Audit Function. More specifically, it controls the proper performance of operations and the evolution of risks and assesses the completeness, adequacy, functionality and reliability of the organisational structure and the internal control system, bringing possible improvements to the attention of the corporate bodies, with particular reference to the RAF, the risk management process and the tools for measuring and controlling such.

To ensure that the Risk Management Process functions efficiently and effectively, and can fully cover all existing or potential risks, also in accordance with regulatory requirements, illimity Bank spa has

implemented:

- a system of risk limits and targets of the RAF that represents an organic and structured approach, which has implications on integrated risk management and governance processes, producing impacts on nearly all company functions. The RAF is detailed at an operating level by Company, business division and area of activity and envisages escalation processes, metrics and limits of a quantitative nature as well as qualitative guidelines, all of which set out on an annual basis within the Risk Appetite Statement (“RAS”). The formalisation of the risk management process is fundamental for ensuring sound and prudent business management;
- self-evaluation processes on the adequacy of capital (ICAAP) and liquidity profile (ILAAP), which have the aim of providing an internal assessment of capital compared to the exposure to the risks that characterise operations and the operating and structural liquidity profile, in ordinary and stress conditions, and also from the standpoint of the future for achieving the targets of the Strategic Plan and Budget;
- an ex ante assessment process for Major Transactions (“OMR”) with a prior opinion on their sustainability at a credit and earnings level and their consistency with the RAF.

Alongside these processes for the management and control of risks in ordinary operating conditions is the process connected with the preparation of the Recovery Plan, a tool that governs crisis situations and the strategies and options for reinstating normal working conditions, and the Contingency Funding Plan (emergency plan for managing liquidity in crisis situations).

In accordance with the prudential supervisory provisions, the way in which information is provided to the public about its capital adequacy, risk exposure and the general characteristics of the systems it uses to identify, measure, manage and control these risks has also been defined ( Pillar 3 of Basel II - “Pillar 3”), separate disclosure in addition to that already present in the financial statements. This information is published in accordance with the rules dictated by the Bank of Italy on the Company’s website: [www.illimity.com](http://www.illimity.com) (“Investor Relations” section).

Illimity and its Subsidiaries have defined, codified and continually adopted an operational risk mapping process based on qualitative and quantitative metrics and rules shared within the organisation, which identifies the types of risk that illimity and its Subsidiaries are or might be exposed to, and also assess the relevance of the same according to specific criteria which representative of the significance and materiality of the risk itself. The ESG risk category is also included in the assessment.

The result of the identification process of material risks is formalised in the risk map, whose objective is to represent, in relative terms, the categories of risks inherent in the Group’s current and future operations of Illimity Bank spa and to structure them according to the business lines that generate them, as a functional requirement to determine the overall risk exposure.

With regard to ESG risk, the Bank also performs the annual double materiality analysis process through which it identifies impacts, risks and opportunities related to sustainability for reporting purposes (Italian Legislative Decree no. 125/2024). The determination of material sustainability issues is performed by considering both the definition of impact as well as the financial aspect.

The execution of the process to identify material risks is overseen by the Competence Line Risk, together with the functions of the Chief Financial Officer (CFO) and with the support of other organisational units of illimity and its Subsidiaries.

The results arising from this process represent the assessments and measures of input needed to develop the processes correlated with the ICAAP (assessment of capital adequacy) and the ILAAP (assessment of liquidity adequacy), i.e. the Strategic Plan, Budget and RAF, and accordingly are validated by top management, and submitted for approval by the Board of Directors of the parent company.

Below is comprehensive information about the risk governance system and specific information about material risks, indicated below, and the related management, control and hedging policies adopted by the illimity and its subsidiaries:

- credit risk (which also includes concentration risk);
- market risk (interest rate risk and price risk - regulatory trading book);
- interest rate risk (interest rate risk and price risk of banking book);
- liquidity risk;
- operational risks;
- ICT and security risk;
- ESG risks (for a more in-depth discussion of this issue, please refer to the Sustainability



Statements prepared pursuant to Italian Legislative Decree 125/2024), in the Report on Operations accompanying the Consolidated Financial Statements.

The other risks considered relevant as a result of the risk mapping process described above are also subsequently reported and defined.

Illimity and its Subsidiaries have a system of quantitative limits with reference to assets at risk towards related parties and others. In accordance with the relevant supervisory provisions, indication of the level of risk appetite required by the provisions to be determined and formalised by banks and banking entities was planned, defined in terms of the maximum limit of the lines of credit granted to connected parties deemed acceptable in relation to the total lines of credit granted by illimity Bank.

Further limits are envisaged with reference to the exposures granted to subjects in conflict of interest pursuant to Article 2391 of the Italian Civil Code, bankruptcy proceedings, as well as stricter limits than the regulations for the individual borrower or connected group.

It should be noted that as of 4 July 2025, following the OPAS (public tender and exchange offer), illimity and its subsidiaries belong to the Ifis Bank Group and are subject to its management and coordination activity. Therefore, the Shareholders' Meeting of 25 September 2025 resolved to adopt the traditional management and control system, already adopted in Banca Ifis and in the Ifis Group, suitable for ensuring management efficiency and control effectiveness, and for delivering good results in terms of value creation for Shareholders, capital strengthening and financial balance. The management and control system is traditional and assigns strategic management to the Management Board and supervisory and control functions to the Board of Statutory Auditors, both appointed by the Shareholders' Meeting.

With regard to financial and non-financial risks, the strategic lines of the parent company Banca IFIS have been of course extended, or managed through specific transitional provisions, to the new subsidiary illimity Bank and the other illimity Group companies, and therefore in the last months of 2025 there has been an alignment of strategies and procedures between the two companies. These include, for example, the presentation of transactions within the remit of the Credit and Investments Committee (no longer operational, as of September 2025), and therefore of the related ESG and reputational risk analyses, directly to the CLO of illimity and/or to the Board of Directors of illimity Bank in the case of transactions classified as OMR, with the presentation of the risk opinion, subject to the involvement of Investments Committee of Banca IFIS and/or the Board of Directors of Banca IFIS, in the case of transactions of an amount exceeding EUR 25 million, the review of risk management reporting (e.g. the RAF Tableau De Board) with a view to the parent company's disclosure methods, and the adjustment of the Risk Taxonomy in terms of methodology and mapping process. This activity continued in the first months of 2026, with the progressive adaptation of the relevant internal regulations.

## Section 1 - Accounting consolidation risks

### Quantitative information

#### A. Credit quality

#### A.1 Non-performing and performing credit exposures: consistency, value adjustments, trends and economic distribution

##### A.1.1 Breakdown of financial assets by portfolio and credit quality (book values)

| 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                                | 185,433        | 939,813          | 76,129                            | 141,897                       | 3,776,246                  | 5,119,518        |
| 2. Financial assets measured at fair value through other comprehensive income | -              | 661              | -                                 | -                             | 538,037                    | 538,698          |
| 3. Financial assets designated at fair value                                  | -              | -                | -                                 | -                             | -                          | -                |
| 4. Other financial assets mandatorily measured at fair value                  | -              | 8,373            | -                                 | -                             | 65,061                     | 73,434           |
| 5. Financial assets held for sale                                             | 425            | 65,105           | -                                 | -                             | -                          | 65,530           |
| <b>Total 31/12/2025</b>                                                       | <b>185,858</b> | <b>1,013,952</b> | <b>76,129</b>                     | <b>141,897</b>                | <b>4,379,344</b>           | <b>5,797,180</b> |
| <b>Total 31/12/2024</b>                                                       | <b>165,102</b> | <b>671,398</b>   | <b>32,364</b>                     | <b>146,895</b>                | <b>5,757,055</b>           | <b>6,772,814</b> |

### 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   | Total value adjustments | Net exposure     | Total partial write-offs* | Gross exposure   | Total value adjustments | Net exposure     |                      |
| 1. Financial assets measured at amortised cost                                | 1,506,374        | (304,999)               | 1,201,375        | -                         | 4,155,355        | (237,212)               | 3,918,143        | 5,119,518            |
| 2. Financial assets measured at fair value through other comprehensive income | 3,202            | (2,541)                 | 661              | -                         | 538,763          | (726)                   | 538,037          | 538,698              |
| 3. Financial assets designated at fair value                                  | -                | -                       | -                | -                         | X                | X                       | -                | -                    |
| 4. Other financial assets mandatorily measured at fair value                  | 8,373            | -                       | 8,373            | -                         | X                | X                       | 65,061           | 73,434               |
| 5. Financial assets held for sale                                             | 78,728           | (13,198)                | 65,530           | -                         | -                | -                       | -                | 65,530               |
| <b>Total</b> <b>31/12/2025</b>                                                | <b>1,596,677</b> | <b>(320,738)</b>        | <b>1,275,939</b> | <b>-</b>                  | <b>4,694,118</b> | <b>(237,938)</b>        | <b>4,521,241</b> | <b>5,797,180</b>     |
| <b>Total</b> <b>31/12/2024</b>                                                | <b>916,160</b>   | <b>(47,296)</b>         | <b>868,864</b>   | <b>-</b>                  | <b>6,162,559</b> | <b>(322,144)</b>        | <b>5,903,950</b> | <b>6,772,814</b>     |

| Portfolio/quality                    | Assets of evident low credit quality |              | Other assets  |
|--------------------------------------|--------------------------------------|--------------|---------------|
|                                      | Cumulative losses                    | Net exposure | Net exposure  |
| 1. Financial assets held for trading | -                                    | -            | 12,494        |
| 2. Hedging derivatives               | -                                    | -            | 37,482        |
| <b>Total</b> <b>31/12/2025</b>       | <b>-</b>                             | <b>-</b>     | <b>49,976</b> |
| <b>Total</b> <b>31/12/2024</b>       | <b>-</b>                             | <b>-</b>     | <b>73,414</b> |

### B. Disclosure of structured entities (other than securitisation companies)

There are no structured companies not consolidated as at 31 December 2025 other than the securitisation companies falling within the scope of the Group.

## Section 2 - Prudential consolidation risks

### 1.1 Credit risk

#### Qualitative information

##### 1. General aspects

Credit risk is the risk of incurring losses due to the breach of contractual obligations by a counterparty unable to repay interest and/or capital (default risk), expressed as the difference between the value of the credit and the value effectively recovered, or losses associated with impairment of the counterparty's credit rating (risk of migration).

Credit risk also includes the case of concentration risk, arising from exposures to counterparties including central counterparties, groups of related parties and parties operating in the same economic sector, in the same geographical region, or exercising the same activity or dealing in the same goods, and from the application of techniques to mitigate credit risk including risks of indirect exposures, such as those towards individual guarantors. There are two main components of concentration risk:

- single name, arising from the fact that significant parts of the portfolio are allocated to a single counterparty (or groups of counterparties that share specific characteristics in terms of legal and economic ties);

- geo-sectorial, arising from concentrations with counterparties that have a high correlation terms of the default risk as they come from the same economic sector or the same geographical area.

Great importance is assigned to the control of credit risk and to the relative control systems, which are necessary to create the conditions to:

- ensure a structural, significant creation of value in a controlled risk environment;
- protect illimity and its Subsidiaries' capital and financial solidity, as well as its image and reputation;
- allow a proper, transparent representation of the risk level inherent in its lending portfolio.

The main operational factors that contribute to determining and managing credit risk relate to:

- loan application processes;
- credit risk management;
- monitoring of exposures;
- debt recovery.

The quality of the lending portfolio is preserved by adopting specific operational methods at every stage of the loan management process (contact, application stage, decision and disbursement, monitoring and litigation). Credit risk is controlled right from the first stage of the application process, by means of:

- checking creditworthiness, with particular attention to the customer's current and forward-looking capacity to produce income and, above all, sufficient cash flows to honour the debt;
- an assessment of the nature and scope of the required loan in relation to the actual needs and the financial and economic capacity of the applicant, the performance of the account if already in existence, and the sources of repayment;
- the membership in Legal and Economic Groups.

Surveillance and monitoring activity is based on a system of internal controls aimed at optimising the management of credit risk. This is done by using measurement and control methods called "performance". These methods take into consideration every aspect of the customer relationship, such as the general details (information about the customer's place of residence, business, legal status, the last decision taken on their account, adverse events, corporate structure, irregularities in the Central Risk Register, status and doubtful outcome, the persons managing the account and finally, information about whether the account has been in default), information about credit facilities (form of loan, authorised credit limit, overdraft credit line, utilisation, overrun/availability and credit expiry date), details of the guarantees backing the loans, plus information about any other significant factors. "Performance" monitoring interacts with the credit control and management procedures, making the credit monitoring process more efficient by enhancing the information available, and makes the recovery process more effective.

The opening and granting of a new line of credit is based on a process of analysing the applicant's financial and business data supported by qualitative information about their company, the purpose of the loan, the market they operate in, and the presence and assessment of any collateral guarantees.

With regard to the Risk Appetite Framework, illimity and its Subsidiaries verify aspects including the following, in relation to the risk in question and certain aspects of the relative concentration risk:

- the ratio of the volume of non-performing exposures to the total portfolio, the cost of risk and the coverage ratio of performing exposures and non-performing exposures;
- the level of concentration, with regard to exposures to a counterparty or group of connected counterparties (single name exposures), and at sectoral level (paying attention to real estate exposures), including in relation to Own Funds;
- the collections made compared with those forecast with regard to non-performing exposures for which there is a Business Plan;
- the assumption of exposures classified as "Large Risks", direct acquisition of real estate and the assumption of assets classified as level 3;
- the Bank's level of exposure to repossessed real estate;
- the Bank's level of exposure to related parties (IAS 24) and parties in conflict of interests (pursuant to Article 2391 of the Italian Civil Code);
- observance of the limits provided for by the supervisory regulations.

For the purposes of determining internal capital in relation to credit risk, the standardised methodology, adopted for the calculation of prudential requirements in relation to said risk, is used.

## 2. Credit risk management policies

### 2.1 Organisational aspects

The following paragraph shows the organisational structure that the illimity's Board of Directors approved in the third quarter of 2025, with the aim of aligning, where possible, the organisational model of the Bank with that of the parent company Banca IFIS.

This evolution is an important step in fostering maximum synergy between the two entities and ensuring an effective and consistent integration path with shared strategies.

Therefore, illimity has appointed a Chief Commercial Officer (CCO) to oversee the business, to whom the structures responsible for origination report:

- Corporate Banking, with its two structures, Structured Finance and Factoring;
- Turnaround & Credit Opportunities;
- Investment Banking;
- ABF (Asset-Based Finance) - Investments;
- M&A Advisory & Syndication.

The Digital Banking unit, responsible for managing Direct Bank, and the Strategy, Projects & Business Monitoring unit, responsible for coordination and, in general, for supporting business activities, also report to the CCO.

Finally, the CCO also oversees the Lending Competence Line, with responsibility for credit analysis and resolution activities, in support of the business.

The business of illimity Bank is also supported by a number of Subsidiaries, such as:

- Fürstenberg SGR (formerly illimity SGR), an Asset Management Company, whose purpose is the management of the assets of closed-end reserved collective alternative investment funds (AIFs) set up with its own funds and those of third-party institutional investors. illimity SGR, renamed Fürstenberg SGR in December, was set up with the aim of operating and developing activities in the strategic areas indicated by its parent company illimity Bank S.p.A. The SGR shall be a professional operator in establishing, administering, managing, organising, promoting and selling AIFs;
- ARECneprix S.p.A., created through the merger by incorporation of Arec S.p.A. (acquired on 30 June 2022) by neprix S.r.l. with legal effect from 1 January 2023, for the direct management of distressed loans or their indirect management through commercial agreements with servicers selected from time to time on the basis of the characteristics of the assets acquired. Specifically, ARECneprix is an Asset Manager and Special Servicer, operating in the real estate sector, of distressed loans, whether UTP or NPL, in an advisory role and in all associated activities across the entire value chain, from origination to supporting investors during the underwriting and structuring stages of transactions, through to the management of loans and real estate assets;
- Abilio S.p.A., a company incorporated through the proportional partial spin-off of neprix S.r.l. that became operational on 1 April 2022. The company manages and sells property and capital goods originating from insolvency proceedings and foreclosure, through its own network of platforms/online auctions and a network of professionals operating nationwide.

The Bank's organisational structure is also comprised of "HQ Functions", i.e., transversal structures supporting the business and monitoring risks. In particular, it should be noted that the Chief Operating Officer (COO) also oversees the Portfolio & Business Transformation Division, responsible for managing specific assets considered "non core" and for which no origination is envisaged.

The following paragraphs show the organisational structure that characterised the composition of the illimity Group in the last quarter of 2025.

### Corporate Banking Division

The Corporate Banking Division consists of two organisational units:

- Structured Finance, which is responsible for financing to high-potential businesses with a suboptimal financial structure and/or with a low rating or no rating; the crossover segment also includes financing solutions dedicated to acquisition activities (acquisition finance);

- Factoring, which is responsible for financing the supply chain of the operators of Italian chains and industrial districts through the activity of recourse and non-recourse purchasing of customers' trade receivables, through a dedicated digital channel.

Each unit is tasked with analysing the customers and sector within its portfolio to design the optimal financing solution, assess the risk level of each position, define product pricing or transaction specifications, interface with customers to monitor the risk profiles of counterparties and intervene promptly, where necessary, in the event of problems, in coordination with the Bank unit responsible for monitoring loans.

The objective of the Corporate Banking Division - which reports to the CCO - is to serve businesses, usually medium-sized, with a credit standing that is not necessarily high, but that have a good industrial potential and which, due to the complex nature of transactions to be financed, or their financial difficulties, require a specialist approach to supporting business development programmes or plans to rebalance and relaunch industrial activities.

Therefore the Division mainly focuses on structuring detailed financing transactions that meet the complex needs of its counterparties, directly supporting customer companies.

### **Turnaround & Credit Opportunities Division**

The Turnaround & Credit Opportunities Division - which reports to the CCO - identifies business opportunities for companies in financial distress or facing situations of discontinuity, assessing the credit rating and defining strategies for restructuring, revitalisation or growth.

Specifically, the Division carries out transactions through various instruments (such as the purchase of loans) on Non-Performing positions, Special Situations, and Turnarounds, with the aim of implementing their rehabilitation and return to performing status. This is achieved through the identification of optimal financial solutions, which may include the disbursement of new loans or the takeover of existing ones. Additionally, the Division manages relations with shareholders, companies, creditors and other investors, thereby creating profit plans and continuously monitoring customers' risk.

### **Investment Banking Division**

The Investment Banking Division - which reports to the CCO - is responsible for defining and executing capital markets operations (both in the equity segment and the debt segment for corporate customers), for derivatives trading on own behalf and for third parties, for structuring structured finance transactions for funding and capital optimisation purposes to support the other units of the Bank.

The Division's Value Proposition provides for:

- alternative solutions for businesses, to provide new "finance" and/or improve their financial position, in addition to those already offered by the Bank, exploiting the synergies with the other Group divisions (i.e. Basket Bonds, Basket Loans, securitisations of trade receivables and inventories, securitisations of loans (secured and unsecured), single-tranche structures, IPOs, derivative instruments to provide solutions for interest rate and exchange rate risk, etc.);
- structuring funding transactions and capital optimisation (i.e. SRTs), also supporting other Company Divisions and Functions.

The Division is divided into four organisational units, described below:

- Capital Markets, which provides strategic development solutions for businesses, also through access to capital markets;
- Investment & Hedging Solutions, which manages the "Corporate Bonds" and "Alternative Debt Securities" portfolio and offers solutions to SMEs and Mid Caps to hedge market risks;
- Securitisations & Funding Solutions, which is responsible for structuring financial optimisation solutions for corporate clients, as well as structuring funding solutions for the Bank and financial customers.
- Structured Products & Client Solutions, which scouts for customers in areas related to Investment Banking, leveraging existing relationships and collaborating with other business units within the Bank to ensure comprehensive customer coverage and identify cross-selling opportunities.

For the conduct its Investment Banking business, illimity also avails itself of the vehicles Piedmont SPV and Mia SPV.

## ABF Investments Division

The ABF Investments Division, which reports to the CCO, operates in the area of asset-backed loans with the objective of returning value to the asset and maximising its production capacity. The Division is particularly focused on the investment/financing opportunities in so-called single name loans with underlying real estate, as well as senior financing opportunities aimed at single name third-party investors or the subscription of notes issued by SPVs that acquire asset-based NPEs.

## Digital Banking Division

illimity, through its Digital Banking Division, offers digital banking products and services to retail customers and to business customers or to small- and medium-sized enterprises with turnover of EUR 2 million to EUR 10 million.

The Digital Banking Division, which reports to the CCO, is responsible for the management of the funding platform, i.e., the web and app channel for retail customers.

The Value Proposition for the Division's customers currently extends to the following categories of products and services:

- Current accounts, offered through an innovative, digital user experience, with associated credit, debit and prepaid cards managed in collaboration with nexi;
- Deposit accounts with competitive rates and a simple, customisable product structure;
- Spending Projects, to simply and automatically save to achieve one's goals – offered only to retail customers;
- Account Aggregator and Payment Initiation Service, i.e. features that enable the aggregation in each customer's home banking of accounts held with other banks, making it possible to perform transactions;
- Offer of a complete range of products (i.e. personal loans, American Express credit cards and insurance products) – offered only to retail customers.

## Portfolio & Business Transformation Division

The Portfolio & Business Transformation Division manages the portfolio of positions related to the Distressed Credit business. In particular it manages the portfolio management & asset optimisation activities, for positions derived from businesses in the distressed/specialised credit sector.

To carry out its activities pertaining to the non-core ex-Specialised Credit perimeter, the Portfolio & Business Transformation Division uses the vehicles Aporti, Friuli SPV, Doria SPV, River SPV, Pitti SPV, Maui SPE, Dagobah SPV, Spicy Green SPV, Sileno SPV, Montes SPV, Iside SPE, CR Please Real Estate and the companies Soperga RE, Friuli LeaseCo, Doria LeaseCo, River LeaseCo, Pitti LeaseCo, Dagobah LeaseCo, Montes LeaseCo, Vela 2023 LeaseCo, Eolo LeaseCo, River Immobiliare, Mida RE, SpicyCo, SpicyCo 2, Enervitabio San Giuseppe Società Agricola, Renit CPV and Little Spicy.

To carry out the activities of the b-ilty business, the Division uses the funds INGENII Open Finance, Ingenii Boost Finance and Space Direct Lending Fund as well as the vehicles GRO SPV, Farky SPV, Farm SPV, Dome SPV and Havana SPV.

## Transversal Structures – HQ Functions

Transversal operations and support activities are supervised by the following units reporting directly to the Chief Executive Officer:

- Financial, Administration & ALM, responsible for coordinating the overall strategic planning process, relations with the financial community, developing the Corporate Social Responsibility plan as well as the administrative, accounting and control activities;
- Human Resources, responsible for human resource management;
- Legal, responsible for legal support and relations with the Authorities;
- Corporate Affairs, responsible for managing the corporate secretariat as well as general affairs and corporate support;
- COO, who oversees the areas of privacy & security, the group's ICT, banking operations, the management of ICT third parties, procurement, as well as the management of the organisational activities for transversal supervision and coordination for the Bank;

In turn, the following units also fall within the scope of the HQ Functions, reporting directly to the Chief



Executive Officer:

- Risk, responsible for guaranteeing the strategic oversight and definition of risk management policies;
- Compliance & AFC, responsible for non-compliance risk management and oversight of money laundering and terrorist financing risk.

The Credit Policies are expressed into budget objectives, broken down by business area/organisational unit and expressed in terms of “archetypes” (expression of the various technical loan forms and related risk-return profiles), and in RAF objectives and limits referring to the overall portfolio, with reference to indicators related to Profitability, Asset Quality, Concentration and Divisional Limits profiles.

As part of the pursuit of the budget targets and compliance with the RAF limits, the pricing structure and the possible absorption of capital (standard requirement) - linked to credit risk - of all proposed credit transactions are submitted in advance to the CLO (for first-level controls) and to the Competence Line Risk for the independent assessment of the underlying material risks and the proposed capital absorption in order to confirm or modify the evidence presented by the specific business Areas. In this context, assessments are carried out in both ordinary and stressed conditions and also considering the regulatory compliance, reputational and ESG profiles and related impacts on RAF (Risk Opinion) indicators, with the formalisation of the results of the sustainability and consistency analysis, in particular for Materially Important Transactions.

The CFO is also involved in considerations on the control and compliance with the capital and liquidity limits allocated to each Division, the funding structure associated with the transaction and accounting treatment of the transaction, as well as the start of the income recognition phase according to of amortised cost method adjusted for credit risk.

At individual transaction level, the approval of the above pricing structure to be submitted to the decision-making body identified on the basis of the approval thresholds is the responsibility of the head of the proposing business Division.

At the level of individual transaction impact on the overall portfolio, controls and related reporting of the Competence Line Risk focus on compliance with the credit risk limits and objectives defined in the RAF, in relation to specific indicators (e.g. cost of borrowing, expected loss, hedging rates, effectiveness of the recovery process and the different concentration profiles of credit exposures).

For management purposes in order to support the assessment of own client reliability, as well as for the calculation of collective write-downs related to performing loans, internal rating models are used.

Lastly, the Competence Line Risk also carries out second-level controls, through the Risk Management and Risk Strategy & Group Controls Areas, for example in terms of portfolio quality evolution (transition matrices), capital absorptions, monitoring compliance with the targets and risk limits (RAF) and effectiveness of the recovery process (comparing the estimated recovery rates and those achieved).

## 2.2 Management, measurement and control systems

Credit risk is continuously controlled with the assistance of procedures and tools that allow for the timely identification of positions with particular anomalies.

Illimity and its Subsidiaries have equipped themselves over time with tools and procedures that allow for the specific assessment and monitoring of risk for each type of customer and product.

Continuous monitoring of credit risk by verifying the timeliness of repayments, the correctness of the relationship, the information reported by the Central Risk Service or selected databases and the reputational profile, and to examine the underlying causes for each of these.

With reference to the portfolio control activities, loans to customers are monitored by specific units within the aforementioned business units that are responsible for the continuous and proactive verification of customers (first-level controls); other regulatory second-level control activities, carried out at centralised level by the Parent Company’s Risk Management take place alongside the above process. In general, controls are both of a generic nature, based on the use of performance analysis models, and specific to individual positions characterised by particular risk profiles.

Credit exposures to companies generated by the Crossover & Acquisition Finance and Turnaround business divisions are assigned a rating on the basis of a model developed internally and used for the first

time as of 31 December 2025 in the annual rating review; this model considers performance data (central risks) as well as balance sheet figures.

For the remaining exposures, an external rating is instead used.

The rating class is 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, the rating models allow the activation of the quantitative stage allocation criterion, which provides, by comparing the risk level at the time of granting the loan with the current risk level, to assess the significant increase in risk and therefore the assignment of the position to Stage 2. The expected loss determination framework also includes satellite models functional to the introduction of forward-looking elements in the estimates of risk parameters in total compliance with the requirements of IFRS 9.

In the performance of measurement and control activities, the activity carried out by Risk Management in the context of second-level controls is of fundamental importance.

With reference to credit risks, the Risk Management function:

- oversees, monitors and assesses credit risks, carrying out controls and analyses according to the defined guidelines; in particular:
- assesses credit quality, ensuring compliance with credit guidelines and strategies through the continuous monitoring of credit risk indicators;
- constantly monitors credit risk exposure and compliance with the operating limits assigned to the operating structures in relation to credit risk assumption;
- verifies, by means of second-level controls, the correct execution of performance monitoring on individual exposures, in particular non-performing exposures, and assesses the consistency of the classifications and the appropriateness of the provisions;
- monitors exposure to concentration risk;
- performs quantitative analysis activities in support of the business units for the management use of risk measures;
- oversees the process of monitoring the value of acquired collaterals, personal and financial guarantees;
- analyses consistency with the Group's RAF in the specific areas of credit risk.

In relation to the credit risk associated with investments in bonds, the Group is constantly committed to monitoring credit quality; appropriate periodic disclosure is provided to the Board of Directors and the Senior Management of the parent company Banca IFIS.

Under Basel 3, for the determination of the capital requirement for first-pillar credit risks, Illimity has chosen to use the standardised approach; with reference to the determination of the capital requirement for single-name concentration risk, included among second-pillar risks, the Group applies the Granularity Adjustment method defined in Annex B, Title III of Circular No. 285 of 17 December 2013 to which a capital add-on is added, calculated using the ABI methodology for the estimation of geo-sectorial concentration risk.

In order to assess its vulnerabilities in terms of capital and liquidity management, illimity and its Subsidiaries have developed quantitative and qualitative techniques with which to assess exposure to exceptional but possible events. These analyses, defined as stress analyses, measure the effects for the Bank and its Subsidiaries, in terms of riskiness, resulting from joint movements of economic and financial variables in adverse scenario assumptions and are carried out at least annually in the context of the definition of the Risk Appetite Framework (RAF), the preparation of the Recovery Plan and the ICAAP and ILAAP Reports. In this context, the Competence Line Risk assesses, among others, the sustainability of credit strategies under adverse conditions and reports on it to the Corporate Bodies.

Stress analyses allow the verification of the Group resilience, simulating and estimating the impacts of adverse situations, and provide important indications regarding its exposure to risks, the adequacy of the related mitigation and control systems and the ability to deal with unexpected losses also from a forward-looking and planning perspective. In order to carry out the stress test, the Bank has developed internally methodologies that allow, also by exploiting synergies with the satellite models used under IFRS 9, to project asset quality in line with adverse macroeconomic scenarios and to assess the spill-over effects in terms of different credit quality indicators, such as the impact of non-performing loans or the increase in loan adjustments.

## 2.3 Methods of measuring expected losses

Expected losses are estimated in line with the accounting standard IFRS 9. Among the main elements characterising this standard are:

- the classification of credits into three different levels (or “Stages”) to which different methods of calculating the losses to be recognised correspond: Stage 1 includes performing positions that have not undergone a significant increase in credit risk since they were disbursed; Stage 2 includes performing exposures that have undergone a significant increase in credit risk compared to their first entry in the Bank's books; and Stage 3 includes all exposures classified as non-performing;
- for Stage 2 exposures, it is necessary to assess the expected loss over the entire residual life of the credit (i.e. and not only with a time horizon of one year as for Stage 1 exposures);
- whereas, it is necessary to take into account the conditions of the current business cycle (Point in Time) in place of a calibration of parameters along the business cycle (Through the Cycle) required for regulatory purposes;
- the introduction of forecast information regarding the future dynamics of the macroeconomic factors (forward looking) considered potentially able to influence the situation of the borrower.

The staging methodology has been defined on the basis of qualitative and quantitative drivers, identified for the analysis of the significant increase in credit risk and, therefore, for the identification of the exposures to be included in the different stages. It should be noted that, when verifying the increase in credit risk compared to origination, no account is taken of the guarantees that assist the individual exposure, which play a key role in determining value adjustments. The criteria adopted by illimity and its Subsidiaries to understand the significant increase in credit risk are shown below.

### Significant increase in credit risk

The criteria adopted by illimity and its Subsidiaries to understand the significant increase in credit risk are shown below.

#### Quantitative criteria

Negative change in the rating class (known as delta notch): in order to identify the "significant increase in credit risk", for the exposures of the credit portfolio, an approach was used that determines the classification in Stage 2 if the change in rating classes between the origination and the observation date shows a worsening above certain thresholds. The thresholds are differentiated according to the current rating class, making it easier to move to Stage 2 on riskier classes.

| RATING_CURRENT | THRESHOLD |
|----------------|-----------|
| AAA            | 3         |
| AA             | 3         |
| A              | 3         |
| BBB            | 3         |
| BB             | 3         |
| B              | 3         |
| CCC            | 2         |
| CC             | 2         |
| C              | 1         |

#### Qualitative criteria

- Rebuttable presumption - 30 days past due; consistent with IFRS 9, there is a relative presumption that the credit risk of the financial assets has increased significantly – compared to the initial recognition – when contractual payments have expired for more than 30 days. The accounting standard provides that this presumption can be contradicted in the presence of reasonable information demonstrating that the credit risk has not significantly increased since the initial recognition, even if the contractual payments have expired for more than 30 days. To date, illimity and its Subsidiaries have not used this possibility;
- Forbearance: this criterion provides that a credit exposure is allocated to Stage 2 when a concession measure (forbearance) is granted for that exposure;
- Watchlist: the management classification (so-called Watchlist) aims to identify, on the basis of expert

based indications, situations of significant increase in credit risk.

Once the financial assets have been classified in the different Stages, for each exposure, it is necessary to determine the relative value adjustments following the Expected Credit Loss ("ECL") logic, using appropriate calculation models. The principle on which the ECL is based is to create a connection between improvement or worsening of the risk profile of the exposure compared to the date of initial recognition in the financial statements, respectively with the increase or decrease in the provision funds.

IFRS 9 defines loss on a financial instrument as the present value of the difference between the contractual cash flows due to the entity and the cash flows it expects to receive. The average of all losses weighted for the respective default risk represents the value of the expected loss.

The calculation method provides for two different measurement criteria based on the time horizon for calculating expected losses:

- limit to a time horizon of 12 months, if the financial assets are classified in Stage 1 (12-month ECL);
- residual life of the financial assets, for positions classified in Stage 2 and 3 (Lifetime ECL).

With reference to debt securities, the methodology used by illimity and its Subsidiaries for the allocation of relationships in the different Stages is based, contrary to the above for credit exposures, only on quantitative drivers (so-called delta notch) as well as on a practical rule expressly permitted by IFRS 9 (Low Credit Risk Exemption). With respect to the latter, the legislation provides that an entity may use its own internal credit risk ratings or other methodologies consistent with a globally shared definition of low credit risk to determine whether a financial instrument is low credit risk, taking into account the risks and type of financial instruments being measured. In particular, an exposure is considered to have "low credit risk" if the financial instrument presents a low risk of default, i.e. if the borrower has a strong ability to meet its obligations regarding short-term contractual cash flows and if unfavourable changes in longer-term economic and commercial conditions could reduce, but will not necessarily reduce, the borrower's ability to meet its obligations regarding contractual cash flows.

Consistent with the provisions of the standard, illimity and its Subsidiaries have decided to adopt, even in the presence of information on credit risk measures at the date of origination, the assumption according to which the credit quality of a government "investment grade" rating can be assumed not to have significantly deteriorated, thus making use of the Low Credit Risk Exemption (LCRE) option. Therefore, only securities that, on the reporting date, have an "investment grade" rating are allocated to Stage 1, while single-tranche notes associated with defaulting securities are classified in Stage 3.

Specifically, the impairment calculation formula for Stage 1 and 2 tranches of securities is consistent with the approach adopted for credit exposures. The Stage allocation of performing debt securities presupposes the use of an external rating of the issue; the classification in the Stages is defined according to specific criteria related to this type of portfolio. Debt securities exposures are classified in Stage 3 in cases where credit risk has deteriorated to the point where the security is to be considered impaired, i.e. classified as non-performing.

In accordance with IFRS 9, the illimity and its Subsidiaries have defined a specific methodological framework aimed at modelling the following risk parameters, which are relevant for the calculation of IFRS 9 impairment:

- Probability of Default (PD);
- Loss Given Default (LGD);
- Exposure at Default (EAD);
- stage allocation criteria;
- calculation of expected losses including point-in-time elements.

The methodologies developed for the estimation and calibration of the above parameters have been defined taking into account the complexity of illimity and its Subsidiaries' portfolio. The credit portfolio of illimity Bank is broken down between the legacy portfolio originated by the former Banca Interprovinciale, the new exposures originated by illimity and the non-performing loans acquired by the Bank. The latter are broken down into medium/long-term exposures of the CB and Turnaround division, factoring exposures of the same CB division and the medium/long-term exposures of the b-ilty division. The specific characteristics of each aggregate differ significantly in terms, for example, of size, risk profile and management rules.

To this end, illimity Bank has implemented the following approaches, differentiated by type of portfolio:

- application of an evolved model (Credit Fusion) for the assignment of ratings to counterparties financed by illimity, used in credit risk management processes (origination and risk control) for estimating Probabilities of Default/ratings of Corporate Banking and Turnaround credit exposures and for accounting purposes (calculation of collective write-downs); This model, introduced for the first time in the review of the portfolio rating as of 31 December 2025, considers trend information (Central Credit Register) in addition to the financial statements figures;
- application of an external rating of the provider Crif to the remaining exposures (former Banca Interprovinciale Portfolio, b-ilty portfolio) and attribution of the relative probabilities of default based on historical default rates;
- adjustment of probabilities of default in line with the macroeconomic scenario, using the forward-looking PD Model;
- adoption of the LGD model based on the estimate of recovery percentages in the case of bad loans calibrated based on the recoveries of bad loans of the former Specialised Credit Division;
- application of a model for collective impairment of factoring portfolios that uses ratings provided by the rating agency Crif as inputs. The Risk Management function has developed an engine for calculating Expected Credit Loss, so as to be able to manage in house any methodological choice relating to the application of Probability of Default (PD) and Loss Given Default (LGD) parameters, in line with the continuous developments in terms of business practices and obtaining greater alignment with the portfolio's risk profile.
- to determine the ECL of exposures to securitisation notes of material amount or complexity, a Monte Carlo approach is used;
- as at the accounting date of 31 December 2025, a methodological refinement was introduced in order to make default probabilities forward-looking. In particular, the same three macroeconomic scenarios and the same probabilities of occurrence used by the parent company were considered: base, adverse and a specific climate risk.

With reference to the inclusion of Forward Looking factors fuelling the IFRS 9 provisioning process, below is a summary of the macroeconomic scenarios used by the Risk Management unit during 2025, identified by an external info provider:

- base scenario: this represents the main reference for economic forecast, characterised by a downturn in global growth in a context of high geopolitical uncertainty. This trend is influenced by conflicts in critical areas (Ukraine, the Middle East) and trade tensions between the US, the EU and China. Despite this, Italy registered moderate GDP growth (average annual 0.5% in 2025-2029), mainly supported by the NRRP and spillovers of European infrastructure and defence plans. The effects of US tariffs (with high tariffs on steel, aluminium, motor vehicles and Chinese/EU products) are partially mitigated by recent bilateral trade agreements. The contained spread of BTP-Bund (stabilised below 90 basis points from 2026) and the reduction in interest expense contribute to the consolidation of public finances. Italian inflation, after a minimum of 1% in 2024, stabilises at around 2% per annum (in line with ECB objectives), thanks to the control of core components and a moderate wage trend (salary growth at 2.7% per annum in June 2025). Public finances show a consolidation trend, despite the deterioration due to tax credits for the Superbonus. Major risks remain possible trade wars with the introduction of new tariffs and geopolitical instability (conflicts in Ukraine, the Middle East, hostile air overruns in Europe, with risks of supply chain disruptions);
- adverse scenario: this is the severe but plausible scenario that the global geopolitical situation is expected to deteriorate due to the escalation of conflicts and threat of tariffs by the US with retaliation by the affected countries. Political instability in France further weakens EU action, which is already slow in launching the German infrastructure plan and in implementing ReArmEurope. The result would therefore be a further increase in uncertainty and a severe blow to trade, which would significantly drop compared to the period prior to the introduction of the new tariff policies. The United States, which is more penalised, could enter recession in the short term. In Italy, the already fragile growth outlined in the base scenario would be compromised by the greater



uncertainty linked to the geopolitical context. Exports and investments are the most affected components, while household spending slows down less. National debt, in terms of GDP, would also increase the spread between Italian and German government bonds;

- climate scenario: it is a “Net Zero” scenario (transition risk) in which governments adopt very stringent climate policies to limit average global warming to 1.6°C by 2060 and achieve net zero CO2 emissions by 2050. The policies implemented include globally coordinated carbon taxes and aggressive regulatory measures to speed up the decarbonisation of the economy. The price increase linked to the carbon tax is partly offset by a strong boost to investments and by productivity gains associated with more efficient technologies over the long-term. However, among the climate scenarios, “Net Zero” is the most severe in terms of economic growth over the short term, as the benefits of an orderly transition are only realised over the medium to long term.

| FINANCIAL INDICATORS<br>END OF THE YEAR (%)                       | Base scenario |      |      | Adverse scenario |      |      | Climate scenario |       |       |
|-------------------------------------------------------------------|---------------|------|------|------------------|------|------|------------------|-------|-------|
|                                                                   | 2026          | 2027 | 2028 | 2026             | 2027 | 2028 | 2026             | 2027  | 2028  |
| Growth (decrease) of real Italian GDP 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%  |
| 3M Euribor                                                        | 2.0%          | 2.1% | 2.4% | 1.7%             | 1.8% | 2.1% | 1.9%             | 2.1%  | 2.2%  |
| BTP performance 10 years                                          | 3.6%          | 3.7% | 4.0% | 3.7%             | 3.9% | 4.1% | 3.7%             | 4.0%  | 4.2%  |
| Growth (negative growth) in the price of oil per barrel Brent 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 that carried out for the financial year 2024 and with the continued high uncertainty of the geopolitical and macroeconomic context, the baseline scenario was assigned a probability of occurrence of 60%, the adverse scenario one of 30% and the climate scenario one of 10%. For the sake of prudence, positive scenarios were not considered.

In order to provide information that allows for a clear understanding of the judgemental elements used by management and their relative impacts, specific sensitivity analyses have been carried out. The inclusion of forward-looking factors for measuring expected losses is, in fact, a particularly complex exercise, as it requires the formulation of macroeconomic forecasts, the selection of scenarios and their related 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 being assessed.

For this reason, in order to assess the impact on expected losses resulting from the selection of different macroeconomic scenarios and in accordance with ESMA recommendations, specific sensitivity analyses are provided below, in terms of ECL. These analyses were carried out by assigning a 100% weighting to each individual macroeconomic scenario (“base”, “adverse” and “climate”) with respect to the multi-scenario approach followed for the purposes of drafting this document.

The selection of a multi-factor sensitivity, obtained by varying several parameters simultaneously and implicit in the choice to consider alternative macroeconomic scenarios, is justified by the fact that there are countless interrelationships between the various macroeconomic factors, such that a sensitivity analysis based on a single factor would be less representative (for example, changes in GDP would in fact be correlated with changes in many other macroeconomic variables).

The basis for sensitivity analysis is represented by expected credit losses (ECL) relating to credit exposures to Banca Ifis Group customers (including the illimity Group), i.e. cash loans and endorsement credits. This refers, in particular, to the ECL determined on the basis of the models in use, and therefore does not include the post-model adjustments illustrated below.

In particular, the 100% “adverse” weighting would lead to an impact on the model ECL of approximately +0.7%, a 100% “baseline” weighting would lead to an impact of approximately -0.33%, while a 100%

“climate” weighting would lead to an impact of approximately -0.45%.

## 2.4 Credit risk mitigation techniques

To mitigate credit risk, when the loan is granted, various types of guarantee are usually required. These mainly consist of secured guarantees on property or assets, and personal guarantees, consortium guarantees or other types of commitments and covenants related to the structure and reason for the operation.

In general, the decision to obtain a guarantee is based on the customer's credit rating and the characteristics of the operation. After that, it may be appropriate to obtain additional guarantees to mitigate the risk, taking into account the presumed recoverable value offered by the guarantee.

The value of financial collaterals is periodically monitored. This involves comparing the current value of the guarantee with the initial value to allow the manager to intervene promptly if there is a significant reduction in the amount of the guarantee.

## 3. Non-performing credit exposures

### 3.1 Strategies and management policies – 3.2 Write-offs – 3.3 Purchased or originated impaired financial assets

The default portfolio is classified according to the regulatory definitions. In particular:

“non-performing past due exposures”, which correspond to on-balance sheet credit exposures other than those classified under bad loans or unlikely-to-pay positions, which on the reporting date were past-due or have been overrun continuously for more than 90 days;

“unlikely-to-pay positions, which, rather, correspond to exposures for which it is considered unlikely that the borrower will fulfil their loan obligations without the recourse to actions such as enforcement of guarantees. This assessment is made regardless of whether or not there are any amounts or instalments overdue and unpaid. There is thus no need to wait for an express signal such as non-repayment, if there are factors that imply a risk of the borrower defaulting (for example a crisis in the industry they operate in). The total on- and off-balance sheet exposures to the same borrower in the above situation will be termed an unlikely to pay position unless there are conditions for classifying the borrower among bad loans.

“bad loans”, which correspond to on- and off-balance sheet exposures to a borrower in a state of insolvency (even when not recognised in a court of law) or in an essentially similar situation, regardless of any loss forecasts made by illimity and its Subsidiaries. They do not, therefore, take into account any collaterals or personal guarantees given in respect of the exposure. They exclude exposures where the irregularity relates to country risk aspects.

The EBA's Implementing Technical Standard (ITS) also introduced the concept of “forborne” which refers to exposures where a concession has been granted, in other words a change to the previous contractual conditions and/or a partial or total refinancing of the debt, given the customer's financial difficulties at the time of the concession.

When implementing the EC regulation, the Bank of Italy introduced, with reference to non-performing loans, what is known as “non-performing forborne exposures” means individual on-balance sheet exposures and revocable and irrevocable commitments to disburse funds, which are subject to a concession that meets the rules in paragraph 180 of the ITS. These exposures are cross-category and depending on the situation, they are included in bad loans, unlikely-to-pay positions or non-performing past due exposures. They do not form a separate category of non-performing assets.

The main forborne exposures or support measures are:

changes to the terms and conditions of an exposure that the counterparty cannot repay, by including new conditions that would not have been granted if the customer had not been in financial difficulty;  
total or partial refinancing, meaning the use of a loan disbursement intended to ensure the full or partial repayment of other existing loan agreements, which would not have been granted if the counterparty had not been in financial difficulty.

It should be noted that the forborne attribution distinguishes the individual line of credit and may relate to performing or non-performing lines.

In addition, as indicated by IFRS 9, in some cases a financial assets are considered to be non-performing at the time of initial recognition because the credit risk is very high and, in the case of acquisition, it has been acquired at a large discount compared to the initial disbursement value. If the financial assets in question, based on the application of the classification driver (the SPPI test and Business model), can be classified among assets measured at amortised cost or at fair value through other comprehensive income, they are classified as “Purchased or Originated Credit Impaired Asset” and undergo a special treatment with regard to the impairment process. In addition, for assets classified as POCI, a credit-adjusted effective interest rate is calculated on the date of initial recognition, the so-called “credit-adjusted effective interest rate”, which requires the inclusion of the expected initial losses, in the estimates of cash flows. To apply the amortised cost and the resulting calculation of interest, this credit-adjusted effective interest rate is applied.

The structures of illimity and its Subsidiaries that manage the relationship with the borrower use objective and subjective criteria for the purpose of proposing the classification of credit exposures to non-performing exposures. The first objective criteria are triggered by the overrun of specific limits (as defined in the Bank of Italy Circular 272), while the second subjective criteria relate to other irregularities on the credit relationship, such as adverse events, central risk register irregularities, other sources of information, etc.

In 2021 criteria (sometimes stricter than in the past) required by prudential regulations for the identification of exposures in default were introduced. Among others, these include materiality thresholds for past due exposures, a criterion for onerous restructuring, and a prohibition on netting different credit lines. The impact of the new regulation on the cost of borrowing for illimity and its Subsidiaries has been very limited.

Bad loans correspond to on- and off-balance sheet credit exposures to a borrower in a state of insolvency (even when not recognised in a court of law) or in an essentially similar situation, independently of any loss forecasts made by illimity and its Subsidiaries.

These two statuses described above are determined independently of any consideration about the nature and extent of any guarantees supporting the loans. The value adjustments, which are valued in detail on each account, reflect prudential criteria relating to the possibility of recovery, which may also relate to any collateral guarantees. They are periodically verified.

A loan account will be reclassified as performing in accordance with the legal provisions.

#### **4. Financial assets subject to commercial negotiations and forbore exposures**

The forbearance and commercial renegotiation measures are governed by a specific internal policy, which defines the criteria for classifying forbore loans, in line with the reference external regulations.

#### **Quantitative information**

For the purposes of quantitative disclosure on credit quality, the term “credit exposures” means financial assets excluding equity securities and units of UCIs.



**A. Credit quality****A.1. Non-performing and performing credit exposures: consistency, value adjustments, trends and economic distribution****A.1.1 Prudential consolidation – Breakdown of financial assets by past due brackets (book value)**

| Portfolios/risk stages                                                        | Stage one             |                        |                   | Stage two             |                        |                   | Stage three           |                        |                   | Purchased or originated credit impaired |                        |                   |
|-------------------------------------------------------------------------------|-----------------------|------------------------|-------------------|-----------------------|------------------------|-------------------|-----------------------|------------------------|-------------------|-----------------------------------------|------------------------|-------------------|
|                                                                               | Between 1 and 30 days | Between 30 and 90 days | More than 90 days | Between 1 and 30 days | Between 30 and 90 days | More than 90 days | Between 1 and 30 days | Between 30 and 90 days | More than 90 days | Between 1 and 30 days                   | Between 30 and 90 days | More than 90 days |
| 1. Financial assets measured at amortised cost                                | 49,284                | 14,174                 | 43                | 8,041                 | 31,579                 | 1,626             | 3,770                 | 2,649                  | 291,567           | 1,340                                   | 5,587                  | 178,938           |
| 2. Financial assets measured at fair value through other comprehensive income | -                     | -                      | -                 | -                     | -                      | -                 | -                     | -                      | 421               | -                                       | -                      | -                 |
| 3. Financial assets held for sale                                             | -                     | -                      | -                 | -                     | -                      | -                 | -                     | -                      | 22,000            | -                                       | -                      | 2,530             |
| <b>Total 31/12/2025</b>                                                       | <b>49,284</b>         | <b>14,174</b>          | <b>43</b>         | <b>8,041</b>          | <b>31,579</b>          | <b>1,626</b>      | <b>3,770</b>          | <b>2,649</b>           | <b>313,988</b>    | <b>1,340</b>                            | <b>5,587</b>           | <b>181,468</b>    |
| <b>Total 31/12/2024</b>                                                       | <b>35,839</b>         | <b>5,030</b>           | <b>755</b>        | <b>69,648</b>         | <b>5,477</b>           | <b>25,227</b>     | <b>3,258</b>          | <b>2,467</b>           | <b>202,066</b>    | <b>11,422</b>                           | <b>218</b>             | <b>379,689</b>    |



#### A.1.2 Prudential consolidation - Financial assets, commitments to disburse funds and financial guarantees issued: trend in the total value adjustments and total provisions

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**A.1.3 Prudential consolidation - Financial assets, commitments to disburse funds and financial guarantees issued: transfers between the various credit risk stages (gross and nominal values)**

| Portfolios/risk stages                                                        | Gross values/nominal value                |                             |                                             |                               |                                             |                               |     |
|-------------------------------------------------------------------------------|-------------------------------------------|-----------------------------|---------------------------------------------|-------------------------------|---------------------------------------------|-------------------------------|-----|
|                                                                               | Transfers between stage one and stage two |                             | Transfers between stage two and stage three |                               | Transfers between stage one and stage three |                               |     |
|                                                                               | From stage one to stage two               | From stage two to stage one | From stage two to stage three               | From stage three to stage two | From stage one to stage three               | From stage three to stage one |     |
| 1. Financial assets measured at amortised cost                                | 74,639                                    | 73,482                      | 546,814                                     | 42,604                        | 353,656                                     |                               | 25  |
| 2. Financial assets measured at fair value through other comprehensive income | 100                                       | -                           | -                                           | -                             | 2,757                                       |                               |     |
| 3. Financial assets held for sale                                             | -                                         | -                           | -                                           | -                             | -                                           |                               |     |
| 4. Commitments to disburse funds and financial guarantees issued              | 64                                        | 2,186                       | -                                           | -                             | 308                                         |                               | 27  |
| Total                                                                         | 31/12/2025                                | 74,804                      | 75,668                                      | 546,814                       | 42,604                                      | 356,721                       | 52  |
| Total                                                                         | 31/12/2024                                | 849,208                     | 6,870                                       | 66,432                        | 76                                          | 104,000                       | 129 |

### A.1.4 Prudential consolidation – On and off-balance sheet credit exposures to banks: gross and net values

| Type of exposures/values                     | Gross exposure |                |            |             |                                | Total value adjustments and total provisions |           |           |             |                                | Net exposure   | Total partial write-offs (*) |
|----------------------------------------------|----------------|----------------|------------|-------------|--------------------------------|----------------------------------------------|-----------|-----------|-------------|--------------------------------|----------------|------------------------------|
| 0                                            |                | Stage one      | Stage two  | Stage three | Purchased or originated credit |                                              | Stage one | Stage two | Stage three | Purchased or originated credit | Net exposure   | Total partial write-offs*    |
| A. On-balance sheet credit exposures         |                |                |            |             |                                |                                              |           |           |             |                                |                |                              |
| <b>A. On-balance sheet credit exposures</b>  |                |                |            |             |                                |                                              |           |           |             |                                |                |                              |
| <b>A.1 On demand</b>                         | <b>230,297</b> | <b>230,297</b> | -          | -           | -                              | <b>19</b>                                    | <b>19</b> | -         | -           | -                              | <b>230,278</b> | -                            |
| a) Non-performing                            | -              | X              | -          | -           | -                              | -                                            | X         | -         | -           | -                              | -              | -                            |
| b) Performing                                | 230,297        | 230,297        | -          | X           | -                              | 19                                           | 19        | -         | X           | -                              | 230,278        | -                            |
| <b>A.2 Other</b>                             | <b>252,839</b> | <b>252,424</b> | <b>415</b> | -           | -                              | <b>83</b>                                    | <b>80</b> | <b>3</b>  | -           | -                              | <b>252,756</b> | -                            |
| 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             | -              | -              | -          | X           | -                              | -                                            | -         | -         | X           | -                              | -              | -                            |
| - of which: forborne exposures               | -              | -              | -          | X           | -                              | -                                            | -         | -         | X           | -                              | -              | -                            |
| e) Other performing exposures                | 252,839        | 252,424        | 415        | X           | -                              | 83                                           | 80        | 3         | X           | -                              | 252,756        | -                            |
| - of which: forborne exposures               | -              | -              | -          | X           | -                              | -                                            | -         | -         | X           | -                              | -              | -                            |
| <b>Total (A)</b>                             | <b>483,135</b> | <b>482,720</b> | <b>415</b> | -           | -                              | <b>102</b>                                   | <b>99</b> | <b>3</b>  | -           | -                              | <b>483,033</b> | -                            |
| <b>B. Off-balance sheet credit exposures</b> |                |                |            |             |                                |                                              |           |           |             |                                |                |                              |
| a) Non-performing                            | -              | X              | -          | -           | -                              | -                                            | X         | -         | -           | -                              | -              | -                            |
| b) Performing                                | 43,872         | 43,872         | -          | X           | -                              | -                                            | -         | -         | X           | -                              | 43,872         | -                            |
| <b>Total (B)</b>                             | <b>43,872</b>  | <b>43,872</b>  | -          | -           | -                              | -                                            | -         | -         | -           | -                              | <b>43,872</b>  | -                            |
| <b>Total (A+B)</b>                           | <b>527,007</b> | <b>526,592</b> | <b>415</b> | -           | -                              | <b>102</b>                                   | <b>99</b> | <b>3</b>  | -           | -                              | <b>526,905</b> | -                            |

### A.1.5 Prudential consolidation – On and off-balance sheet credit exposures to customers: gross and net values

| Type of exposures/values                     | Gross exposure   |                  |                |                  |                                         | Total value adjustments and total provisions |                |              |                |                                | Net exposure     | Total partial write-offs* |
|----------------------------------------------|------------------|------------------|----------------|------------------|-----------------------------------------|----------------------------------------------|----------------|--------------|----------------|--------------------------------|------------------|---------------------------|
| 0                                            |                  | Stage one        | Stage two      | Stage three      | Purchased or originated credit impaired |                                              | Stage one      | Stage two    | Stage three    | Purchased or originated credit | #REF!            | #REF!                     |
| Type of exposures/values                     |                  |                  |                |                  |                                         |                                              |                |              |                |                                | #REF!            | #REF!                     |
| <b>A. On-balance sheet credit exposures</b>  |                  |                  |                |                  |                                         |                                              |                |              |                |                                |                  |                           |
| a) Bad loans                                 | 238,995          | X                | -              | 138,529          | 100,467                                 | 46,917                                       | X              | -            | 46,917         | -                              | 192,078          | -                         |
| - of which: forborne exposures               | -                | X                | -              | -                | -                                       | -                                            | X              | -            | -              | -                              | -                | -                         |
| b) Unlikely-to-pay                           | 1,235,285        | X                | -              | 1,005,753        | 229,532                                 | 267,235                                      | X              | -            | 266,964        | 271                            | 968,050          | -                         |
| - of which: forborne exposures               | 225,225          | X                | -              | 89,728           | 135,497                                 | 4,969                                        | X              | -            | 4,969          | -                              | 220,256          | -                         |
| c) Non-performing past due exposures         | 82,715           | X                | -              | 76,247           | 6,468                                   | 6,586                                        | X              | -            | 6,586          | -                              | 76,129           | -                         |
| - of which: forborne exposures               | 3,162            | X                | -              | 3,162            | -                                       | 405                                          | X              | -            | 405            | -                              | 2,757            | -                         |
| d) Performing past due exposures             | 144,317          | 48,797           | 51,399         | X                | 44,120                                  | 2,420                                        | 910            | 1,508        | X              | -                              | 141,897          | -                         |
| - of which: forborne exposures               | 25,701           | -                | 24,320         | X                | 1,380                                   | 476                                          | -              | 476          | X              | -                              | 25,225           | -                         |
| e) Other performing exposures                | 4,630,576        | 4,388,956        | 202,860        | X                | 38,759                                  | 235,434                                      | 229,328        | 6,104        | X              | -                              | 4,395,142        | -                         |
| - of which: forborne exposures               | 97,567           | -                | 97,567         | X                | -                                       | 2,016                                        | -              | 2,016        | X              | -                              | 95,551           | -                         |
| <b>Total (A)</b>                             | <b>6,331,888</b> | <b>4,437,753</b> | <b>254,259</b> | <b>1,220,529</b> | <b>419,346</b>                          | <b>558,592</b>                               | <b>230,238</b> | <b>7,612</b> | <b>320,467</b> | <b>271</b>                     | <b>5,773,296</b> | <b>-</b>                  |
| <b>B. Off-balance sheet credit exposures</b> |                  |                  |                |                  |                                         |                                              |                |              |                |                                |                  |                           |
| a) Non-performing                            | 17,684           | X                | -              | 7,133            | 10,551                                  | 555                                          | X              | -            | 8              | 547                            | 17,129           | -                         |
| b) Performing                                | 339,983          | 329,058          | 4,169          | X                | 6,756                                   | 1,664                                        | 1,544          | 22           | X              | 98                             | 338,319          | -                         |
| <b>Total (B)</b>                             | <b>357,667</b>   | <b>329,058</b>   | <b>4,169</b>   | <b>7,133</b>     | <b>17,307</b>                           | <b>2,219</b>                                 | <b>1,544</b>   | <b>22</b>    | <b>8</b>       | <b>645</b>                     | <b>355,448</b>   | <b>-</b>                  |
| <b>Total (A+B)</b>                           | <b>6,689,555</b> | <b>4,766,811</b> | <b>258,428</b> | <b>1,227,662</b> | <b>436,653</b>                          | <b>560,811</b>                               | <b>231,782</b> | <b>7,634</b> | <b>320,475</b> | <b>917</b>                     | <b>6,128,744</b> | <b>-</b>                  |

### A.1.6 Prudential consolidation – On-balance sheet credit exposures to banks: trend in gross non-performing exposures

There are no non-performing exposures to banks as initial and/or final exposures for the year, nor have any occurred during the year.

### A.1.6bis Prudential consolidation – Credit exposures to banks: trend in gross forborne exposures, distinguished by credit quality

There are no forborne on-balance sheet exposures to banks.

### A.1.7 Prudential consolidation – On-balance sheet credit exposures to customers: trend in gross non-performing exposures

| Descriptions/Categories                                                     | Bad loans      | Unlikely-to-pay  | Non-performing past due exposures |
|-----------------------------------------------------------------------------|----------------|------------------|-----------------------------------|
| <b>A. Opening balance - gross exposure</b>                                  | <b>197,455</b> | <b>604,107</b>   | <b>35,447</b>                     |
| - of which: exposures sold but not derecognised                             | 9,010          | -                | -                                 |
| <b>B. Increases</b>                                                         | <b>202,647</b> | <b>962,331</b>   | <b>89,414</b>                     |
| B.1 transfers from performing exposures                                     | 47,610         | 829,154          | 78,733                            |
| B.2 transfers from purchased or originated credit impaired financial assets | 6,295          | 27,025           | -                                 |
| B.3 transfers from other non-performing exposures                           | 50,384         | 15,900           | -                                 |
| B.4 changes in contracts without derecognition                              | -              | 322              | -                                 |
| B.5 other increases                                                         | 98,358         | 89,930           | 10,681                            |
| <b>C. Decreases</b>                                                         | <b>161,107</b> | <b>331,153</b>   | <b>42,146</b>                     |
| C.1 transfers to performing exposures                                       | -              | 38,452           | 1,782                             |
| C.2 write-offs                                                              | 885            | -                | -                                 |
| C.3 collections                                                             | 73,369         | 240,742          | 5,593                             |
| C.4 proceeds from disposals                                                 | 3,500          | -                | -                                 |
| C.5 losses on disposal                                                      | -              | -                | -                                 |
| C.6 transfers to other non-performing exposures                             | -              | 34,840           | 31,444                            |
| C.7 changes in contracts without derecognition                              | -              | -                | -                                 |
| C.8 other decreases                                                         | 83,353         | 17,119           | 3,327                             |
| <b>D. Final gross exposure</b>                                              | <b>238,995</b> | <b>1,235,285</b> | <b>82,715</b>                     |
| - of which: exposures sold but not derecognised                             | -              | 9,609            | 5,100                             |

With reference to gross non-performing exposures, it should be noted that as at 31 December 2025, these referred to POCI exposures for EUR 376.1 million. Specifically, exposures classified as bad loans amount to EUR 239 million, exposures classified as unlikely to pay amount to EUR 1,235.3 million, and exposures classified as non-performing past due amount to EUR 82.7 million.

The increase in gross exposures compared to the end of the previous year is mainly attributable to the transfer from performing positions to non-performing exposures.



### A.1.7bis Prudential consolidation – On-balance sheet credit exposures to customers: trend in gross forborne exposures, distinguished by credit quality

| Descriptions/Quality                                    | Forborne exposures: non-performing | Forborne exposures: performing |
|---------------------------------------------------------|------------------------------------|--------------------------------|
| <b>A. Opening balance - gross exposure</b>              | <b>172,896</b>                     | <b>38,413</b>                  |
| - of which: exposures sold but not derecognised         | -                                  | 22,099                         |
| <b>B. Increases</b>                                     | <b>108,299</b>                     | <b>142,797</b>                 |
| B.1 transfers from performing exposures not forborne    | 38,821                             | 128,037                        |
| B.2 transfers from performing forborne exposures        | 10,975                             | X                              |
| B.3 transfers from non-performing forborne exposures    | X                                  | -                              |
| B.4 inflows from non-performing, non-forborne exposures | -                                  | -                              |
| B.5 other increases                                     | 58,503                             | 14,760                         |
| <b>C. Decreases</b>                                     | <b>52,808</b>                      | <b>57,943</b>                  |
| C.1 Transfers to performing exposures not forborne      | X                                  | -                              |
| C.2 Transfers to performing forborne exposures          | -                                  | X                              |
| C.3 Outflows towards non-performing forborne exposures  | X                                  | 10,975                         |
| C.4 write-offs                                          | -                                  | -                              |
| C.5 collections                                         | 52,808                             | 46,968                         |
| C.6 proceeds from disposals                             | -                                  | -                              |
| C.7 losses on disposal                                  | -                                  | -                              |
| C.8 other decreases                                     | -                                  | -                              |
| <b>D. Final gross exposure</b>                          | <b>228,387</b>                     | <b>123,267</b>                 |
| - of which: exposures sold but not derecognised         | -                                  | 1,738                          |

### A.1.8 Prudential consolidation – Non-performing cash credit exposures to banks: trend of total value adjustments

There are no non-performing on-balance sheet exposures to banks as initial and/or final exposures for the year, nor have any occurred during the year.

### A.1.9 Prudential consolidation – On-balance sheet non-performing credit exposures to customers: trend of total value adjustments

| Descriptions/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 |
| <b>A. Opening total adjustments</b>                                                 | <b>26,241</b> | <b>-</b>                     | <b>17,971</b>   | <b>1,922</b>                 | <b>3,082</b>                      | <b>373</b>                   |
| - of which: exposures sold but not derecognised                                     | -             | -                            | -               | -                            | -                                 | -                            |
| <b>B. Increases</b>                                                                 | <b>23,704</b> | <b>-</b>                     | <b>262,558</b>  | <b>3,926</b>                 | <b>8,091</b>                      | <b>32</b>                    |
| B.1 value adjustments from purchased or originated credit impaired financial assets | -             | X                            | -               | X                            | -                                 | X                            |
| B.2 other value adjustments                                                         | 12,912        | -                            | 246,289         | 3,453                        | 7,973                             | -                            |
| B.3 losses on disposal                                                              | -             | -                            | -               | -                            | -                                 | -                            |
| B.4 transfers from other non-performing exposures                                   | 8,946         | -                            | 2,268           | -                            | -                                 | -                            |
| B.5 changes in contracts without derecognition                                      | -             | -                            | -               | -                            | -                                 | -                            |
| B.6 other increases                                                                 | 1,846         | -                            | 14,001          | 473                          | 118                               | 32                           |
| <b>C. Decreases</b>                                                                 | <b>3,028</b>  | <b>-</b>                     | <b>13,294</b>   | <b>879</b>                   | <b>4,586</b>                      | <b>-</b>                     |
| C.1 write-backs from measurement                                                    | 272           | -                            | 2,426           | 125                          | 62                                | -                            |
| C.2 write-backs from recoveries                                                     | 1,871         | -                            | 4,010           | 235                          | 91                                | -                            |
| C.3 gains on disposal                                                               | -             | -                            | -               | -                            | -                                 | -                            |
| C.4 write-offs                                                                      | 885           | -                            | -               | -                            | -                                 | -                            |
| C.5 transfers to other non-performing exposures                                     | -             | -                            | 6,858           | 519                          | 4,356                             | -                            |
| C.6 changes in contracts without derecognition                                      | -             | -                            | -               | -                            | -                                 | -                            |
| C.7 other decreases                                                                 | -             | -                            | -               | -                            | 77                                | -                            |
| <b>D. Final total adjustments</b>                                                   | <b>46,917</b> | <b>-</b>                     | <b>267,235</b>  | <b>4,969</b>                 | <b>6,587</b>                      | <b>405</b>                   |
| - of which: exposures sold but not derecognised                                     | -             | -                            | 402             | -                            | 694                               | -                            |

### A.2 Classification of exposures based on internal and external ratings

For the purposes of calculating the capital requirement for credit risk, illimity Bank uses the external rating agency (ECAI) Fitch Ratings only for positions included in the "Exposures to central governments or central banks" and "Exposures to institutions" classes; no external ratings are used for other asset classes.

### A.2.1 Prudential consolidation - Distribution of financial assets, commitments to disburse funds and financial guarantees issued: by external rating classes (gross values)

| Exposures                                                                            | External rating classes |                |                |                |                |               | No rating        | Total            |
|--------------------------------------------------------------------------------------|-------------------------|----------------|----------------|----------------|----------------|---------------|------------------|------------------|
|                                                                                      | Class 1                 | Class 2        | Class 3        | Class 4        | Class 5        | Class 6       |                  | Total            |
| <b>A. Financial assets measured at amortised cost</b>                                | <b>52,238</b>           | <b>130,514</b> | <b>216,477</b> | <b>338,798</b> | <b>61,618</b>  | <b>24,436</b> | <b>4,836,178</b> | <b>5,660,259</b> |
| - Stage one                                                                          | 51,066                  | 125,878        | 214,145        | 278,832        | 24,609         | 3,589         | 3,196,197        | 3,894,316        |
| - Stage two                                                                          | 1,172                   | 4,636          | 2,332          | 58,586         | 29,158         | 10,065        | 148,626          | 254,575          |
| - Stage three                                                                        | -                       | -              | -              | -              | 7,851          | 10,782        | 1,155,128        | 1,173,761        |
| - Purchased or originated impaired                                                   | -                       | -              | -              | 1,380          | -              | -             | 336,227          | 337,607          |
| <b>B. Financial assets measured at fair value through other comprehensive income</b> | <b>-</b>                | <b>38,464</b>  | <b>67,224</b>  | <b>-</b>       | <b>-</b>       | <b>-</b>      | <b>436,276</b>   | <b>541,964</b>   |
| - Stage one                                                                          | -                       | 38,464         | 67,224         | -              | -              | -             | 432,974          | 538,662          |
| - Stage two                                                                          | -                       | -              | -              | -              | -              | -             | 100              | 100              |
| - Stage three                                                                        | -                       | -              | -              | -              | -              | -             | 3,202            | 3,202            |
| - Purchased or originated impaired                                                   | -                       | -              | -              | -              | -              | -             | -                | -                |
| <b>C. Financial assets held for sale</b>                                             | <b>-</b>                | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>      | <b>309,075</b>   | <b>309,075</b>   |
| - Stage one                                                                          | -                       | -              | -              | -              | -              | -             | 230,347          | 230,347          |
| - Stage two                                                                          | -                       | -              | -              | -              | -              | -             | -                | -                |
| - Stage three                                                                        | -                       | -              | -              | -              | -              | -             | 35,198           | 35,198           |
| - Purchased or originated impaired                                                   | -                       | -              | -              | -              | -              | -             | 43,530           | 43,530           |
| <b>Total (A+B+C)</b>                                                                 | <b>52,238</b>           | <b>168,978</b> | <b>283,701</b> | <b>338,798</b> | <b>61,618</b>  | <b>24,436</b> | <b>5,581,529</b> | <b>6,511,298</b> |
| <b>D. Commitments to disburse funds and financial guarantees given</b>               | <b>-</b>                | <b>14,607</b>  | <b>41,592</b>  | <b>35,887</b>  | <b>43,242</b>  | <b>144</b>    | <b>180,469</b>   | <b>315,941</b>   |
| - Stage one                                                                          | -                       | 14,607         | 41,018         | 35,887         | 40,712         | -             | 160,210          | 292,434          |
| - Stage two                                                                          | -                       | -              | -              | -              | 620            | -             | 2,784            | 3,404            |
| - Stage three                                                                        | -                       | -              | -              | -              | -              | 144           | 2,652            | 2,796            |
| - Purchased or originated impaired                                                   | -                       | -              | 574            | -              | 1,910          | -             | 14,823           | 17,307           |
| <b>Total (D)</b>                                                                     | <b>-</b>                | <b>14,607</b>  | <b>41,592</b>  | <b>35,887</b>  | <b>43,242</b>  | <b>144</b>    | <b>180,469</b>   | <b>315,941</b>   |
| <b>Total (A+B+C+D)</b>                                                               | <b>52,238</b>           | <b>183,585</b> | <b>325,293</b> | <b>374,685</b> | <b>104,860</b> | <b>24,580</b> | <b>5,761,998</b> | <b>6,827,239</b> |

## A.2.2 Prudential consolidation - Distribution of financial assets, commitments to disburse funds and financial guarantees issued by internal rating classes (gross values)

p.1

| Exposures                                                                            | Internal rating classes |         |         |         |         |         |         |         |
|--------------------------------------------------------------------------------------|-------------------------|---------|---------|---------|---------|---------|---------|---------|
|                                                                                      | Class 1                 | Class 2 | Class 3 | Class 4 | Class 5 | Class 6 | Class 7 | Class 8 |
| <b>A. Financial assets measured at amortised cost</b>                                | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Stage one                                                                          | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Stage two                                                                          | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Stage three                                                                        | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Purchased or originated impaired                                                   | -                       | -       | -       | -       | -       | -       | -       | -       |
| <b>B. Financial assets measured at fair value through other comprehensive income</b> | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Stage one                                                                          | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Stage two                                                                          | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Stage three                                                                        | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Purchased or originated impaired                                                   | -                       | -       | -       | -       | -       | -       | -       | -       |
| <b>C. Financial assets held for sale</b>                                             | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Stage one                                                                          | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Stage two                                                                          | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Stage three                                                                        | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Purchased or originated impaired                                                   | -                       | -       | -       | -       | -       | -       | -       | -       |
| <b>Total (A+B+C)</b>                                                                 | -                       | -       | -       | -       | -       | -       | -       | -       |
| <b>D. Commitments to disburse funds and financial guarantees given</b>               | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Stage one                                                                          | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Stage two                                                                          | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Stage three                                                                        | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Purchased or originated impaired                                                   | -                       | -       | -       | -       | -       | -       | -       | -       |
| <b>Total (D)</b>                                                                     | -                       | -       | -       | -       | -       | -       | -       | -       |
| <b>Total (A+B+C)</b>                                                                 | -                       | -       | -       | -       | -       | -       | -       | -       |

## A.2.2 Prudential consolidation - Distribution of financial assets, commitments to disburse funds and financial guarantees issued by internal rating classes (gross values)

p.2

| Exposures                                                                            | Internal rating classes |          |          |          |          |          |           | Total     |
|--------------------------------------------------------------------------------------|-------------------------|----------|----------|----------|----------|----------|-----------|-----------|
|                                                                                      | Class 9                 | Class 10 | Class 11 | Class 12 | Class 13 | Class 14 | No rating |           |
| <b>A. Financial assets measured at amortised cost</b>                                | -                       | -        | -        | -        | -        | -        | 5,660,259 | 5,660,259 |
| - Stage one                                                                          | -                       | -        | -        | -        | -        | -        | 3,894,316 | 3,894,316 |
| - Stage two                                                                          | -                       | -        | -        | -        | -        | -        | 254,575   | 254,575   |
| - Stage three                                                                        | -                       | -        | -        | -        | -        | -        | 1,173,761 | 1,173,761 |
| - Purchased or originated impaired                                                   | -                       | -        | -        | -        | -        | -        | 337,607   | 337,607   |
| <b>B. Financial assets measured at fair value through other comprehensive income</b> | -                       | -        | -        | -        | -        | -        | 541,964   | 541,964   |
| - Stage one                                                                          | -                       | -        | -        | -        | -        | -        | 538,662   | 538,662   |
| - Stage two                                                                          | -                       | -        | -        | -        | -        | -        | 100       | 100       |
| - Stage three                                                                        | -                       | -        | -        | -        | -        | -        | 3,202     | 3,202     |
| - Purchased or originated impaired                                                   | -                       | -        | -        | -        | -        | -        | -         | -         |
| <b>C. Financial assets held for sale</b>                                             | -                       | -        | -        | -        | -        | -        | 309,075   | 309,075   |
| - Stage one                                                                          | -                       | -        | -        | -        | -        | -        | 230,347   | 230,347   |
| - Stage two                                                                          | -                       | -        | -        | -        | -        | -        | -         | -         |
| - Stage three                                                                        | -                       | -        | -        | -        | -        | -        | 35,198    | 35,198    |
| - Purchased or originated impaired                                                   | -                       | -        | -        | -        | -        | -        | 43,530    | 43,530    |
| <b>Total (A+B+C)</b>                                                                 | -                       | -        | -        | -        | -        | -        | 6,511,298 | 6,511,298 |
| <b>D. Commitments to disburse funds and financial guarantees given</b>               | -                       | -        | -        | -        | -        | -        | 315,941   | 315,941   |
| - Stage one                                                                          | -                       | -        | -        | -        | -        | -        | 292,434   | 292,434   |
| - Stage two                                                                          | -                       | -        | -        | -        | -        | -        | 3,404     | 3,404     |
| - Stage three                                                                        | -                       | -        | -        | -        | -        | -        | 2,796     | 2,796     |
| - Purchased or originated impaired                                                   | -                       | -        | -        | -        | -        | -        | 17,307    | 17,307    |
| <b>Total (D)</b>                                                                     | -                       | -        | -        | -        | -        | -        | 315,941   | 315,941   |
| <b>Total (A+B+C)</b>                                                                 | -                       | -        | -        | -        | -        | -        | 6,827,239 | 6,827,239 |

### 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

p.1

|                                                            | Gross exposure | Net exposure | Collaterals             |                                 |            |                   | Personal guarantees |                                             |
|------------------------------------------------------------|----------------|--------------|-------------------------|---------------------------------|------------|-------------------|---------------------|---------------------------------------------|
|                                                            |                |              | (1)                     |                                 |            |                   | (2)                 |                                             |
|                                                            |                |              | Real estate - mortgages | Real estate - Loans for leasing | Securities | Other collaterals | Credit derivatives  |                                             |
|                                                            |                |              |                         |                                 |            |                   | CLN                 | Other derivatives<br>Central counterparties |
| <b>1. Guaranteed on-balance sheet credit exposures:</b>    | <b>60</b>      | <b>60</b>    | -                       | -                               | -          | -                 | -                   | -                                           |
| 1.1. totally secured                                       | -              | -            | -                       | -                               | -          | -                 | -                   | -                                           |
| - of which non-performing                                  | -              | -            | -                       | -                               | -          | -                 | -                   | -                                           |
| 1.2. partially secured                                     | 60             | 60           | -                       | -                               | -          | -                 | -                   | -                                           |
| - of which non-performing                                  | -              | -            | -                       | -                               | -          | -                 | -                   | -                                           |
| <b>2. Guaranteed "off-balance sheet" credit exposures:</b> | -              | -            | -                       | -                               | -          | -                 | -                   | -                                           |
| 2.1 totally secured                                        | -              | -            | -                       | -                               | -          | -                 | -                   | -                                           |
| - of which non-performing                                  | -              | -            | -                       | -                               | -          | -                 | -                   | -                                           |
| 2.2. partially secured                                     | -              | -            | -                       | -                               | -          | -                 | -                   | -                                           |
| - of which non-performing                                  | -              | -            | -                       | -                               | -          | -                 | -                   | -                                           |

### A.3.1 Prudential consolidation – Guaranteed on- and off-balance sheet credit exposures to banks

p.2

|                                                     | Personal guarantees |                           |                |                        |       |                           |                | Total<br>(1)+(2) |
|-----------------------------------------------------|---------------------|---------------------------|----------------|------------------------|-------|---------------------------|----------------|------------------|
|                                                     | (2)                 |                           |                |                        |       |                           |                |                  |
|                                                     | Credit derivatives  |                           |                | Endorsement credits    |       |                           |                |                  |
|                                                     | Other derivatives   |                           |                | Public administrations | Banks | Other financial companies | Other entities |                  |
|                                                     | Banks               | Other financial companies | Other entities |                        |       |                           |                |                  |
| 1. Guaranteed on-balance sheet credit exposures:    | -                   | -                         | -              | -                      | -     | -                         | 54             | 54               |
| 1.1. totally secured                                | -                   | -                         | -              | -                      | -     | -                         | -              | -                |
| - of which non-performing                           | -                   | -                         | -              | -                      | -     | -                         | -              | -                |
| 1.2. partially secured                              | -                   | -                         | -              | -                      | -     | -                         | 54             | 54               |
| - of which non-performing                           | -                   | -                         | -              | -                      | -     | -                         | -              | -                |
| 2. Guaranteed “off-balance sheet” credit exposures: | -                   | -                         | -              | -                      | -     | -                         | -              | -                |
| 2.1 totally secured                                 | -                   | -                         | -              | -                      | -     | -                         | -              | -                |
| - of which non-performing                           | -                   | -                         | -              | -                      | -     | -                         | -              | -                |
| 2.2. partially secured                              | -                   | -                         | -              | -                      | -     | -                         | -              | -                |
| - of which non-performing                           | -                   | -                         | -              | -                      | -     | -                         | -              | -                |

### A.3.2 Prudential consolidation – Guaranteed on- and off-balance sheet credit exposures to customers

p.1

|                                                            | Gross exposure   | Net exposure     | Collaterals             |                                 |               |                   | Personal guarantees |                                             |
|------------------------------------------------------------|------------------|------------------|-------------------------|---------------------------------|---------------|-------------------|---------------------|---------------------------------------------|
|                                                            |                  |                  | (1)                     |                                 |               |                   | (2)                 |                                             |
|                                                            |                  |                  | Real estate - mortgages | Real estate - Loans for leasing | Securities    | Other collaterals | Credit derivatives  |                                             |
|                                                            |                  |                  |                         |                                 |               |                   | CLN                 | Other derivatives<br>Central counterparties |
| <b>1. Guaranteed on-balance sheet credit exposures:</b>    | <b>2,304,875</b> | <b>2,220,575</b> | <b>299,899</b>          | <b>19,138</b>                   | <b>79,047</b> | <b>1,114,838</b>  | -                   | -                                           |
| 1.1. totally secured                                       | 592,705          | 571,199          | 274,113                 | 19,138                          | 60,872        | 113,212           | -                   | -                                           |
| - of which non-performing                                  | 220,322          | 204,729          | 104,155                 | 19,138                          | 24,095        | 55,778            | -                   | -                                           |
| 1.2. partially secured                                     | 1,712,170        | 1,649,376        | 25,786                  | -                               | 18,175        | 1,626             | -                   | -                                           |
| - of which non-performing                                  | 406,621          | 362,167          | 18,384                  | -                               | 13,252        | 393               | -                   | -                                           |
| <b>2. Guaranteed "off-balance sheet" credit exposures:</b> | <b>12,516</b>    | <b>12,482</b>    | <b>2,393</b>            | <b>-</b>                        | <b>-</b>      | <b>1,074</b>      | -                   | -                                           |
| 2.1 totally secured                                        | 859              | 856              | 257                     | -                               | -             | 411               | -                   | -                                           |
| - of which non-performing                                  | 172              | 172              | 19                      | -                               | -             | 103               | -                   | -                                           |
| 2.2. partially secured                                     | 11,657           | 11,626           | 2,136                   | -                               | -             | 663               | -                   | -                                           |
| - of which non-performing                                  | 1,235            | 1,235            | -                       | -                               | -             | -                 | -                   | -                                           |



## A.3.2 Prudential consolidation – Guaranteed on- and off-balance sheet credit exposures to customers

p.2

|                                                        | Personal guarantees             |                   |        |                           |         |                              |                | Total<br><br>(1)+(2) |
|--------------------------------------------------------|---------------------------------|-------------------|--------|---------------------------|---------|------------------------------|----------------|----------------------|
|                                                        | (2)                             |                   |        |                           |         |                              |                |                      |
|                                                        | Credit derivatives              |                   |        | Endorsement credits       |         |                              |                |                      |
|                                                        | Other derivatives               |                   |        | Public<br>administrations | Banks   | Other financial<br>companies | Other entities |                      |
| Banks                                                  | Other<br>financial<br>companies | Other<br>entities |        |                           |         |                              |                |                      |
| 1. Guaranteed on-balance<br>sheet credit exposures:    | -                               | 1,194             | 29,641 | 465,596                   | 153,421 | 5,605                        | 919,355        | 2,087,734            |
| 1.1. totally secured                                   | -                               | -                 | 20,906 | 56,817                    | -       | 5,155                        | 110,089        | 660,302              |
| - of which non-performing                              | -                               | -                 | 18,398 | 17,297                    | -       | 376                          | 24,409         | 263,646              |
| 1.2. partially secured                                 | -                               | 1,194             | 8,735  | 408,779                   | 153,421 | 450                          | 809,266        | 1,427,432            |
| - of which non-performing                              | -                               | 1,194             | 8,735  | 83,919                    | 49,065  | 450                          | 134,872        | 310,264              |
| 2. Guaranteed “off-balance<br>sheet” credit exposures: | -                               | -                 | -      | -                         | -       | -                            | 181            | 3,648                |
| 2.1 totally secured                                    | -                               | -                 | -      | -                         | -       | -                            | 181            | 849                  |
| - of which non-performing                              | -                               | -                 | -      | -                         | -       | -                            | 47             | 169                  |
| 2.2. partially secured                                 | -                               | -                 | -      | -                         | -       | -                            | -              | 2,799                |
| - of which non-performing                              | -                               | -                 | -      | -                         | -       | -                            | -              | -                    |

#### A.4 Prudential consolidation - Financial and non-financial assets obtained through the enforcement of guarantees received

|                                                                 |            | Derecognised credit exposure | Gross amount | Total value adjustments | Book value |                                             |
|-----------------------------------------------------------------|------------|------------------------------|--------------|-------------------------|------------|---------------------------------------------|
|                                                                 |            |                              |              |                         |            | of which obtained during the financial year |
| A. Property and equipment                                       |            | -                            | 20,278       | -                       | 20,278     | -                                           |
| A.1. Used in the business                                       |            | -                            | -            | -                       | -          | -                                           |
| A.2. For investment purposes                                    |            | -                            | -            | -                       | -          | -                                           |
| A.3. Inventories                                                |            | -                            | 20,278       | -                       | 20,278     | -                                           |
| B. Equity securities and debt securities                        |            | -                            | -            | -                       | -          | -                                           |
| C. Other assets                                                 |            | -                            | -            | -                       | -          | -                                           |
| D. Non-current assets held for sale and discontinued operations |            | -                            | -            | -                       | -          | -                                           |
| D.1. Property and equipment                                     |            | -                            | -            | -                       | -          | -                                           |
| D.2. Other assets                                               |            | -                            | -            | -                       | -          | -                                           |
| Total                                                           | 31/12/2025 | -                            | 20,278       | -                       | 20,278     | -                                           |
| Total                                                           | 31/12/2024 | -                            | 53,489       | -                       | 53,489     | -                                           |

## B. DISTRIBUTION AND CONCENTRATION OF CREDIT EXPOSURES

### B.1 Prudential consolidation – Sector distribution of on- and off-balance sheet credit exposures to customers

p.1

| Exposures/Counterparties              |            | Public administrations |                               | Financial companies |                               | Financial companies (of which: insurance companies) |                               |
|---------------------------------------|------------|------------------------|-------------------------------|---------------------|-------------------------------|-----------------------------------------------------|-------------------------------|
|                                       |            | Net exposure           | Total write-downs/write-backs | Net exposure        | Total write-downs/write-backs | Net exposure                                        | Total write-downs/write-backs |
| A. On-balance sheet credit exposures  |            |                        |                               |                     |                               |                                                     |                               |
| A.1 Bad loans                         | -          | -                      | 542                           | 31                  | -                             | -                                                   |                               |
| - of which: forborne exposures        | -          | -                      | -                             | -                   | -                             | -                                                   |                               |
| A.2 Unlikely to pay                   | 3,392      | -                      | 510,004                       | 232,094             | -                             | -                                                   |                               |
| - of which: forborne exposures        | -          | -                      | -                             | -                   | -                             | -                                                   |                               |
| A.3 Non-performing past due exposures | -          | -                      | 12                            | 2                   | -                             | -                                                   |                               |
| - of which: forborne exposures        | -          | -                      | -                             | -                   | -                             | -                                                   |                               |
| A.4 Performing exposures              | 1,447,716  | 1,668                  | 893,009                       | 10,619              | 532                           | 8                                                   |                               |
| - of which: forborne exposures        | -          | -                      | -                             | -                   | -                             | -                                                   |                               |
| Total (A)                             | 1,451,108  | 1,668                  | 1,403,567                     | 242,746             | 532                           | 8                                                   |                               |
| B. Off-balance sheet credit exposures |            |                        |                               |                     |                               |                                                     |                               |
| B.1 Non-performing exposures          | -          | -                      | 3,446                         | -                   | -                             | -                                                   |                               |
| B.2 Performing exposures              | -          | -                      | 120,519                       | 361                 | -                             | -                                                   |                               |
| Total (B)                             | -          | -                      | 123,965                       | 361                 | -                             | -                                                   |                               |
| Total (A+B)                           | 31/12/2025 | 1,451,108              | 1,668                         | 1,527,532           | 243,107                       | 532                                                 | 8                             |
| Total (A+B)                           | 31/12/2024 | 1,395,266              | 1,630                         | 1,892,426           | 109,213                       | 2,873                                               | 6                             |

## B.1 Prudential consolidation – Sector distribution of on- and off-balance sheet credit exposures to customers

p.2

| Exposures/Counterparties                     | Non-financial companies |                               | Households     |                               |
|----------------------------------------------|-------------------------|-------------------------------|----------------|-------------------------------|
|                                              | Net exposure            | Total write-downs/write-backs | Net exposure   | Total write-downs/write-backs |
| <b>A. On-balance sheet credit exposures</b>  |                         |                               |                |                               |
| A.1 Bad loans                                | 183,364                 | 45,246                        | 8,172          | 1,640                         |
| - of which: forborne exposures               | -                       | -                             | -              | -                             |
| A.2 Unlikely to pay                          | 443,154                 | 34,727                        | 11,500         | 414                           |
| - of which: forborne exposures               | 219,699                 | 4,719                         | 557            | 250                           |
| A.3 Non-performing past due exposures        | 75,181                  | 6,237                         | 936            | 348                           |
| - of which: forborne exposures               | 2,757                   | 405                           | -              | -                             |
| A.4 Performing exposures                     | 2,137,815               | 224,914                       | 58,499         | 652                           |
| - of which: forborne exposures               | 119,965                 | 2,461                         | 811            | 30                            |
| <b>Total (A)</b>                             | <b>2,839,521</b>        | <b>311,123</b>                | <b>79,107</b>  | <b>3,054</b>                  |
| <b>B. Off-balance sheet credit exposures</b> |                         |                               |                |                               |
| B.1 Non-performing exposures                 | 13,281                  | 546                           | 402            | 9                             |
| B.2 Performing exposures                     | 216,071                 | 1,303                         | 1,729          | -                             |
| <b>Total (B)</b>                             | <b>229,352</b>          | <b>1,849</b>                  | <b>2,131</b>   | <b>9</b>                      |
| <b>Total (A+B)</b>                           | <b>31/12/2025</b>       | <b>3,068,873</b>              | <b>312,972</b> | <b>81,238</b>                 |
| <b>Total (A+B)</b>                           | <b>31/12/2024</b>       | <b>3,423,000</b>              | <b>257,930</b> | <b>85,557</b>                 |
|                                              |                         |                               | <b>2,640</b>   |                               |

## B.2 Prudential consolidation – Territorial distribution of on- and off-balance sheet credit exposures to customers

p.1

| Exposures/Geographic areas                   | Italy            |                               | Other European countries |                               | America       |
|----------------------------------------------|------------------|-------------------------------|--------------------------|-------------------------------|---------------|
|                                              | Net exposures    | Total write-downs/write-backs | Net exposures            | Total write-downs/write-backs | Net exposures |
| <b>A. On-balance sheet credit exposures</b>  |                  |                               |                          |                               |               |
| A.1 Bad loans                                | 192,082          | 46,916                        | -                        | -                             | -             |
| A.2 Unlikely to pay                          | 941,635          | 250,023                       | 25,873                   | 17,192                        | 542           |
| A.3 Non-performing past due exposures        | 76,129           | 6,587                         | -                        | -                             | -             |
| A.4 Performing exposures                     | 3,924,326        | 236,657                       | 578,753                  | 1,060                         | 19,778        |
| <b>Total (A)</b>                             | <b>5,134,172</b> | <b>540,183</b>                | <b>604,626</b>           | <b>18,252</b>                 | <b>20,320</b> |
| <b>B. Off-balance sheet credit exposures</b> |                  |                               |                          |                               |               |
| B.1 Non-performing exposures                 | 17,129           | 555                           | -                        | -                             | -             |
| B.2 Performing exposures                     | 336,648          | 1,664                         | 1,665                    | -                             | 6             |
| <b>Total (B)</b>                             | <b>353,777</b>   | <b>2,219</b>                  | <b>1,665</b>             | <b>-</b>                      | <b>6</b>      |
| <b>Total (A+B) 31/12/2025</b>                | <b>5,487,949</b> | <b>542,402</b>                | <b>606,291</b>           | <b>18,252</b>                 | <b>20,326</b> |
| <b>Total (A+B) 31/12/2024</b>                | <b>6,277,255</b> | <b>367,462</b>                | <b>502,622</b>           | <b>3,812</b>                  | <b>37,105</b> |

## B.2 Prudential consolidation – Territorial distribution of on- and off-balance sheet credit exposures to customers

p.2

| Exposures/Geographic areas                   | America                       | Asia          |                               | Rest of the World |                               |
|----------------------------------------------|-------------------------------|---------------|-------------------------------|-------------------|-------------------------------|
|                                              | Total write-downs/write-backs | Net exposures | Total write-downs/write-backs | Net exposures     | Total write-downs/write-backs |
| <b>A. On-balance sheet credit exposures</b>  |                               |               |                               |                   |                               |
| A.1 Bad loans                                | -                             | -             | -                             | -                 | -                             |
| A.2 Unlikely to pay                          | 20                            | -             | -                             | -                 | -                             |
| A.3 Non-performing past due exposures        | -                             | -             | -                             | -                 | -                             |
| A.4 Performing exposures                     | 79                            | 9,729         | 37                            | 4,455             | 19                            |
| <b>Total (A)</b>                             | <b>99</b>                     | <b>9,729</b>  | <b>37</b>                     | <b>4,455</b>      | <b>19</b>                     |
| <b>B. Off-balance sheet credit exposures</b> |                               |               |                               |                   |                               |
| B.1 Non-performing exposures                 | -                             | -             | -                             | -                 | -                             |
| B.2 Performing exposures                     | -                             | -             | -                             | -                 | -                             |
| <b>Total (B)</b>                             | <b>-</b>                      | <b>-</b>      | <b>-</b>                      | <b>-</b>          | <b>-</b>                      |
| <b>Total (A+B) 31/12/2025</b>                | <b>99</b>                     | <b>9,729</b>  | <b>37</b>                     | <b>4,455</b>      | <b>19</b>                     |
| <b>Total (A+B) 31/12/2024</b>                | <b>90</b>                     | <b>29,832</b> | <b>41</b>                     | <b>2,916</b>      | <b>8</b>                      |

## B.2 Prudential consolidation – Territorial distribution of on- and off-balance sheet credit exposures to customers

| Exposures/Geographic areas            | North west Italy |                               | North east Italy |                               | Central Italy |                               | Southern Italy and islands |                               |        |
|---------------------------------------|------------------|-------------------------------|------------------|-------------------------------|---------------|-------------------------------|----------------------------|-------------------------------|--------|
|                                       | Net exposure     | Total write-downs/write-backs | Net exposure     | Total write-downs/write-backs | Net exposure  | Total write-downs/write-backs | Net exposure               | Total write-downs/write-backs |        |
| A. On-balance sheet credit exposures  |                  |                               |                  |                               |               |                               |                            |                               |        |
| A.1 Bad loans                         | 46,672           | 11,103                        | 26,575           | 15,682                        | 70,725        | 11,899                        | 48,110                     | 8,232                         |        |
| A.2 Unlikely to pay                   | 709,425          | 233,242                       | 114,463          | 4,757                         | 58,693        | 3,300                         | 59,054                     | 8,724                         |        |
| A.3 Non-performing past due exposures | 20,814           | 1,804                         | 8,972            | 1,084                         | 18,019        | 1,678                         | 28,324                     | 2,021                         |        |
| A.4 Performing exposures              | 1,528,667        | 218,134                       | 495,806          | 5,896                         | 1,629,459     | 6,244                         | 270,394                    | 6,383                         |        |
| Total (A)                             | 2,305,578        | 464,283                       | 645,816          | 27,419                        | 1,776,896     | 23,121                        | 405,882                    | 25,360                        |        |
| B. Off-balance sheet credit exposures |                  |                               |                  |                               |               |                               |                            |                               |        |
| B.1 Non-performing exposures          | 7,609            | 77                            | 8,524            | 475                           | 775           | 3                             | 221                        | -                             |        |
| B.2 Performing exposures              | 247,361          | 1,354                         | 39,066           | 143                           | 41,539        | 125                           | 8,682                      | 42                            |        |
| Total (B)                             | 254,970          | 1,431                         | 47,590           | 618                           | 42,314        | 128                           | 8,903                      | 42                            |        |
| Total (A+B)                           | 31/12/2025       | 2,560,548                     | 465,714          | 693,406                       | 28,037        | 1,819,210                     | 23,249                     | 414,785                       | 25,402 |
| Total (A+B)                           | 31/12/2024       | 3,111,625                     | 128,958          | 694,757                       | 22,862        | 1,948,958                     | 208,955                    | 468,438                       | 6,688  |

### B.3 Prudential consolidation – Territorial distribution of on- and off-balance sheet credit exposures to banks

p.1

| Exposures/Geographic areas                   | Italy             |                               | Other European countries |                               | America       |
|----------------------------------------------|-------------------|-------------------------------|--------------------------|-------------------------------|---------------|
|                                              | Net exposures     | Total write-downs/write-backs | Net exposures            | Total write-downs/write-backs | Net exposures |
| <b>A. On-balance sheet credit exposures</b>  |                   |                               |                          |                               |               |
| A.1 Bad loans                                | -                 | -                             | -                        | -                             | -             |
| A.2 Unlikely to pay                          | -                 | -                             | -                        | -                             | -             |
| A.3 Non-performing past due exposures        | -                 | -                             | -                        | -                             | -             |
| A.4 Performing exposures                     | 477,899           | 102                           | 5,134                    | -                             | -             |
| <b>Total (A)</b>                             | <b>477,899</b>    | <b>102</b>                    | <b>5,134</b>             | <b>-</b>                      | <b>-</b>      |
| <b>B. Off-balance sheet credit exposures</b> |                   |                               |                          |                               |               |
| B.1 Non-performing exposures                 | -                 | -                             | -                        | -                             | -             |
| B.2 Performing exposures                     | 42,105            | -                             | 1,767                    | -                             | -             |
| <b>Total (B)</b>                             | <b>42,105</b>     | <b>-</b>                      | <b>1,767</b>             | <b>-</b>                      | <b>-</b>      |
| <b>Total (A+B)</b>                           | <b>31/12/2025</b> | <b>520,004</b>                | <b>102</b>               | <b>6,901</b>                  | <b>-</b>      |
| <b>Total (A+B)</b>                           | <b>31/12/2024</b> | <b>606,967</b>                | <b>326</b>               | <b>145,312</b>                | <b>44</b>     |



### B.3 Prudential consolidation – Territorial distribution of on- and off-balance sheet credit exposures to banks

p.2

| Exposures/Geographic areas                   | America                       | Asia          |                               | Rest of the World |                               |
|----------------------------------------------|-------------------------------|---------------|-------------------------------|-------------------|-------------------------------|
|                                              | Total write-downs/write-backs | Net exposures | Total write-downs/write-backs | Net exposures     | Total write-downs/write-backs |
| <b>A. On-balance sheet credit exposures</b>  |                               |               |                               |                   |                               |
| A.1 Bad loans                                | -                             | -             | -                             | -                 | -                             |
| A.2 Unlikely to pay                          | -                             | -             | -                             | -                 | -                             |
| A.3 Non-performing past due exposures        | -                             | -             | -                             | -                 | -                             |
| A.4 Performing exposures                     | -                             | -             | -                             | -                 | -                             |
| <b>Total (A)</b>                             | -                             | -             | -                             | -                 | -                             |
| <b>B. Off-balance sheet credit exposures</b> |                               |               |                               |                   |                               |
| B.1 Non-performing exposures                 | -                             | -             | -                             | -                 | -                             |
| B.2 Performing exposures                     | -                             | -             | -                             | -                 | -                             |
| <b>Total (B)</b>                             | -                             | -             | -                             | -                 | -                             |
| <b>Total (A+B) 31/12/2025</b>                | -                             | -             | -                             | -                 | -                             |
| <b>Total (A+B) 31/12/2024</b>                | -                             | -             | -                             | <b>10</b>         | -                             |

### B.3 Prudential consolidation – Territorial distribution of on- and off-balance sheet credit exposures to banks

| Exposures/Geographic areas                   | North west Italy  |                               | North east Italy |                               | Central Italy  |                               | Southern Italy and islands |                               |
|----------------------------------------------|-------------------|-------------------------------|------------------|-------------------------------|----------------|-------------------------------|----------------------------|-------------------------------|
|                                              | Net exposures     | Total write-downs/write-backs | Net exposures    | Total write-downs/write-backs | Net exposures  | Total write-downs/write-backs | Net exposures              | Total write-downs/write-backs |
| <b>A. On-balance sheet credit exposures</b>  |                   |                               |                  |                               |                |                               |                            |                               |
| A.1 Bad loans                                | -                 | -                             | -                | -                             | -              | -                             | -                          | -                             |
| A.2 Unlikely to pay                          | -                 | -                             | -                | -                             | -              | -                             | -                          | -                             |
| A.3 Non-performing past due exposures        | -                 | -                             | -                | -                             | -              | -                             | -                          | -                             |
| A.4 Performing exposures                     | 324,256           | 101                           | 1                | -                             | 153,642        | 1                             | -                          | -                             |
| <b>Total (A)</b>                             | <b>324,256</b>    | <b>101</b>                    | <b>1</b>         | <b>-</b>                      | <b>153,642</b> | <b>1</b>                      | <b>-</b>                   | <b>-</b>                      |
| <b>B. Off-balance sheet credit exposures</b> |                   |                               |                  |                               |                |                               |                            |                               |
| B.1 Non-performing exposures                 | -                 | -                             | -                | -                             | -              | -                             | -                          | -                             |
| B.2 Performing exposures                     | 40,794            | -                             | -                | -                             | 1,311          | -                             | -                          | -                             |
| <b>Total (B)</b>                             | <b>40,794</b>     | <b>-</b>                      | <b>-</b>         | <b>-</b>                      | <b>1,311</b>   | <b>-</b>                      | <b>-</b>                   | <b>-</b>                      |
| <b>Total (A+B)</b>                           | <b>31/12/2025</b> | <b>365,050</b>                | <b>101</b>       | <b>1</b>                      | <b>-</b>       | <b>154,953</b>                | <b>1</b>                   | <b>-</b>                      |
| <b>Total (A+B)</b>                           | <b>31/12/2024</b> | <b>274,235</b>                | <b>281</b>       | <b>9,388</b>                  | <b>11</b>      | <b>323,344</b>                | <b>34</b>                  | <b>-</b>                      |

### B.4 Large exposures

As regards the disclosure on Large Exposures, this is prepared at the Consolidated Financial Statements level of the Banca IFIS Group following the acquisition by the new parent company as of 4 July 2025. For this reason, reference is made to what has been reported by the parent company in the corresponding section of the explanatory notes.

## C. SECURITISATION TRANSACTIONS

### Qualitative information

With regard to securitisation transactions, below is a brief qualitative description, broken down by originating business unit.

### SPVs arising from Specialised Credit (non-Core) business and Asset Based Financing

In its investment and non-performing loan management (NPLs), the Bank uses a number of SPVs, securitisation vehicles established under Italian Law 130/99.

In particular, illimity purchased portfolios of non-performing loans from third parties through SPVs that were financed by issuing mono-tranching notes fully subscribed by the Bank, replicating the entire return of the underlying portfolio and consequently subject to line-by-line consolidation.

Furthermore, a second type of transaction within this category consists of illimity's investment in senior notes (also referred to as "senior financing") issued by the SPV backed by non-performing loans or real estate development initiatives, which are not subject to full consolidation.

In some cases and as a sponsor, illimity also holds part of the mezzanine and junior notes issued by the vehicle.

### SPVs arising from the Investment Banking business

To carry out its performing loan securitisation activities, the Bank uses an SPV established pursuant to Italian Law 130/99.

In particular, the SPV purchased portfolios of performing loans from third parties by issuing *mono-tranching* notes fully subscribed by the Bank, thereby effectively replicating the entire return of the underlying portfolio and consequently being subject to line-by-line consolidation.

Furthermore, a second type of transaction within this category consists of illimity's investment in senior notes (also referred to as "senior financing") issued by the SPV backed by performing loans, which are not subject to full consolidation.

In some cases and as a sponsor, illimity also holds part of the mezzanine and junior notes issued by the vehicle.

### SPVs arising from the b-ilty business

To carry out its performing loan securitisation activities, the Bank uses SPVs established pursuant to Italian Law 130/99.

In particular, these vehicles purchased portfolios of performing loans from third parties by issuing mono-tranching notes fully subscribed by the Bank, thereby effectively replicating the entire return of the underlying portfolio and consequently being subject to line-by-line consolidation.

### SPVs arising from Turnaround business

To carry out its financing activities, the Bank uses an SPV established pursuant to Italian Law 130/99.

illimity invested in the senior note and in part of the junior note issued by the SPV backed by performing loans, not subject to full consolidation.

## Summary data

As at 31 December 2025, the illimity Group held a total portfolio of securities issued by securitisation vehicles for a total of EUR 1,071.1 million, of which EUR 873.9 million measured at amortised cost and EUR 37.6 million measured at fair value through profit and loss and EUR 159.7 million measured at fair value through other comprehensive income.

This data includes:

- own securitisations in which the Group has also assumed the role of originator (including “transformed” securitisations). The Group has subscribed securities whose book value as of 31 December 2025 was EUR 477.2 million (the book value was EUR 649.6 million as of 31 December 2024). For further details, please refer to the next paragraph “C. Financial assets sold and fully derecognised”, under subsection “D. Disposal transactions” of this “Section 2 - Prudential consolidation risks” of Part E;
- third-party securitisations with a book value as of 31 December 2025 of EUR 593.9 million.

## Quantitative information

### C.1 Prudential consolidation - Exposures resulting from the main originated securitisation transactions broken down by type of securitised asset and by type of exposure

The Group has exposures in proprietary securitisations as per the analytical table below.

| Type of securitised assets/Exposures                                     | On-balance sheet exposures |                         |            |                         |            |                         |
|--------------------------------------------------------------------------|----------------------------|-------------------------|------------|-------------------------|------------|-------------------------|
|                                                                          | Senior                     |                         | Mezzanine  |                         | Junior     |                         |
|                                                                          | Book value                 | Write-downs/write-backs | Book value | Write-downs/write-backs | Book value | Write-downs/write-backs |
| <b>A. Subject to full derecognition from the financial statements</b>    | 476,995                    | (206,008)               | 77         | -                       | 158        | -                       |
| - Loans to customers                                                     | 476,995                    | (206,008)               | 77         | -                       | 158        | -                       |
| <b>B. Subject to partial derecognition from the financial statements</b> | -                          | -                       | -          | -                       | -          | -                       |
| <b>C. Not derecognised from the financial statements</b>                 | -                          | -                       | -          | -                       | -          | -                       |

During 2025, the assessments of senior notes of own securitisations (known as “Vele”, i.e. specific Italian Special Purpose Vehicles (SPVs)) were subject to specific assessments involving all the relevant corporate functions (business functions, Chief Lending Officer, control functions). In particular, the business functions are responsible for assessing future recovery flows of the underlying NPLs. During 2025, these recovery flows were reviewed following both ordinary events (e.g. reviews by servicers) and to take into account extraordinary events (i.e. specific judgments relating to loans whose recovery has been subject to judicial process) as well as the results of due diligence carried out during the acquisition of the Group by Banca IFIS). These assessments were also the subject of specific periodic audits. The assessment of the senior performing notes ECL was based on a quantitative model developed by risk management for the valuation of the various tranches, calibrated on the basis of the respective market prices at issue. Considering the significant amount at the end of 2025 of the prospective unpaid amounts that were gradually identified on the senior notes, the latter were classified as non-performing and – considering the substantial economic equivalence with the portfolio of the underlying NPLs – assessed by the Chief Lending Officer with a discounted cash flow model on the flows that the waterfall recognises in relation to the senior note, still

providing for a haircut on future flows in a range of around 15%, subject to back testing and any future adjustments.

Disclosure about “self-securitisation” operations can be found in part E - section 2 “Risks of prudential consolidation 1.4 Liquidity risk”. These are operations in which the Group has fully subscribed the securities issued by the vehicle, with the target of using them to obtain liquidity, typically by means of repurchase agreements with market counterparties.

## C.2 Prudential consolidation – Exposures resulting from the main “third party” securitisation transactions broken down by type of securitised asset and by type of exposure

| Type of underlying asset/Exposures | Senior     |                           | Mezzanine  |                           | Junior     |                           |
|------------------------------------|------------|---------------------------|------------|---------------------------|------------|---------------------------|
|                                    | Book value | (Write-downs)/write-backs | Book value | (Write-downs)/write-backs | Book value | (Write-downs)/write-backs |
| Loans to customers                 | 556,599    | (1,652)                   | 30,521     | -                         | 6,800      | -                         |

### C.3 Prudential consolidation – Interests in securitisation vehicles

As described above, in order to carry out its activities, the Group utilises securitisation vehicles pursuant to Law 130/99.

| NAME OF<br>SECURITISATION/SPECIAL<br>PURPOSE VEHICLE | REGISTERED<br>OFFICE | CONSOLIDA-<br>TION | ASSETS      |                    |        | LIABILITIES |        |           |        |
|------------------------------------------------------|----------------------|--------------------|-------------|--------------------|--------|-------------|--------|-----------|--------|
|                                                      |                      |                    | Receivables | Debt<br>securities | Others |             | Senior | Mezzanine | Junior |
| APORTI SRL - SEGMENT I                               | MILAN                | a)                 | 25,973      | -                  | 15,961 |             | 41,033 |           |        |
| APORTI SRL - SEGMENT II                              | MILAN                | a)                 | -           | -                  | 159    |             | 1,688  |           |        |
| APORTI SRL - SEGMENT III                             | MILAN                | a)                 | -           | -                  | 578    |             | 637    |           |        |
| APORTI SRL - SEGMENT IV                              | MILAN                | a)                 | 1,008       | -                  | 1,397  |             | 19,311 |           |        |
| APORTI SRL - SEGMENT VI                              | MILAN                | a)                 | 520         | -                  | 625    |             | 1,050  |           |        |
| DAGOBAAH SPV SRL                                     | MILAN                | a)                 | 11,673      | -                  | 20,569 |             | 19,512 |           |        |
| DOME SPV SRL                                         | MILAN                | b)                 | 48,792      | -                  | 8,234  |             | 38,047 | 5,461     | 11,940 |
| DORIA SPV SRL                                        | MILAN                | a)                 | 5,857       | -                  | 80,297 |             | 11,592 |           |        |
| FARKY SPV SRL                                        | MILAN                | b)                 | 117,579     | -                  | 6,289  |             | 72,620 | 22,530    | 33,301 |
| FARKY SPV SRL                                        | MILAN                | b)                 | 13,521      | -                  | 1,075  |             | 10,196 | 1,606     | 3,204  |
| FRIULI SPV SR                                        | MILAN                | a)                 | 564         | -                  | 6,217  |             | 1,865  |           |        |
| GRO SPV SRL - SEGMENT I                              | MILAN                | b)                 | 109,335     | -                  | 9,528  |             | 68,425 | 21,029    | 30,000 |
| GRO SPV SRL - SEGMENT II                             | MILAN                | b)                 | 66,461      | -                  | 11,752 |             | 56,424 | 8,101     | 15,995 |
| HAVANA SPV SRL                                       | MILAN                | b)                 | 13,130      | -                  | 525    |             | 9,493  | 1,477     | 2,943  |
| ISIDE SPE SRL                                        | 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 SRL                                        | MILAN                | a)                 | 5,397       | -                  | 11,366 |             | 6,296  |           |        |
| RIVER SPV SRL                                        | MILAN                | b)                 | -           | -                  | 7,711  |             | 2,084  |           |        |
| SILENO SPV SRL                                       | MILAN                | a)                 | 28,716      | -                  | 5,270  |             | 33,369 |           |        |
| SPICY GREEN SPV SRL                                  | MILAN                | b)                 | 35,151      | -                  | 28,509 |             | 60,316 |           |        |

a) Company consolidated using the line-by-line method pursuant to the majority of voting rights at the Ordinary Shareholders' Meeting

b) Company consolidated using the line-by-line method pursuant to other forms of control

In addition to the operations listed above, subject to line-by-line consolidation, the Convivio SPV securitisation transaction must also be taken into account, in relation to which illimity subscribed 50% of the mono-tranching notes in a joint venture with Apollo Global Management. This transaction is not consolidated in the accounting scope, but consolidated proportionately in the prudential scope.

#### C.4 Prudential consolidation - Non-consolidated securitisation vehicles

As at 31 December 2025, there were no cases for the illimity Group falling within the scope of the disclosures required in this paragraph.

#### C.5 Prudential consolidation - Servicer activities - originated securitisations: collections of securitised loans and redemptions of securities issued by the securitisation vehicles

| Vehicle Company | Assets                 |            | COLLECTIONS OF RECEIVABLES<br>REALISED DURING THE YEAR |            | PERCENTAGE SHARE OF SECURITIES<br>REDEEMED |           |        |
|-----------------|------------------------|------------|--------------------------------------------------------|------------|--------------------------------------------|-----------|--------|
|                 | SECURITISED ASSETS     |            |                                                        |            |                                            |           |        |
|                 | (end-of-period figure) |            |                                                        |            |                                            |           |        |
|                 | Non-performing         | Performing | Non-performing                                         | Performing | Senior*                                    | Mezzanine | Junior |
| Vela 2023 SPV   | 62,898                 | 173,919    | 25,587                                                 | 14,054     | 4%                                         | -         | -      |
| Zefiro SPV      | 99,357                 | -          | 41,036                                                 | -          | 12%                                        | -         | -      |

\*entirely referring to non-performing securities

#### C.6 Prudential consolidation - Consolidated securitisation vehicles

The Special Purpose Vehicles used for securitisations subject to consolidation are the following:

- Aporti SPV (Specialised Credit - NPL);
- Convivio SPV (Asset Based Financing – consolidated only prudentially with the proportional method)
- Dagobah SPV (Specialised Credit - NPL);
- Dome SPV (b-ilty - Organic portfolios)
- Doria SPV (Specialised Credit - NPL);
- Farky SPV (b-ilty – Organic portfolios);
- Farm SPV (b-ilty - Organic portfolios);
- Friuli SPV (Specialised Credit - NPL);
- GRO SPV (b-ilty – Organic portfolios);
- Havana SPV (b-ilty - Organic portfolios);
- ISIDE SPE (Specialised Credit - NPL);
- MAUI SPE (Specialised Credit – RE);
- Montes SPV (Specialised Credit - NPL);
- Piedmont SPV (Investment Banking – Organic portfolios).
- Pitti SPV (Specialised Credit - NPL);
- River SPV (Specialised Credit - NPL);
- Sileno SPV (Specialised Credit - NPL);
- Spicy Green SPV (Specialised Credit - NPL);

The operations subject to securitisation within that scope are therefore the following:

- Securitisations of NPLs attributable to the Specialised Credit Division;
- Securitisation of loans attributable to the Asset Based Financing division;
- Real estate securitisations attributable to the Specialised Credit division;
- Securitisations of organic loans attributable to the b-ilty Division;
- Securitisations of organic loans attributable to the Investment Banking Division;

## D. DISPOSALS

### A. Financial assets sold and not fully derecognised

#### Qualitative information

The sales connected to financial assets sold and not derecognised relate to repurchase agreements - payable, where the buyer has to resell on expiration of the assets (for example securities).

#### Quantitative information

### D.1. Prudential consolidation – Financial assets sold and fully recognised and associated financial liabilities: book values

|                                                                                      | Financial assets sold and fully recognised |                                                  |                                                             |                         | Associated financial liabilities |                                                  |                                                             |
|--------------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------------|-------------------------------------------------------------|-------------------------|----------------------------------|--------------------------------------------------|-------------------------------------------------------------|
|                                                                                      | Book value                                 | of which: subject to securitisation transactions | of which: subject to sale agreements with repurchase clause | of which non-performing | Book value                       | of which: subject to securitisation transactions | of which: subject to sale agreements with repurchase clause |
| <b>A. Financial assets held for trading</b>                                          | -                                          | -                                                | -                                                           | X                       | -                                | -                                                | -                                                           |
| 1. Debt securities                                                                   | -                                          | -                                                | -                                                           | X                       | -                                | -                                                | -                                                           |
| 2. Equity securities                                                                 | -                                          | -                                                | -                                                           | X                       | -                                | -                                                | -                                                           |
| 3. Loans                                                                             | -                                          | -                                                | -                                                           | X                       | -                                | -                                                | -                                                           |
| 4. Derivatives                                                                       | -                                          | -                                                | -                                                           | X                       | -                                | -                                                | -                                                           |
| <b>B. Other financial assets mandatorily measured at fair value</b>                  | -                                          | -                                                | -                                                           | -                       | -                                | -                                                | -                                                           |
| 1. Debt securities                                                                   | -                                          | -                                                | -                                                           | -                       | -                                | -                                                | -                                                           |
| 2. Equity securities                                                                 | -                                          | -                                                | -                                                           | X                       | -                                | -                                                | -                                                           |
| 3. Loans                                                                             | -                                          | -                                                | -                                                           | -                       | -                                | -                                                | -                                                           |
| <b>C. Financial assets designated at fair value</b>                                  | -                                          | -                                                | -                                                           | -                       | -                                | -                                                | -                                                           |
| 1. Debt securities                                                                   | -                                          | -                                                | -                                                           | -                       | -                                | -                                                | -                                                           |
| 2. Loans                                                                             | -                                          | -                                                | -                                                           | -                       | -                                | -                                                | -                                                           |
| <b>D. Financial assets measured at fair value through other comprehensive income</b> | 180,803                                    | -                                                | 133,912                                                     | -                       | 124,767                          | -                                                | 124,767                                                     |
| 1. Debt securities                                                                   | 180,803                                    | -                                                | 133,912                                                     | -                       | 124,767                          | -                                                | 124,767                                                     |
| 2. Equity securities                                                                 | -                                          | -                                                | -                                                           | X                       | -                                | -                                                | -                                                           |
| 3. Loans                                                                             | -                                          | -                                                | -                                                           | -                       | -                                | -                                                | -                                                           |
| <b>E. Financial assets measured at amortised cost</b>                                | 990,057                                    | 305,025                                          | 471,428                                                     | 13,414                  | 552,334                          | -                                                | 552,334                                                     |
| 1. Debt securities                                                                   | 685,032                                    | -                                                | 471,428                                                     | -                       | 552,334                          | -                                                | 552,334                                                     |
| 2. Loans                                                                             | 305,025                                    | 305,025                                          | -                                                           | 13,414                  | -                                | -                                                | -                                                           |
| <b>Total 31/12/2025</b>                                                              | <b>1,170,860</b>                           | <b>305,025</b>                                   | <b>605,340</b>                                              | <b>13,414</b>           | <b>677,101</b>                   | <b>-</b>                                         | <b>677,101</b>                                              |
| <b>Total 31/12/2024</b>                                                              | <b>1,292,099</b>                           | <b>481,442</b>                                   | <b>810,657</b>                                              | <b>42,329</b>           | <b>1,068,752</b>                 | <b>-</b>                                         | <b>1,068,752</b>                                            |

### D.2 Financial assets sold and partially recognised and associated financial liabilities: book value

As of the reporting date of 31 December 2025, the Group did not hold partially recognised financial assets sold and associated financial liabilities.



**D.3 Disposals with liabilities with repayment exclusively based on assets sold and not fully derecognised: fair value**

|                                                                                      | Fully recognised | Partially recovered | Total            |                  |
|--------------------------------------------------------------------------------------|------------------|---------------------|------------------|------------------|
|                                                                                      |                  |                     | 31/12/2025       | 31/12/2024       |
| <b>A. Financial assets held for trading</b>                                          | -                | -                   | -                | -                |
| 1. Debt securities                                                                   | -                | -                   | -                | -                |
| 2. Equity securities                                                                 | -                | -                   | -                | -                |
| 3. Loans                                                                             | -                | -                   | -                | -                |
| 4. Derivatives                                                                       | -                | -                   | -                | -                |
| <b>B. Other financial assets mandatorily measured at fair value</b>                  | -                | -                   | -                | -                |
| 1. Debt securities                                                                   | -                | -                   | -                | -                |
| 2. Equity securities                                                                 | -                | -                   | -                | -                |
| 3. Loans                                                                             | -                | -                   | -                | -                |
| <b>C. Financial assets designated at fair value</b>                                  | -                | -                   | -                | -                |
| 1. Debt securities                                                                   | -                | -                   | -                | -                |
| 2. Loans                                                                             | -                | -                   | -                | -                |
| <b>D. Financial assets measured at fair value through other comprehensive income</b> | <b>180,803</b>   | -                   | <b>180,803</b>   | <b>311,651</b>   |
| 1. Debt securities                                                                   | 180,803          | -                   | 180,803          | 311,651          |
| 2. Equity securities                                                                 | -                | -                   | -                | -                |
| 3. Loans                                                                             | -                | -                   | -                | -                |
| <b>E. Financial assets measured at amortised cost</b>                                | <b>990,057</b>   | -                   | <b>990,057</b>   | <b>980,448</b>   |
| 1. Debt securities                                                                   | 685,032          | -                   | 685,032          | 499,006          |
| 2. Customer loans                                                                    | 305,025          | -                   | 305,025          | 481,442          |
| <b>Total financial assets</b>                                                        | <b>1,170,860</b> | -                   | <b>1,170,860</b> | <b>1,292,099</b> |
| <b>Total associated financial liabilities</b>                                        | <b>677,101</b>   | -                   | <b>X</b>         | <b>X</b>         |
| <b>Net values as at 31/12/2025</b>                                                   | <b>493,759</b>   | -                   | <b>493,759</b>   | <b>X</b>         |
| <b>Net values as at 31/12/2024</b>                                                   | <b>223,347</b>   | -                   | <b>X</b>         | <b>223,347</b>   |

**B. Financial assets sold and fully derecognised with recognition of continuing involvement**

At the end of the year, there are no disposal transactions for the fully derecognised financial assets that resulted in the recognition of continuing involvement in the financial statements.

**C. Financial assets sold and fully derecognised****Qualitative information**

As at 31 December 2025, the Group held securitised securities and units in mutual investment funds acquired following sales transactions of fully derecognised financial assets, carried out during previous years. These transactions involved the sale of financial assets, consisting of financial assets, by the Group to securitisation vehicles or to mutual investment funds and their cancellation from the Financial Statements pursuant to IFRS 9, following the verification that the originator itself (the parent company illimity or other companies in the Group) had substantially transferred the risks and benefits of the assets sold and had not at the same time maintained any control over the same assets. Instead, in substitution of such derecognised assets, the securitised securities or units in funds received in the same transactions were recorded under financial assets.

**Quantitative information**

The following table provides a breakdown of funds and other assets held (e.g., securitisation securities), with evidence from the fund management company (or the special-purpose vehicle in the case of securitisation transactions) of the book value as at 31 December 2025.

| Name of transaction    | Book value as at 31/12/2025 (Thousands of euros) | Asset Management Company or special-purpose vehicle |
|------------------------|--------------------------------------------------|-----------------------------------------------------|
| Olympus Funds          | 283,929                                          | Finint Investments SGR                              |
| UTP Italia Fund        | 22,386                                           | Sagitta SGR                                         |
| Persefone Fund         | 13,510                                           | P&G SGR                                             |
| iREC Fund              | 34,724                                           | Furstenberg SGR                                     |
| Granulare NPL Fund     | 4,443                                            | Furstenberg SGR                                     |
| UTP Restructuring Fund | 22,755                                           | Sagitta SGR                                         |
| Vela 1                 | 223,287                                          | Vela 2023 SPV S.r.l.                                |
| Vela 2                 | 97,196                                           | Bolina SPV S.r.l.                                   |
| Vela 3                 | 123,621                                          | Zefiro SPV S.r.l.                                   |
| Mela                   | 16,060                                           | Aporti S.r.l. – sector V                            |
| Bela                   | 17,066                                           | Bela 2022 SPV S.r.l.                                |

## Transactions concluded in previous years

### Olympus Funds

Mutual open-end investment 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 collected at the start of operations of the Funds with non-performing loans and real estate as underlying assets.

In 2023, illimity subscribed shares for a total initial recognition value of the *Fair Value* of EUR 354.5 million, in conjunction with the transfer to the Funds of a portfolio of assets consisting of non-performing loans, securitisation notes, real estate and participatory financial instruments. illimity's ownership interest value in the two Funds is approximately 48%. In the Fund, another leading Italian bank holds 52% of the units of the two Funds.

A number of distributions have been made over the years to the benefit of unitholders. The book value of the two Funds as at 31 December 2025 was EUR 283.9 million.

### UTP Italia Fund

Alternative Investment Fund reserved for professional investors established in September 2022 by Sagitta SGR, intended for investment in *Unlikely To Pay* mortgage and unsecured loans granted (or acquired) by banks and/or servicers.

In 2023, illimity subscribed shares for a total initial recognition value of the *Fair Value* of EUR 29.3 million in conjunction with the transfer to the Fund of a portfolio of assets consisting of non-performing loans. illimity's ownership interest value in the Fund was initially about 7.2% (later diluted in exchange for subsequent contributions from other banks). Other leading banks have ownership interests in the Fund.

A number of distributions have been made over the years to the benefit of unitholders. The book value of the Fund as at 31 December 2025 was EUR 22.4 million.

### Persefone Fund

Alternative Investment Fund reserved for professional investors established in March 2022 by illimity SGR (now Furstenberg SGR). It focuses on managing and enhancing portfolios of non-performing loans, mainly in the form of *Unlikely To Pay* (UTP), secured by real estate.

In 2023, illimity subscribed shares for a total initial recognition value of *Fair Value* of EUR 13.5 million in conjunction with the transfer to the Fund of a portfolio of assets consisting of non-performing loans. illimity's ownership interest value in the Fund was initially about 12% (later diluted to 10% in exchange for subsequent contributions from other banks). Other leading banks have ownership interests in the Fund.

During the year a number of distributions have been made to the benefit of unitholders. The book value of the Fund as at 31 December 2025 was EUR 13.5 million.

### **iREC Fund**

Alternative Investment Fund reserved for professional investors established in March 2022 by illimity SGR (now Furstenberg SGR). It focuses on managing and enhancing portfolios of non-performing loans, mainly in the form of UTP secured by real estate.

In 2022, in a series of subsequent contributions, illimity subscribed shares for a total initial recognition value of the Fair Value of EUR 20.6 million, in conjunction with the transfer to the Fund of a portfolio of assets consisting of non-performing loans. Subsequently, in 2023, illimity contributed additional non-performing loans to the Fund for a recognised value of approximately EUR 20 million, which had resulted in the increase of the ownership share to 24.5% (a portion that was finally diluted to 17% due to subsequent contributions by other unitholders). Other leading banks have ownership interests in the Fund.

A number of distributions have been made over the years to the benefit of unitholders. The book value of the Fund as at 31 December 2025 was EUR 34.7 million.

### **Granulare NPL Fund**

Alternative Investment Fund reserved for professional investors established in June 2024 by illimity SGR (now Furstenberg SGR). It focuses on managing and enhancing portfolios of non-performing loans, mainly of small and medium-size enterprises.

In 2024, illimity subscribed shares for a total initial recognition value of the Fair Value of EUR 3.8 million, in conjunction with the transfer to the Fund of a portfolio of assets consisting of non-performing loans. illimity's ownership interest value in the Fund is approximately 22%. Other leading banks have ownership interests in the Fund.

The book value of the Fund as at 31 December 2025 was EUR 4.4 million.

### **UTP Restructuring Fund**

Alternative Investment Fund reserved for professional investors established in February 2024 by Sagitta SGR, created through the contribution of "single name" non-performing loans held by leading Italian banks against mid-large Italian corporates.

In 2024, illimity subscribed shares for a total initial recognition value of the Fair Value of EUR 29.5 million in conjunction with the transfer to the Fund of some non-performing "single name" loans. illimity's ownership interest value in the Fund was initially approximately 12.8% (later diluted to 11.4% compared to subsequent contributions by other banks). Other leading banks have ownership interests in the Fund.

The book value of the Fund as at 31 December 2025 was EUR 22.8 million.

### **Securitisation "Vela 1"**

Securitisation transaction completed in March 2024, for which illimity sold to the vehicle Vela 2023 SPV S.r.l. a portfolio of performing loans (mainly consisting of *PPC – Public Procurement Claims* loans) and a portfolio of non-performing loans.

Vela 2023 SPV S.r.l. financed the purchase of the loan portfolio by the issuance of asset-backed securities, pursuant to the combined provisions of Articles 1 and 5 of Law 130, for a total nominal value of approximately EUR 442 million:

- *Senior Notes*: nominal total of EUR 353.6 million (80% of the total notes issued) fully subscribed/purchased by illimity;
- *Mezzanine* notes: nominal total of EUR 46.2 million (10.45% of the total notes issued) subscribed/purchased by a third-party investor for 95% (EUR 43.9 million) and by illimity for 5% (EUR 2.3 million in compliance with the regulatory obligations of *risk retention*);

- *Junior* notes: nominal total of EUR 42.2 million (9.55% of the total notes issued) subscribed/purchased by a third-party investor for 95% (EUR 40.1 million) and by illimity for 5% (EUR 2.1 million in compliance with the regulatory obligations of *risk retention*).

An additional remuneration consisting of a *detachable coupon* is also envisaged in favour of illimity, up to a further nominal maximum of EUR 25 million of *cash flows*, in the alternative to the full repayment of the *Senior Notes*.

The *mezzanine* and *junior* notes were subscribed by a third-party and independent investor who has no relationships and/or links with illimity. In the context of this transaction, the parent company illimity benefited from the accounting *derecognition* of the sold assets.

The book value as at 31 December 2025 is equal EUR 223.3 million for senior notes (classified as “Unlikely to Pay”) while the mezzanine notes, detachable coupon and junior notes were fully written down.

### Securitisation “Vela 2”

Securitisation transaction completed in June 2024, for which illimity sold to the vehicle Bolina SPV S.r.l. a portfolio of non-performing loans.

Bolina SPV S.r.l. financed the purchase of the loan portfolio by the issuance of asset-backed securities, pursuant to the combined provisions of Articles 1 and 5 of Law 130, for a total nominal value of approximately EUR 185.2 million:

- *Senior Notes*: nominal total of EUR 148.2 million (80% of the total notes issued) fully subscribed/purchased by illimity;
- *Junior* notes: nominal total of EUR 37 million (20% of the total notes issued) subscribed/purchased by a third-party investor for 95% (EUR 35.1 million) and by illimity for 5% (EUR 1.9 million in compliance with the regulatory obligations of *risk retention*).

The *junior* notes were subscribed by a third-party and independent investor who has no relationships and/or links with illimity. In the context of this transaction, the parent company illimity benefited from the accounting *derecognition* of the sold assets.

The book value as at 31 December 2025 is equal EUR 97.2 million for senior notes (classified as “Unlikely to Pay”) while the junior notes were fully written down.

### Securitisation “Vela 3”

Securitisation transaction completed in July 2024, for which illimity sold to the vehicle Zefiro SPV S.r.l. a portfolio of non-performing loans.

Zefiro SPV S.r.l. financed the purchase of the loan portfolio by the issuance of asset-backed securities, pursuant to the combined provisions of Articles 1 and 5 of Law 130, for a total nominal value of approximately EUR 272.8 million:

- *Senior Notes*: nominal total of EUR 218.2 million (80% of the total notes issued) fully subscribed/purchased by illimity;
- *Junior* notes: nominal total of EUR 54.6 million (20% of the total notes issued) subscribed/purchased by a third-party investor for 95% (EUR 51.9 million) and by illimity for 5% (EUR 2.7 million in compliance with the regulatory obligations of *risk retention*).

The *junior* notes were subscribed by a third-party and independent investor who has no relationships and/or links with illimity. In the context of this transaction, the parent company illimity benefited from the accounting *derecognition* of the sold assets.

The book value as at 31 December 2025 is equal EUR 123.5 million for senior notes (classified as “Unlikely to Pay”) and EUR 0.2 million for the junior notes.

### Securitisation “Mela”

Securitisation transaction completed in June 2021, for which illimity sold to the vehicle Aporti S.r.l. - segment V a portfolio of non-performing loans.

Aporti S.r.l. - segment V financed the purchase of the loan portfolio by the issuance of asset-backed securities, pursuant to the combined provisions of Articles 1 and 5 of Law 130, for a total nominal value of approximately EUR 78.2 million:

- *Senior Notes*: nominal total of EUR 64.7 million (82.7% of the total notes issued) fully subscribed/purchased by illimity;
- *Mezzanine* notes: nominal total of EUR 9.5 million (12.1% of the total notes issued) subscribed/purchased by a third-party investor for 95% (EUR 9 million) and by illimity for 5% (EUR 0.5 million in compliance with the regulatory obligations of *risk retention*).
- *Junior* notes: nominal total of EUR 4 million (5.2% of the total notes issued) subscribed/purchased by a third-party investor for 95% (EUR 3.8 million) and by illimity for 5% (EUR 0.2 million in compliance with the regulatory obligations of *risk retention*).

The *junior* notes were subscribed by a third-party and independent investor who has no relationships and/or links with illimity. In the context of this transaction, the parent company illimity benefited from the accounting *derecognition* of the sold assets.

During December 2021, therefore, approximately 30.1% of the senior notes was sold on the market, meaning that illimity currently holds approximately 69.86% of the senior notes issued by the vehicle Aporti S.r.l. – segment V.

The book value as at 31 December 2025 is equal EUR 16 million for senior notes, which represent a performing classification, and EUR 0.1 million for the mezzanine notes, while the value of the junior notes is irrelevant.

### Securitisation “Bela”

Securitisation transaction completed in April 2022, for which illimity sold to the vehicle Bela 2022 SPV S.r.l. a portfolio of non-performing loans.

Bela 2022 SPV S.r.l. financed the purchase of the loan portfolio by the issuance of asset-backed securities, pursuant to the combined provisions of Articles 1 and 5 of Law 130, for a total nominal value of approximately EUR 74.1 million:

- *Senior Notes*: nominal total of EUR 60 million (81% of the total notes issued) fully subscribed/purchased by illimity;
- *Mezzanine* notes: nominal total of EUR 10 million (13.5% of the total notes issued) subscribed/purchased by a third-party investor for 95% (EUR 9.5 million) and by illimity for 5% (EUR 0.5 million in compliance with the regulatory obligations of *risk retention*);
- *Junior* notes: nominal total of EUR 4.1 million (5.5% of the total notes issued) subscribed/purchased by a third-party investor for 95% (EUR 3.9 million) and by illimity for 5% (EUR 0.2 million in compliance with the regulatory obligations of *risk retention*).

The *junior* notes were subscribed by a third-party and independent investor who has no relationships and/or links with illimity. In the context of this transaction, the parent company illimity benefited from the accounting *derecognition* of the sold assets.

The book value as at 31 December 2025 is equal EUR 17.1 million for senior notes (classified as “Unlikely to Pay”) while the mezzanine and junior notes were fully written down.

### D. Covered bond transactions

The Group has no such operations.

## E. PRUDENTIAL CONSOLIDATION – CREDIT RISK MEASUREMENT MODELS

For management purposes, as well as for the calculation of collective write-downs, internal rating models were developed by Illimity and its Subsidiaries. These models were developed with the target of making the measurement metrics more risk-sensitive and more relevant to the business of Illimity and its Subsidiaries. The most advanced component of these models is the “Credit Fusion” model of “organic” exposures originating from illimity, which has been calibrated using deep external databases (Corporate counterparties of the European market), including the forward looking component to incorporate the effect of the expected macroeconomic scenario (baseline and climate-risk stressed) and providing a documented override process downstream (with qualitative notching in the case of more information).

Rating models provided by external providers are also used to calculate the creditworthiness of the component of exposures arising from the operations of the former Banca Interprovinciale and the b-ilty Division, with the application of conservative margins.

Since the end of 2021, ratings have also been issued by external providers to assess the creditworthiness of the exposures of the Factoring portfolio.

With regard to the Loss Given Default (LGD) risk parameter, applied to the calculation of collective impairment, illimity recalibrated the model developed internally, based on estimated recovery percentages for bad loans, calibrated on the basis of the actual recovery of bad loans of the ex Specialised Credit Division.

### 1.2 Market risks

#### 1.2.1 Interest rate risk and price risk - regulatory trading book

##### Qualitative information

##### General aspects

Market risk is the risk of change in the market value of financial instruments held, as a result of unexpected changes in market conditions (adverse changes in market parameters such as interest rates, exchange rates, prices and volatility) and of the credit rating of Illimity and its Subsidiaries.

Portfolio management is subject to the policies approved by the Board of Directors and in particular envisaged in the Investment Policy, the Consolidated Risk Regulation and the Risk Appetite Framework. Following the entry of illimity Bank into the scope of the Banca IFIS Group, the strategic lines of the parent company Banca IFIS have been of course extended, or managed through specific transitional provisions, to the new subsidiary illimity Bank and the other illimity Group companies, and therefore in the last months of 2025 there has been an alignment of strategies and procedures between the two companies.

The trading book includes the financial risk hedging instruments offered to customers. In particular, the bank offers interest rate and exchange rate risk hedging solutions by negotiating linear and optional instruments with customers, the latter only on interest risk, aimed at mitigating the risks generated by the customers' core operations or financial management, such as debt servicing. This operation is carried out with a view to containing, in line with the strategic guideline, interest rate risks where the value generation resides in the offer of the service to customers and not in the assumption of speculative positions.

The portfolio also includes marginal service positions to the owned banking book, which implement yield enhancement or hedging strategies of the credit risk of the securities portfolio held with HTC&S business models from an economic perspective.

In addition to the trading book in a strict sense, the securities portfolio held with the HTC&S business model is also included in the same governance model, which includes mainly Italian government bonds held with a view to stabilising the margin and building value reserves.

## Processes for managing and methods for measuring interest rate risk and price risk

Measurement and control of market risks are activities conducted daily by the Risk Management Area, taking as reference all positions subject to value adjustment at fair value through profit or loss and equity. The scope of the positions subject to this measurement is broader than the "regulatory trading book" (e.g., Trading book), also involving part of the positions of the banking book.

The measurement and control of the market risks is performed with the Value at Risk methodology (hereinafter "VAR"); VAR is a probability indicator that measures the probable maximum loss of value (fair value) which of Illimity and its Subsidiaries might be affected by with reference to a given time horizon and a specific confidence level, confirmed by historic scenarios (historic simulation approach).

The daily VaR measurement is accompanied by periodic stress test analyses, which simulate the impacts on the income statement and balance sheet in the event of an unexpected shock in market values. These shocks can consist of scenarios based on extreme market events that actually happened (historical scenarios), or ad-hoc created scenarios (EBA scenarios).

The reliability of the risk measurement outputs through the VaR methodology is verified daily through the performance of backtesting.

VaR measures are compared with the risk limits and objectives formalised in the RAF and with the

operational limits, on a daily basis by the Competence Line Risk. VAR measures are used together with other indicators such as sensitivities and greeks, as well as position measures, that form the basis of level two and early warning limits.

## Quantitative information

### **1. Supervisory regulatory trading book: distribution by residual maturity (repricing date) on-balance sheet financial assets and liabilities and financial derivatives**



| Type/Residual maturity          | On demand     | Up to 3 months   | 3 Months to 6 months | More than 6 months to 1 year | More than 1 year to 5 years | Between 5 and 10 years | More than 10 years | Indefinite duration |
|---------------------------------|---------------|------------------|----------------------|------------------------------|-----------------------------|------------------------|--------------------|---------------------|
| <b>1. Cash assets</b>           | <b>43</b>     | <b>-</b>         | <b>8</b>             | <b>-</b>                     | <b>-</b>                    | <b>-</b>               | <b>-</b>           | <b>-</b>            |
| 1.1 Debt securities             | -             | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| - with early repayment option   | -             | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| - other                         | -             | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| 1.2 Other assets                | 43            | -                | 8                    | -                            | -                           | -                      | -                  | -                   |
| <b>2. Cash liabilities</b>      | <b>-</b>      | <b>-</b>         | <b>-</b>             | <b>-</b>                     | <b>-</b>                    | <b>-</b>               | <b>-</b>           | <b>-</b>            |
| 2.1 Repos                       | -             | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| 2.2 Other liabilities           | -             | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| <b>3. Financial derivatives</b> | <b>27,511</b> | <b>3,482,280</b> | <b>937,227</b>       | <b>793,043</b>               | <b>3,766,716</b>            | <b>676,335</b>         | <b>-</b>           | <b>-</b>            |
| 3.1 With underlying security    | -             | 61,893           | -                    | -                            | -                           | -                      | -                  | -                   |
| - Options                       | -             | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| + Long positions                | -             | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| + Short positions               | -             | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| - Other                         | -             | 61,893           | -                    | -                            | -                           | -                      | -                  | -                   |
| + Long positions                | -             | 61,893           | -                    | -                            | -                           | -                      | -                  | -                   |
| + Short positions               | -             | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| 3.2 Without underlying security | 27,511        | 3,420,387        | 937,227              | 793,043                      | 3,766,716                   | 676,335                | -                  | -                   |
| - Options                       | 11            | 277,938          | 96,189               | 682,745                      | 3,136,901                   | 483,785                | -                  | -                   |
| + Long positions                | 8             | 222,879          | 55,410               | 312,096                      | 1,508,152                   | 240,240                | -                  | -                   |
| + Short positions               | 3             | 55,059           | 40,779               | 370,649                      | 1,628,749                   | 243,545                | -                  | -                   |
| - Other derivatives             | 27,500        | 3,142,450        | 841,038              | 110,298                      | 629,815                     | 192,550                | -                  | -                   |
| + Long positions                | -             | 1,521,996        | 469,179              | 62,245                       | 295,315                     | 112,550                | -                  | -                   |
| + Short positions               | 27,500        | 1,620,454        | 371,859              | 48,053                       | 334,500                     | 80,000                 | -                  | -                   |

## 2. Supervisory regulatory trading book: distribution of exposures in equity instruments and share indices for the main stock market countries

illimity and its Subsidiaries do not hold equity instruments and share indices in the trading book, as at the reporting date.

## 3. Supervisory regulatory trading book: internal models and other methods of sensitivity analysis

Over The Counter (OTC) derivatives, whose value cannot be directly observed on the market, are valued using specific models and inputs pursuant to the asset class and the characteristics of the specific financial product. The valuation of OTC derivatives takes into consideration, as well as the market variables to which the instruments are sensitive, the specific risks pertaining to the counterparties with which they are traded, in particular:

- for transactions negotiated within a netting and margining agreement (CSA), the value adjustment for credit risk is considered non-material and the valuation of the instruments is based exclusively on the underlying risk factors, in accordance with the principle of non-arbitrage;
- for transactions negotiated without a netting and margining agreement, the valuation is carried out by adding the valuation of the instrument, as if it were subject to netting and margining, to the



adjustments associated with the counterparty risk (i.e. credit valuation adjustment and debt valuation adjustment).

### 1.2.2 Interest rate risk and price risk – banking book

The banking book consists of all the financial instruments, receivable and payable, not included in the trading book referred to in the “Market risks section”.

#### Qualitative information

##### A. General aspects, management processes and measurement methods for interest rate risk and price risk

Banking portfolio interest rate risk (IRRBB) consists of the risk that unexpected changes in interest rates will be negatively reflected on:

- formation of the net interest income, and thus, the bank's earnings (cash flow risk);
- the net present value of assets and liabilities, due to their impact on the present value of future cash flows (fair value risk);
- relative to the assets other than those allocated to the trading book, in relation to the non-timing between the maturity and the re-pricing of assets and liabilities and the short and long term off-balance sheet positions (re-pricing risk), the risk arising from changes to the slope and shape of the yield curve (yield curve risk), the hedging of interest rate risk of an exposure using an exposure with a rate that reprices in different conditions (basis risk) and risks arising from options (for example, consumers redeeming fixed-rate products when the market rates change).

To measure, control and manage interest rate risk and the prices of all the cash flows in the banking book, the impact of any unexpected changes in market conditions on profit will be analysed, and the risk-return alternatives will be evaluated, so that management decisions of Illimity and its Subsidiaries can be taken.

Exposure to interest rate risk is assessed from two different perspectives. In the short term view, the “earnings perspective” approach is adopted, which focuses on the impact of changes in interest rates on the profits accrued or recognised (cash flow risk), as regards the component represented by the net interest income. For a long term view of the effects of changes in interest rates, the “economic performance perspective” approach is used, representing a method, in accordance with prudential supervisory regulations, used to assess the sensitivity of the shareholders' equity of Illimity and its Subsidiaries to changes in rates (fair value risk).

Interest rate risk management is intended to limit the impact of adverse changes to the rates curve, both in terms of economic performance and in terms of the cash flow generated by the financial statement items, and is achieved primarily through the indexing of assets and liabilities to money market benchmarks, typically the Euribor, and the balancing of the duration of the asset and liability.

#### Quantitative information

1. Banking book: distribution by residual maturity (repricing date) of financial assets and liabilities

| Type/Residual maturity          | On demand        | Up to 3 months   | 3 Months to 6 months | More than 6 months to 1 year | More than 1 year to 5 years | Between 5 and 10 years | More than 10 years | Indefinite duration |
|---------------------------------|------------------|------------------|----------------------|------------------------------|-----------------------------|------------------------|--------------------|---------------------|
| <b>1. Cash assets</b>           | <b>505,039</b>   | <b>2,176,017</b> | <b>740,013</b>       | <b>230,308</b>               | <b>1,667,342</b>            | <b>676,886</b>         | <b>144,203</b>     | <b>16,341</b>       |
| 1.1 Debt securities             | 223              | 902,025          | 12,273               | 127,734                      | 870,167                     | 591,796                | 54,006             | -                   |
| - with early repayment option   | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| - other                         | 223              | 902,025          | 12,273               | 127,734                      | 870,167                     | 591,796                | 54,006             | -                   |
| 1.2 Loans to banks              | 121,376          | 302,683          | -                    | -                            | -                           | -                      | 35,702             | -                   |
| 1.3 Loans to customers          | 383,441          | 971,309          | 727,740              | 102,574                      | 797,175                     | 85,090                 | 54,495             | 16,341              |
| - current account               | 10,710           | 424              | 1,903                | 6,260                        | 3,830                       | -                      | -                  | -                   |
| - other loans                   | 372,731          | 970,885          | 725,837              | 96,314                       | 793,345                     | 85,090                 | 54,495             | 16,341              |
| - with early repayment option   | 191,903          | 500,153          | 514,876              | 4,012                        | 97,774                      | 648                    | -                  | -                   |
| - other                         | 180,828          | 470,732          | 210,961              | 92,302                       | 695,571                     | 84,442                 | 54,495             | 16,341              |
| <b>2. Cash liabilities</b>      | <b>1,990,006</b> | <b>865,948</b>   | <b>368,049</b>       | <b>1,188,617</b>             | <b>1,945,700</b>            | <b>8,219</b>           | <b>154,221</b>     | <b>-</b>            |
| 2.1 Amounts due to customers    | 1,271,912        | 745,035          | 310,409              | 986,737                      | 1,635,899                   | 8,609                  | -                  | -                   |
| - current account               | 1,021,230        | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| - other payables                | 250,682          | 745,035          | 310,409              | 986,737                      | 1,635,899                   | 8,609                  | -                  | -                   |
| - with early repayment option   | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| - other                         | 250,682          | 745,035          | 310,409              | 986,737                      | 1,635,899                   | 8,609                  | -                  | -                   |
| 2.2 Amounts due to banks        | 345,123          | 111,231          | 12                   | 25                           | 112                         | -                      | 154,221            | -                   |
| - current account               | 1                | 91,223           | -                    | -                            | -                           | -                      | -                  | -                   |
| - other payables                | 345,122          | 20,008           | 12                   | 25                           | 112                         | -                      | 154,221            | -                   |
| 2.3 Debt securities             | -                | 5,696            | 57,628               | 201,855                      | 309,689                     | (390)                  | -                  | -                   |
| - with early repayment option   | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| - other                         | -                | 5,696            | 57,628               | 201,855                      | 309,689                     | (390)                  | -                  | -                   |
| 2.4 Other liabilities           | 372,971          | 3,986            | -                    | -                            | -                           | -                      | -                  | -                   |
| - with early repayment option   | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| - other                         | 372,971          | 3,986            | -                    | -                            | -                           | -                      | -                  | -                   |
| <b>3. Financial derivatives</b> | <b>12,742</b>    | <b>-</b>         | <b>-</b>             | <b>-</b>                     | <b>-</b>                    | <b>-</b>               | <b>-</b>           | <b>-</b>            |
| 3.1 With underlying security    | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| - Options                       | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| + Long positions                | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| + Short positions               | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| - Other derivatives             | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| + Long positions                | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| + Short positions               | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |

|                                                |                  |              |            |               |                |               |          |          |
|------------------------------------------------|------------------|--------------|------------|---------------|----------------|---------------|----------|----------|
| 3.2 Without underlying security                | 12,742           | -            | -          | -             | -              | -             | -        | -        |
| - Options                                      | -                | -            | -          | -             | -              | -             | -        | -        |
| + Long positions                               | -                | -            | -          | -             | -              | -             | -        | -        |
| + Short positions                              | -                | -            | -          | -             | -              | -             | -        | -        |
| - Other derivatives                            | 12,742           | -            | -          | -             | -              | -             | -        | -        |
| + Long positions                               | 12,742           | -            | -          | -             | -              | -             | -        | -        |
| + Short positions                              | -                | -            | -          | -             | -              | -             | -        | -        |
| <b>4. Other off-balance sheet transactions</b> | <b>(191,192)</b> | <b>1,130</b> | <b>194</b> | <b>14,017</b> | <b>132,238</b> | <b>43,611</b> | <b>-</b> | <b>-</b> |
| + Long positions                               | 20,105           | 1,130        | 194        | 14,017        | 132,238        | 43,611        | -        | -        |
| + Short positions                              | 211,297          | -            | -          | -             | -              | -             | -        | -        |

# 1. Banking book: distribution by residual maturity (repricing date) of financial assets and liabilities

## OTHER CURRENCIES

| Type/Residual maturity          | On demand     | Up to 3 months | 3 Months to 6 months | More than 6 months to 1 year | More than 1 year to 5 years | Between 5 and 10 years | More than 10 years | Indefinite duration |
|---------------------------------|---------------|----------------|----------------------|------------------------------|-----------------------------|------------------------|--------------------|---------------------|
| <b>1. Cash assets</b>           | <b>18,340</b> | <b>75,725</b>  | <b>3,434</b>         | <b>2,511</b>                 | <b>179</b>                  | -                      | -                  | -                   |
| 1.1 Debt securities             | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| - with early repayment option   | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| - other                         | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| 1.2 Loans to banks              | 17,709        | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| 1.3 Loans to customers          | 631           | 75,725         | 3,434                | 2,511                        | 179                         | -                      | -                  | -                   |
| - current account               | -             | 75,725         | 3,434                | 2,511                        | 179                         | -                      | -                  | -                   |
| - other loans                   | 631           | 75,725         | 3,434                | 2,511                        | -                           | -                      | -                  | -                   |
| - with early repayment option   | -             | -              | -                    | -                            | 179                         | -                      | -                  | -                   |
| - other                         | 631           | 75,725         | 3,434                | 2,511                        | -                           | -                      | -                  | -                   |
| <b>2. Cash liabilities</b>      | <b>774</b>    | <b>115,909</b> | -                    | -                            | -                           | -                      | -                  | -                   |
| 2.1 Amounts due to customers    | 774           | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| - current account               | 774           | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| - other payables                | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| - with early repayment option   | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| - other                         | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| 2.2 Amounts due to banks        | -             | 115,909        | -                    | -                            | -                           | -                      | -                  | -                   |
| - current account               | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| - other payables                | -             | 115,909        | -                    | -                            | -                           | -                      | -                  | -                   |
| 2.3 Debt securities             | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| - with early repayment option   | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| - other                         | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| 2.4 Other liabilities           | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| - with early repayment option   | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| - other                         | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| <b>3. Financial derivatives</b> | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| 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               | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |

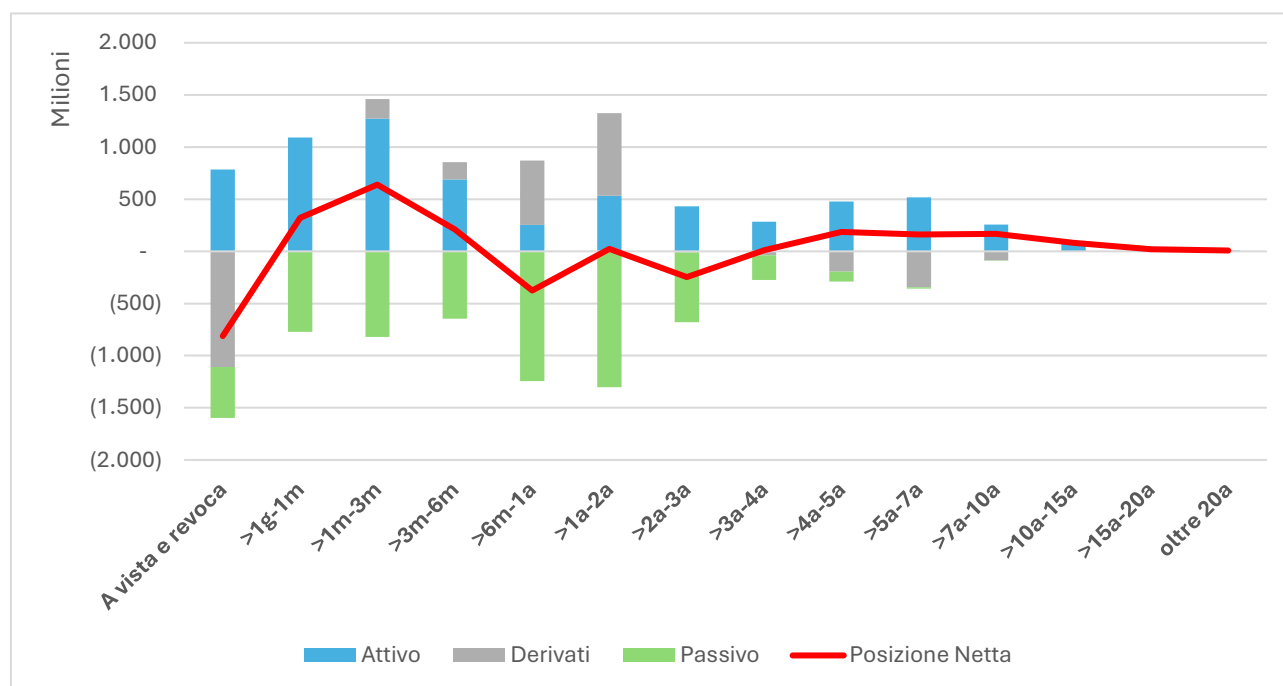
|                                                |   |   |   |   |   |   |   |   |
|------------------------------------------------|---|---|---|---|---|---|---|---|
| <b>4. Other off-balance sheet transactions</b> | - | - | - | - | - | - | - | - |
| + Long positions                               | - | - | - | - | - | - | - | - |
| + Short positions                              | - | - | - | - | - | - | - | - |

## 2. Banking book: internal models and other methods of sensitivity analysis

The measuring of IRRBB takes place according to the internal methodology in full revaluation. The methodology requires the calculation of economic value (EVE) and net interest income (NII) in a base case *forward* scenario and, respectively, in six and two stress scenarios. The difference between the base and worst-case stress scenarios identifies the banking book's sensitivity to interest rate risk ( $\Delta\text{EVE}$ ,  $\Delta\text{NII}$ ).

As required by law, the Bank has adopted a behavioural model to estimate the repricing of demand liabilities (NMD), which has been submitted for approval by the board bodies. The Bank is below the materiality threshold with respect to the adoption of additional behavioural models proposed by the law.

The following graphic shows the distribution by maturity bands of net imbalances of assets and liabilities in the banking book as at 31 December 2025, based on which the exposure to the interest rate risk was estimated.



As at 31 December 2025,  $\Delta\text{EVE}$  and  $\Delta\text{NII}$  were below the regulatory thresholds of 15% and 5% of Tier1 Capital as indicated by the *Supervisory Outlier Test* (SOT). At the reporting date, the Bank had an economic value sensitivity ( $\Delta\text{EVE}$ ) of 14.3% in the +200 bps stress scenario. The sensitivity of net interest income ( $\Delta\text{NII}$ ), on the other hand, is 0.7% under the assumption of a parallel decreasing rate shock.

### 1.2.3 Exchange risk

#### Qualitative information

##### A. General aspects, management processes and measurement methods for exchange risk

The exchange risk is determined on the basis of the existing mismatching between currency assets and liabilities (spot and forward), for each currency other than the euro. The main sources of risk are:

- loans and deposits in foreign currency with counterparties and retail customers;
- the holding of foreign currency financial instruments;
- the holding of any shares or units in UCIs still denominated in euros, for which it is not possible to determine the foreign currency composition of the underlying investments and/or for which the maximum foreign currency investment is not known and is binding;
- the trading of foreign banknotes.

The exchange risk is determined on the basis of the methodology proposed by the Bank of Italy and is quantified at 8% of the net foreign exchange position. This is determined as the highest component (in absolute values) between the sum of the net long positions and the sum of the net short positions (position per currency) to which is added the exposure to the exchange rate risk implied in any investments in UCIs. The internal VAR-based model is therefore not used in the calculation of capital requirements on market risks.

Exposure to exchange risk is thus determined on the basis of the net foreign exchange position using a methodology based on the supervisory regulations. Equity investments and property and equipment are not included in the net foreign exchange position.

## **B. Exchange risk hedging**

The exchange risk arising from exposures on the banking book is generally cancelled using systematic balancing with funding/lending | loan operations in the same currency as the original transaction, and marginally through exchange rate financial derivatives.

## **Quantitative information**

## 1. Breakdown by currency of assets, liabilities and derivatives

| Items                           | Currencies     |            |            |            |           |                  |
|---------------------------------|----------------|------------|------------|------------|-----------|------------------|
|                                 | USD            | GBP        | CHF        | SEK        | ZLOTY     | OTHER CURRENCIES |
| <b>A. Financial assets</b>      | <b>99,918</b>  | <b>204</b> | <b>129</b> | <b>137</b> | <b>46</b> | <b>464</b>       |
| A.1 Debt instruments            | -              | -          | -          | -          | -         | -                |
| A.2 Equity instruments          | 7              | -          | -          | -          | -         | -                |
| A.3 Loans to banks              | 16,790         | 142        | 129        | 137        | 46        | 464              |
| A.4 Loans to customers          | 83,121         | 62         | -          | -          | -         | -                |
| A.5 Other financial assets      | -              | -          | -          | -          | -         | -                |
| <b>B. Other assets</b>          | <b>-</b>       | <b>-</b>   | <b>-</b>   | <b>-</b>   | <b>-</b>  | <b>-</b>         |
| <b>C. Financial liabilities</b> | <b>116,683</b> | <b>-</b>   | <b>-</b>   | <b>-</b>   | <b>-</b>  | <b>-</b>         |
| C.1 Amounts due to banks        | 115,909        | -          | -          | -          | -         | -                |
| C.2 Amounts due to customers    | 774            | -          | -          | -          | -         | -                |
| C.3 Debt instruments            | -              | -          | -          | -          | -         | -                |
| C.4 Other financial liabilities | -              | -          | -          | -          | -         | -                |
| <b>D. Other liabilities</b>     | <b>381</b>     | <b>-</b>   | <b>-</b>   | <b>-</b>   | <b>-</b>  | <b>-</b>         |
| <b>E. Financial derivatives</b> | <b>41,243</b>  | <b>115</b> | <b>-</b>   | <b>1</b>   | <b>-</b>  | <b>-</b>         |
| - Options                       | -              | -          | -          | -          | -         | -                |
| + Long positions                | -              | -          | -          | -          | -         | -                |
| + Short positions               | -              | -          | -          | -          | -         | -                |
| - Other derivatives             | 41,243         | 115        | -          | 1          | -         | -                |
| + Long positions                | 31,260         | -          | -          | -          | -         | -                |
| + Short positions               | 9,983          | 115        | -          | 1          | -         | -                |
| <b>Total assets</b>             | <b>131,178</b> | <b>204</b> | <b>129</b> | <b>137</b> | <b>46</b> | <b>464</b>       |
| <b>Total liabilities</b>        | <b>127,046</b> | <b>115</b> | <b>-</b>   | <b>1</b>   | <b>-</b>  | <b>-</b>         |
| <b>Difference (+/-)</b>         | <b>4,132</b>   | <b>90</b>  | <b>129</b> | <b>136</b> | <b>46</b> | <b>464</b>       |

## 2. Internal models and other methods of sensitivity analysis

Foreign currency activity is extremely limited, according to policy, and the net daily position tends to be zero, excluding any foreign currency cash deposits. No internal models or other methods have been developed for sensitivity analysis.

### 1.3 Derivative instruments and hedging policies

#### 1.3.1 Trading derivatives

Trading in derivatives was authorised with effect from 2021: the main type of trading derivatives used is interest rate swaps (IRS), either plain or structured (with the presence of caps and floors).

Derivatives are mainly traded in the context of over-the-counter (OTC) agreements with customers in relation to loan operations. Those derivative operations are carried out within the trading book and involve the active management of market risks, through the hedging of the derivatives with institutional counterparties.

**A.1 Financial derivatives held for trading: end-of-period notional values**

| 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 | Without netting agreements |                   | Central counterparties | Without central counterparties | Without netting agreements |                   |
|                                               |                        | With netting agreements        |                            |                   |                        | With netting agreements        |                            |                   |
| <b>1. Debt securities and interest rates</b>  | -                      | <b>2,239,565</b>               | <b>1,368,416</b>           |                   | -                      | <b>3,466,082</b>               | <b>1,156,024</b>           | -                 |
| a) Options                                    | -                      | 1,074,793                      | 20,783                     | -                 | -                      | 984,593                        | 9,750                      | -                 |
| b) Swaps                                      | -                      | 1,164,772                      | 1,272,984                  | -                 | -                      | 2,481,489                      | 1,092,283                  | -                 |
| c) Forwards                                   | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| d) Futures                                    | -                      | -                              | 74,650                     | -                 | -                      | -                              | 53,991                     | -                 |
| e) Other                                      | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| <b>2. Equity securities and share indices</b> |                        |                                |                            |                   | -                      | -                              | -                          | -                 |
| a) Options                                    | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| b) Swaps                                      | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| c) Forwards                                   | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| d) Futures                                    | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| e) Other                                      | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| <b>3. Currencies and gold</b>                 |                        | <b>31,064</b>                  | <b>9,672</b>               |                   | -                      | <b>181,660</b>                 | <b>686</b>                 | -                 |
| a) Options                                    | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| b) Swaps                                      | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| c) Forwards                                   | -                      | 31,064                         | 9,672                      | -                 | -                      | 181,660                        | 686                        | -                 |
| d) Futures                                    | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| e) Other                                      | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| <b>4. Goods</b>                               | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| <b>5. Other</b>                               | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| <b>Total</b>                                  | -                      | <b>2,270,629</b>               | <b>1,378,089</b>           | -                 | -                      | <b>3,647,742</b>               | <b>1,156,710</b>           | -                 |



## A.2 Financial derivatives held for trading: positive and negative gross fair value - distribution by products

| 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 netting agreements        | Without netting agreements |                   |
| 1. Positive fair value  |                        |                                |                            |                   |                        |                                |                            |                   |
| a) Options              | -                      | 4,839                          | -                          | -                 | -                      | 6,155                          | -                          | -                 |
| b) Interest rate swaps  | -                      | 1,433                          | 5,948                      | -                 | -                      | 23,296                         | 14,438                     | -                 |
| c) Cross currency swaps | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| d) Equity swaps         | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| e) Forwards             | -                      | 63                             | 160                        | -                 | -                      | 53                             | -                          | -                 |
| f) Futures              | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| g) Other                | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| Total                   | -                      | 6,335                          | 6,108                      | -                 | -                      | 29,504                         | 14,438                     | -                 |
| 2. Negative fair value  |                        |                                |                            |                   |                        |                                |                            |                   |
| a) Options              | -                      | 6,013                          | 49                         | -                 | -                      | 9,916                          | 2                          | -                 |
| b) Interest rate swaps  | -                      | 6,007                          | 522                        | -                 | -                      | 32,689                         | 1,167                      | -                 |
| c) Cross currency swaps | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| d) Equity swaps         | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| e) Forwards             | -                      | 125                            | 26                         | -                 | -                      | 1,320                          | 13                         | -                 |
| f) Futures              | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| g) Other                | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| Total                   | -                      | 12,145                         | 597                        | -                 | -                      | 43,925                         | 1,182                      | -                 |

### A.3 OTC financial derivatives held for trading – notional values, positive and negative gross fair value by counterparties

| Underlying assets                             | Central counterparties | Banks     | Other financial companies | Other entities |
|-----------------------------------------------|------------------------|-----------|---------------------------|----------------|
| Contracts not covered by netting agreements   |                        |           |                           |                |
| <b>1) Debt securities and interest rates</b>  |                        |           |                           |                |
| - notional value                              | X                      | 74,650    | 821,799                   | 471,968        |
| - positive fair value                         | X                      | -         | 4,059                     | 1,889          |
| - negative fair value                         | X                      | -         | 9                         | 562            |
| <b>2) Equity securities and share indices</b> |                        | -         | -                         | -              |
| - notional value                              | X                      | -         | -                         | -              |
| - positive fair value                         | X                      | -         | -                         | -              |
| - negative fair value                         | X                      | -         | -                         | -              |
| <b>3) Currencies and gold</b>                 |                        | -         | -                         | -              |
| - notional value                              | X                      | -         | -                         | 9,672          |
| - positive fair value                         | X                      | -         | -                         | 160            |
| - negative fair value                         | X                      | -         | -                         | 26             |
| <b>4) Goods</b>                               |                        | -         | -                         | -              |
| - notional value                              | X                      | -         | -                         | -              |
| - positive fair value                         | X                      | -         | -                         | -              |
| - negative fair value                         | X                      | -         | -                         | -              |
| <b>5) Other</b>                               |                        | -         | -                         | -              |
| - notional value                              | X                      | -         | -                         | -              |
| - positive fair value                         | X                      | -         | -                         | -              |
| - negative fair value                         | X                      | -         | -                         | -              |
| Contracts covered by netting agreements       |                        |           |                           |                |
| <b>1) Debt securities and interest rates</b>  |                        | -         | -                         | -              |
| - notional value                              | -                      | 2,239,565 | -                         | -              |
| - positive fair value                         | -                      | 6,273     | -                         | -              |
| - negative fair value                         | -                      | 12,021    | -                         | -              |
| <b>2) Equity securities and share indices</b> |                        | -         | -                         | -              |
| - notional value                              | -                      | -         | -                         | -              |
| - positive fair value                         | -                      | -         | -                         | -              |
| - negative fair value                         | -                      | -         | -                         | -              |
| <b>3) Currencies and gold</b>                 |                        | -         | -                         | -              |
| - notional value                              | -                      | 29,361    | 1,702                     | -              |
| - positive fair value                         | -                      | 33        | 30                        | -              |
| - negative fair value                         | -                      | 125       | -                         | -              |
| <b>4) Goods</b>                               |                        | -         | -                         | -              |
| - notional value                              | -                      | -         | -                         | -              |
| - positive fair value                         | -                      | -         | -                         | -              |

|                       |   |   |   |   |
|-----------------------|---|---|---|---|
| - negative fair value | - | - | - | - |
| <b>5) Other</b>       |   |   |   |   |
| - notional value      | - | - | - | - |
| - positive fair value | - | - | - | - |
| - negative fair value | - | - | - | - |

#### A.4 Residual life of OTC financial derivatives: notional values

| Underlying assets/Residual life                                  | Up to 1 year   | More than 1 year and up to 5 years | More than 5 years | Total            |
|------------------------------------------------------------------|----------------|------------------------------------|-------------------|------------------|
| A.1 Financial derivatives on debt securities and interest rates  | 195,539        | 2,591,764                          | 820,678           | 3,607,981        |
| A.2 Financial derivatives on equity securities and share indices | -              | -                                  | -                 | -                |
| A.3 Financial derivatives on currencies and gold                 | 40,736         | -                                  | -                 | 40,736           |
| A.4 Financial derivatives on goods                               | -              | -                                  | -                 | -                |
| A.5 Other financial derivatives                                  | -              | -                                  | -                 | -                |
| <b>Total</b> 31/12/2025                                          | <b>236,274</b> | <b>2,591,764</b>                   | <b>820,678</b>    | <b>3,648,717</b> |
| <b>Total</b> 31/12/2024                                          | <b>398,580</b> | <b>2,897,396</b>                   | <b>1,508,476</b>  | <b>4,804,452</b> |

### 1.3.2 Hedge accounting

#### Qualitative information

#### A. Fair value hedging assets

Since the 2022 financial year, Illimity and its Subsidiaries have implemented a hedge accounting framework to develop micro fair value hedges using financial derivatives. During 2025, Illimity also carried out general hedges on liabilities' time deposits (Macro Fair Value Hedge).

For hedges, Illimity and its Subsidiaries apply the option, set out in IFRS 9, to continue fully applying the provisions of the accounting standard IAS 39 on hedge accounting (the carve-out version endorsed by the European Commission).

Risk hedging transactions are aimed at neutralising potential losses attributable to a specific risk and recognisable on a given element or group of elements, if that particular risk should arise.

The type of hedge used is fair value hedging: it is intended to cover exposure to changes in the fair value (attributable to the different types of risk) of assets and liabilities recognised in the financial statements or portions thereof, of groups of assets/liabilities, of irrevocable commitments and of portfolios of financial assets and liabilities, including deposits.

The hedging implemented by Illimity aims at immunising the banking book from changes in the fair value of funding through deposits and the use of securities at FVOCI caused by changes in the interest rate risk curve (interest rate risk). Illimity and its Subsidiaries adopt micro fair value hedges.

#### B. Cash flow hedging assets

There are no cash flow hedges.

#### C. Hedging assets for foreign investments

There are no hedges of foreign investments.

#### D. Hedging instruments

The type of derivatives used are interest rate swaps (IRS) executed with third parties. The derivatives are not listed on regulated markets, but are traded in over the counter (OTC) systems.

Hedging derivatives, like all derivatives, are initially recognised and subsequently accounted for at fair value. A relationship is classified as a hedge, and accounted for as such, only if all the following conditions set out in IAS 39 are met:

- at the start of the hedge, there is formal documentation of the hedging relationship that describes the company's objectives in managing the risk and its strategy in carrying out the hedge. This

documentation includes the identification of the hedging instrument, the hedged element or transaction, the nature of the hedged risk and how Illimity Bank Spa assesses the effectiveness of the hedging strategy in offsetting the exposure to changes in the hedged element's fair value;

- the assessment concludes that the hedge is highly effective;
- the effectiveness of the hedge can be reliably measured;
- the hedge is assessed as a continuing hedging relationship and is effective for the financial years for which it was designated.

Hedging derivatives are measured at fair value: the change in the fair value of the hedged element is offset with the change in the fair value of the hedging instrument. This offsetting is measured through the recognition in the income statement of the changes in value of both the hedged element (specifically with regard to the changes generated by the risk factor for which the hedge was adopted) and the hedging instrument. Any difference or partial ineffectiveness of the hedge that may arise is then recognised in the income statement.

The effectiveness of the hedge depends on the extent to which the changes in the fair value of the hedged instrument are offset by those of the hedging instrument; the effectiveness is therefore measured by comparing the aforementioned changes, taking into account the company's intention when putting the hedge in place. The hedge is considered to be effective when the changes in the fair value of the financial hedging instrument offset, within the limits established by the 80-125% range, the changes in the hedged instrument due to the hedged risk factor.

The effectiveness assessment is carried out on a monthly basis, using:

- prospective tests, which assess the expected effectiveness of the hedge;
- retrospective tests, which assess the degree of effectiveness achieved by the hedge in the reference period.

Fair value hedges cease to be accounted for in the following cases:

- the hedging instrument reaches maturity;
- the hedge no longer meets the aforementioned hedging criteria;
- Illimity and its Subsidiaries revoke the designation.

Specifically, if the checks do not confirm the effectiveness of the hedge, from that moment the accounting of the hedging operations is suspended: the hedging derivative is reclassified under trading instruments and the hedged financial instrument reassumes the measurement criteria corresponding to its classification in the financial statements.

The main causes of ineffectiveness of the model adopted to verify hedge effectiveness could be attributable to the following:

- misalignment between the notional value of the derivative and the hedged underlying recognised on initial designation or generated subsequently, as in the case of partial redemption of deposits;
- different maturities between the set of hedged instruments and the hedging instruments (macro fair value hedges of time deposits);

Any ineffectiveness of the hedging is recognised for the purpose:

- of determining the effects to record in the income statement;
- of the assessment of the possibility of continuing to apply hedge accounting rules.

Illimity and its Subsidiaries do not use dynamic hedges, as defined in IFRS 7, paragraph 23C.

## E. Hedged elements

The main types of hedged element are:

- Debt securities under assets: debt securities classified under assets at FVOCI are hedged through micro fair value hedges, using interest rate swaps (IRS). Interest rate risk is hedged for the entire duration of the obligation. The dollar offset method is used to verify the effectiveness of the hedge. This method is based on the relationship between the accumulated changes (from the start of the hedge) in the fair value of the hedging instrument, attributable to the hedged risk, and the changes in the fair value of the hedged element (the so-called delta fair value), net of accrued interest.
- Bond funding: part of the bond funding is hedged against interest rate risk with micro fair value hedges, using Interest Rate Swaps (IRS). The hedging follows the methodologies provided for the FVOCI portfolio.
- Fixed term funding: fixed-term funding comprised of deposits is hedged through macro fair value

hedges, using interest rate swaps (IRS) as hedging instruments. The aim of this type of hedge is to protect the net interest income against possible interest rate reductions that could narrow the spread between variable-rate loans and fixed-rate fixed-term funding. Risk Management performs ongoing monitoring and checks to assess the effectiveness of these hedges. The dollar offset method is used, in the terms indicated above, to verify the effectiveness of the hedge.

## Quantitative information

### Financial hedging derivatives

#### A.1 Financial hedging derivatives: end-of-period notional values

| 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 netting agreements        | Without netting agreements |                   |
| 1. Debt securities and interest rates  | -                      | 2,421,000                      | -                          | -                 | -                      | 711,405                        | -                          | -                 |
| a) Options                             | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| b) Swaps                               | -                      | 2,421,000                      | -                          | -                 | -                      | 711,405                        | -                          | -                 |
| c) Forwards                            | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| d) Futures                             | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| e) Other                               | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| 2. Equity securities and share indices | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| a) Options                             | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| b) Swaps                               | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| c) Forwards                            | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| d) Futures                             | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| e) Other                               | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| 3. Currencies and gold                 | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| a) Options                             | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| b) Swaps                               | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| c) Forwards                            | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| d) Futures                             | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| e) Other                               | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| 4. Goods                               | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| 5. Other                               | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| Total                                  | -                      | 2,421,000                      | -                          | -                 | -                      | 711,405                        | -                          | -                 |

## A.2 Financial hedging derivatives: positive and negative gross fair value - distribution by products

|                         | Total 31/12/2025       |                                |                            |                   | Total 31/12/2024       |                                |                            |                   |
|-------------------------|------------------------|--------------------------------|----------------------------|-------------------|------------------------|--------------------------------|----------------------------|-------------------|
|                         | Over the counter       |                                |                            | Organised markets | Over the counter       |                                |                            | Organised markets |
|                         | Central counterparties | Without central counterparties |                            |                   | Central counterparties | Without central counterparties |                            |                   |
|                         |                        | With netting agreements        | Without netting agreements |                   |                        | With netting agreements        | Without netting agreements |                   |
| Positive fair value     |                        |                                |                            |                   |                        |                                |                            |                   |
| a) Options              | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| b) Interest rate swaps  | -                      | 37,482                         | -                          | -                 | -                      | 29,385                         | -                          | -                 |
| c) Cross currency swaps | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| d) Equity swaps         | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| e) Forwards             | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| f) Futures              | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| g) Other                | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| Total                   | -                      | 37,482                         | -                          | -                 | -                      | 29,385                         | -                          | -                 |
| Negative fair value     |                        |                                |                            |                   |                        |                                |                            |                   |
| a) Options              | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| b) Interest rate swaps  | -                      | 16,556                         | -                          | -                 | -                      | 43                             | -                          | -                 |
| c) Cross currency swaps | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| d) Equity swaps         | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| e) Forwards             | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| f) Futures              | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| g) Other                | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| Total                   | -                      | 16,556                         | -                          | -                 | -                      | 43                             | -                          | -                 |

### A.3 OTC financial hedging derivatives - notional values, positive and negative gross fair value by counterparties

| Underlying assets                             | Central counterparties | Banks     | Other financial companies | Other entities |
|-----------------------------------------------|------------------------|-----------|---------------------------|----------------|
| Contracts not covered by netting agreements   |                        |           |                           |                |
| <b>1) Debt securities and interest rates</b>  |                        |           |                           |                |
| - notional value                              | X                      | -         | -                         | -              |
| - positive fair value                         | X                      | -         | -                         | -              |
| - negative fair value                         | X                      | -         | -                         | -              |
| <b>2) Equity securities and share indices</b> |                        |           |                           |                |
| - notional value                              | X                      | -         | -                         | -              |
| - positive fair value                         | X                      | -         | -                         | -              |
| - negative fair value                         | X                      | -         | -                         | -              |
| <b>3) Currencies and gold</b>                 |                        |           |                           |                |
| - notional value                              | X                      | -         | -                         | -              |
| - positive fair value                         | X                      | -         | -                         | -              |
| - negative fair value                         | X                      | -         | -                         | -              |
| <b>4) Goods</b>                               |                        |           |                           |                |
| - notional value                              | X                      | -         | -                         | -              |
| - positive fair value                         | X                      | -         | -                         | -              |
| - negative fair value                         | X                      | -         | -                         | -              |
| <b>5) Other</b>                               |                        |           |                           |                |
| - notional value                              | X                      | -         | -                         | -              |
| - positive fair value                         | X                      | -         | -                         | -              |
| - negative fair value                         | X                      | -         | -                         | -              |
| Contracts covered by netting agreements       |                        |           |                           |                |
| <b>1) Debt securities and interest rates</b>  |                        |           |                           |                |
| - notional value                              | -                      | 2,421,000 | -                         | -              |
| - positive fair value                         | -                      | 37,482    | -                         | -              |
| - negative fair value                         | -                      | 16,556    | -                         | -              |
| <b>2) Equity securities and share indices</b> |                        |           |                           |                |
| - notional value                              | -                      | -         | -                         | -              |
| - positive fair value                         | -                      | -         | -                         | -              |
| - negative fair value                         | -                      | -         | -                         | -              |
| <b>3) Currencies and gold</b>                 |                        |           |                           |                |
| - notional value                              | -                      | -         | -                         | -              |
| - positive fair value                         | -                      | -         | -                         | -              |
| - negative fair value                         | -                      | -         | -                         | -              |
| <b>4) Goods</b>                               |                        |           |                           |                |
| - notional value                              | -                      | -         | -                         | -              |
| - positive fair value                         | -                      | -         | -                         | -              |
| - negative fair value                         | -                      | -         | -                         | -              |
| <b>5) Other</b>                               |                        |           |                           |                |
| - notional value                              | -                      | -         | -                         | -              |
| - positive fair value                         | -                      | -         | -                         | -              |
| - negative fair value                         | -                      | -         | -                         | -              |



**A.4 Residual life of OTC financial hedging derivatives: notional values**

| Underlying assets/Residual life                                  | Up to 1 year   | More than 1 year and up to 5 years | More than 5 years | Total            |
|------------------------------------------------------------------|----------------|------------------------------------|-------------------|------------------|
| A.1 Financial derivatives on debt securities and interest rates  | 946,000        | 1,055,000                          | 420,000           | 2,421,000        |
| A.2 Financial derivatives on equity securities and share indices | -              | -                                  | -                 | -                |
| A.3 Financial derivatives on currencies and gold                 | -              | -                                  | -                 | -                |
| A.4 Financial derivatives on goods                               | -              | -                                  | -                 | -                |
| A.5 Other financial derivatives                                  | -              | -                                  | -                 | -                |
| <b>Total 31/12/2025</b>                                          | <b>946,000</b> | <b>1,055,000</b>                   | <b>420,000</b>    | <b>2,421,000</b> |
| <b>Total 31/12/2024</b>                                          | <b>586,405</b> | <b>125,000</b>                     | <b>711,405</b>    | <b>586,405</b>   |

**B. Credit hedging derivatives**

The Group does not hold credit derivatives classified as hedges.

**C. Non-derivative hedging instruments**

The Group does not hold non-derivative instruments classified as hedges.

**D. Hedged instruments**

## D.1 Fair value hedges

|                                                                                             |  | Specific hedges: book value | Specific hedges - net positions: book value of assets or liabilities (before offsetting) | Specific hedges                                               |                                                            |                                                                         | Generic hedges: Book value |
|---------------------------------------------------------------------------------------------|--|-----------------------------|------------------------------------------------------------------------------------------|---------------------------------------------------------------|------------------------------------------------------------|-------------------------------------------------------------------------|----------------------------|
|                                                                                             |  |                             |                                                                                          | Cumulative changes in the fair value of the hedged instrument | Hedge cessation: residual cumulative changes in fair value | Changes in the value used to recognise the ineffectiveness of the hedge |                            |
| A. Assets                                                                                   |  |                             |                                                                                          |                                                               |                                                            |                                                                         |                            |
| 1. Financial assets measured at fair value through other comprehensive income - hedging of: |  | 147,719                     | -                                                                                        | (708)                                                         | -                                                          | -                                                                       | -                          |
| 1.1 Debt securities and interest rates                                                      |  | 147,719                     | -                                                                                        | (708)                                                         | -                                                          | -                                                                       | X                          |
| 1.2 Equity securities and share indices                                                     |  | -                           | -                                                                                        | -                                                             | -                                                          | -                                                                       | X                          |
| 1.3 Currencies and gold                                                                     |  | -                           | -                                                                                        | -                                                             | -                                                          | -                                                                       | X                          |
| 1.4 Receivables                                                                             |  | -                           | -                                                                                        | -                                                             | -                                                          | -                                                                       | X                          |
| 1.5 Other                                                                                   |  | -                           | -                                                                                        | -                                                             | -                                                          | -                                                                       | X                          |
| 2. Financial assets measured at amortised cost - hedging of:                                |  | 496,553                     | -                                                                                        | (5,664)                                                       | -                                                          | -                                                                       | -                          |
| 1.1 Debt securities and interest rates                                                      |  | 496,553                     | -                                                                                        | (5,664)                                                       | -                                                          | -                                                                       | X                          |
| 1.2 Equity securities and share indices                                                     |  | -                           | -                                                                                        | -                                                             | -                                                          | -                                                                       | X                          |
| 1.3 Currencies and gold                                                                     |  | -                           | -                                                                                        | -                                                             | -                                                          | -                                                                       | X                          |
| 1.4 Receivables                                                                             |  | -                           | -                                                                                        | -                                                             | -                                                          | -                                                                       | X                          |
| 1.5 Other                                                                                   |  | -                           | -                                                                                        | -                                                             | -                                                          | -                                                                       | X                          |
| Total 31/12/2025                                                                            |  | 644,272                     | -                                                                                        | (6,732)                                                       | -                                                          | -                                                                       | -                          |
| Total 31/12/2024                                                                            |  | 254,603                     | -                                                                                        | 919                                                           | -                                                          | -                                                                       | -                          |
| B. Liabilities                                                                              |  |                             |                                                                                          |                                                               |                                                            |                                                                         |                            |
| 1. Financial liabilities measured at amortised cost - hedging 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                                                                            |  | 560,579                     | -                                                                                        | 584                                                           | -                                                          | -                                                                       | -                          |
| Total 31/12/2024                                                                            |  | 560,579                     | -                                                                                        | (1,198)                                                       | -                                                          | -                                                                       | -                          |

## D.2 Cash flow hedges and foreign investments

Illimity and its Subsidiaries do not hold cash flow hedges or foreign investments in their portfolio.

## E. Effects of hedging operations on Shareholders' equity

Illimity and its Subsidiaries do not hold cash flow hedges or foreign investments in their portfolio.

### 1.3.3. Other information on (trading and hedging) derivatives

#### A. Financial and credit derivatives

##### A.1 Over the counter financial and credit derivatives: net fair value by counterparties

The portfolio does not contain any netting carried out in the financial statements for derivatives whose

netting agreements meet the criteria set out in IAS 32, par. 42.

## 1.4 Liquidity risk

### Qualitative information

#### A. General aspects, management processes and measurement methods for liquidity risk

Liquidity risk is the risk of defaulting on payment obligations. It arises due to the inability to source funds or the risk of sourcing them at above-market costs (funding liquidity risk), or to the risk of mobilising assets under unfavourable conditions (market liquidity risk), thus incurring capital losses. The liquidity risk derives from the misalignment in terms of amount and/or date of realisation, of the cash inflows and outflows relating to all the assets, liabilities and off-balance sheet items and is correlated to the conversion of expiry date which is typically done by the banks.

The reference framework of the measurement, monitoring and management of liquidity risk is defined in the liquidity risk policy, which sets out the rules aimed at pursuing and maintaining a sufficient diversified level of funding and an adequate structural balance of sources and invested assets, by means of coordinated, efficient funding and investment policies. The short-term liquidity risk management system set out in the policy is based on a series of early warning thresholds and limits that reflect the general principles on which liquidity management is based. The policy therefore defines the company functions and bodies responsible for liquidity management.

The ALM & Treasury Area, with the assistance of the Strategy & Planning Area, aims to maintain a low level of exposure to liquidity risk, by putting in place a system of controls and limits which are based on a gap analysis of cash flow imbalances, according to categories of residual life. The primary objective of liquidity risk management is to meet payment obligations and to source additional funds from the market, while minimising costs and without affecting potential future earnings.

The liquidity risk is controlled by the Risk Management Area through the measurement, monitoring and management of the liquidity requirement using a model that analyses the net liquidity balance, supplemented by stress tests that assess the bank's capacity to cope with a series of crisis scenarios ranked by increasing levels of severity. The net liquidity balance is obtained from the operational maturity ladder, by comparing the projection of expected cash flows against the counter balancing capacity over a period of up to 12 months. The cumulative sum of the expected cash flows and the counter balancing capacity for each time band quantifies the liquidity risk, evaluated in different stress scenarios.

The stress tests are intended to assess the bank's vulnerability to exceptional but possible events, and give a better assessment of the exposure to liquidity risk, of the systems used to mitigate and control that risk and of the survival period in the case of adverse scenarios. In defining the stress scenarios, a series of risk factors are considered, that can either impact the cumulative imbalance in inflows and outflows, or the liquidity reserve, for example the risk that future unexpected events may require a liquidity that is far higher than expected (contingent liability risk), or the risk of not being able to obtain necessary funds or of obtaining them at costs above market costs (funding liquidity risk).

The monitoring of the level of coverage of the expected liquidity requirements through an adequate level of liquidity reserve is accompanied by the daily monitoring of exposure on the interbank market. The bank also monitors the structural liquidity profile with a long-term maturity ladder that incorporates behavioural models and assumptions.

When these limits and early warnings are exceeded, the Contingency Funding Plan is also activated.

In line with the supervisory provisions, the Illimity Bank spa performs daily monitoring of the Liquidity Coverage Ratio (LCR) indicator for the purpose of strengthening the short-term liquidity risk profile by ensuring that enough high-quality liquid assets (HQLA) are available and can be immediately converted into cash on the private markets to meet the 30-day liquidity, requirements in a liquidity stress scenario.

The monitoring of structural balance is also pursued through the daily measurement and monitoring of the Net Stable Funding Ratio (NSFR) structural requirement, which is aimed at promoting greater recourse to stable funding, preventing that medium and long-term operations give rise to excessive imbalances, to be funded in the short term. It establishes the minimum necessary amount of funding longer than a year, in relation to the liquidity requirements and residual term of assets and off-balance sheet exposures.

On the reporting date, Illimity and its Subsidiaries donot present a high risk profile in terms of liquidity requirements; the liquidity profile is adequate in the medium/long term, reflecting the coherence between the process to construct assets and the adoption of relative funding policies, while complying with internal and regulatory risk limits.

At the reporting date, Illimity and its Subsidiaries had a level of LCR of NSFR in line with the internal limits defined in the RAF.

## Quantitative information

### 1. Temporal distribution of financial assets and liabilities by residual contractual maturity

EUROS

p.1

| Items/Time bands                                        | On demand        | More than 1 day to 7 days | More than 7 days to 15 days | More than 15 days to 1 month | More than 1 month to 3 months |
|---------------------------------------------------------|------------------|---------------------------|-----------------------------|------------------------------|-------------------------------|
| <b>Cash assets</b>                                      | <b>1,050,828</b> | <b>23,112</b>             | <b>92,204</b>               | <b>172,697</b>               | <b>654,492</b>                |
| A.1 Government bonds                                    | 488              | -                         | 44,699                      | 76,200                       | 175,951                       |
| A.2 Other debt instruments                              | 251              | -                         | 98                          | 11,338                       | 10,607                        |
| A.3 Units in UCIs                                       | 635,699          | -                         | -                           | -                            | -                             |
| A.4 Loans                                               | 414,390          | 23,112                    | 47,407                      | 85,159                       | 467,934                       |
| - Banks                                                 | 251,572          | -                         | -                           | -                            | 149,169                       |
| - Customers                                             | 162,818          | 23,112                    | 47,407                      | 85,159                       | 318,765                       |
| <b>Cash liabilities</b>                                 | <b>1,429,618</b> | <b>215,168</b>            | <b>80,202</b>               | <b>257,265</b>               | <b>711,340</b>                |
| B.1 Deposits and current accounts                       | 1,429,618        | 42,874                    | 30,728                      | 126,488                      | 227,847                       |
| - Banks                                                 | 266,020          | 20,000                    | -                           | -                            | 9                             |
| - Customers                                             | 1,163,598        | 22,874                    | 30,728                      | 126,488                      | 227,838                       |
| B.2 Debt instruments                                    | -                | -                         | -                           | -                            | -                             |
| B.3 Other liabilities                                   | -                | 172,294                   | 49,474                      | 130,777                      | 483,493                       |
| <b>"Off-balance sheet" operations</b>                   | <b>236,110</b>   | <b>21,861</b>             | <b>114</b>                  | <b>2,287</b>                 | <b>8,108</b>                  |
| C.1 Financial derivatives with exchange of capital      | -                | 21,861                    | 114                         | 2,287                        | 6,978                         |
| - Long positions                                        | -                | 310                       | 114                         | 1,147                        | 3,495                         |
| - Short positions                                       | -                | 21,551                    | -                           | 1,140                        | 3,483                         |
| C.2 Financial derivatives without exchange of principal | 24,812           | -                         | -                           | -                            | -                             |
| - Long positions                                        | 12,221           | -                         | -                           | -                            | -                             |
| - Short positions                                       | 12,591           | -                         | -                           | -                            | -                             |
| C.3 Deposits and loans to be collected                  | -                | -                         | -                           | -                            | -                             |
| - Long positions                                        | -                | -                         | -                           | -                            | -                             |
| - Short positions                                       | -                | -                         | -                           | -                            | -                             |
| C.4 Irrevocable commitments to disburse funds           | 211,298          | -                         | -                           | -                            | 1,130                         |

|                                                      |         |   |   |   |       |
|------------------------------------------------------|---------|---|---|---|-------|
| - Long positions                                     | 1       | - | - | - | 1,130 |
| - Short positions                                    | 211,297 | - | - | - | -     |
| C.5 Financial guarantees issued                      | -       | - | - | - | -     |
| C.6 Financial guarantees received                    | -       | - | - | - | -     |
| C.7 Credit derivatives with exchange of principal    | -       | - | - | - | -     |
| - Long positions                                     | -       | - | - | - | -     |
| - Short positions                                    | -       | - | - | - | -     |
| C.8 Credit derivatives without exchange of principal | -       | - | - | - | -     |
| - Long positions                                     | -       | - | - | - | -     |
| - Short positions                                    | -       | - | - | - | -     |

## 1. Temporal distribution of financial assets and liabilities by residual contractual maturity EUROS

p.2

| Items/Time bands                                        | 3 Months to 6 months | More than 6 months to 1 year | More than 1 year to 5 years | More than 5 years | Indefinite duration |
|---------------------------------------------------------|----------------------|------------------------------|-----------------------------|-------------------|---------------------|
| <b>A. Cash assets</b>                                   | <b>410,266</b>       | <b>399,186</b>               | <b>2,320,733</b>            | <b>1,671,858</b>  | <b>45,606</b>       |
| A.1 Government bonds                                    | 20,651               | 73,020                       | 490,500                     | 609,055           | -                   |
| A.2 Other debt instruments                              | 8,466                | 30,180                       | 274,777                     | 663,329           | 627                 |
| A.3 Units in UCIs                                       | -                    | -                            | -                           | 2,285             | -                   |
| A.4 Loans                                               | 381,149              | 295,986                      | 1,555,456                   | 397,189           | 44,979              |
| - Banks                                                 | -                    | -                            | -                           | 35,738            | 28,630              |
| - Customers                                             | 381,149              | 295,986                      | 1,555,456                   | 361,451           | 16,349              |
| <b>B. Cash liabilities</b>                              | <b>497,276</b>       | <b>1,180,876</b>             | <b>2,023,961</b>            | <b>219,769</b>    | <b>-</b>            |
| B.1 Deposits and current accounts                       | 319,772              | 1,051,035                    | 1,714,272                   | 13,189            | -                   |
| - Banks                                                 | 14                   | 28                           | 112                         | -                 | -                   |
| - Customers                                             | 319,758              | 1,051,007                    | 1,714,160                   | 13,189            | -                   |
| B.2 Debt instruments                                    | 76,287               | 8,750                        | 309,689                     | 206,580           | -                   |
| B.3 Other liabilities                                   | 101,217              | 121,091                      | -                           | -                 | -                   |
| <b>C. "Off-balance sheet" transactions</b>              | <b>7,018</b>         | <b>17,386</b>                | <b>152,198</b>              | <b>193,056</b>    | <b>-</b>            |
| C.1 Financial derivatives with exchange of capital      | 6,824                | 3,369                        | -                           | 149,300           | -                   |
| - Long positions                                        | 3,421                | 1,688                        | -                           | 74,650            | -                   |
| - Short positions                                       | 3,403                | 1,681                        | -                           | 74,650            | -                   |
| C.2 Financial derivatives without exchange of principal | -                    | -                            | -                           | -                 | -                   |
| - Long positions                                        | -                    | -                            | -                           | -                 | -                   |
| - Short positions                                       | -                    | -                            | -                           | -                 | -                   |
| C.3 Deposits and loans to be collected                  | -                    | -                            | -                           | -                 | -                   |
| - Long positions                                        | -                    | -                            | -                           | -                 | -                   |
| - Short positions                                       | -                    | -                            | -                           | -                 | -                   |
| C.4 Commitments to disburse funds                       | 194                  | 14,017                       | 152,198                     | 43,756            | -                   |
| - Long positions                                        | 194                  | 14,017                       | 152,198                     | 43,756            | -                   |
| - Short positions                                       | -                    | -                            | -                           | -                 | -                   |
| C.5 Financial guarantees issued                         | -                    | -                            | -                           | -                 | -                   |
| C.6 Financial guarantees received                       | -                    | -                            | -                           | -                 | -                   |
| C.7 Credit derivatives with exchange of principal       | -                    | -                            | -                           | -                 | -                   |

|                                                      |   |   |   |   |   |
|------------------------------------------------------|---|---|---|---|---|
| - Long positions                                     | - | - | - | - | - |
| - Short positions                                    | - | - | - | - | - |
| C.8 Credit derivatives without exchange of principal | - | - | - | - | - |
| - Long positions                                     | - | - | - | - | - |
| - Short positions                                    | - | - | - | - | - |

# 1. Temporal distribution of financial assets and liabilities by residual contractual maturity

## OTHER CURRENCIES – Part 1

| Items/Time bands                                        | On demand     | More than 1 day to 7 days | More than 7 days to 15 days | More than 15 days to 1 month | More than 1 month to 3 months |
|---------------------------------------------------------|---------------|---------------------------|-----------------------------|------------------------------|-------------------------------|
| <b>A. Cash assets</b>                                   | <b>18,340</b> | <b>1,930</b>              | <b>5,264</b>                | <b>3,186</b>                 | <b>66,581</b>                 |
| A.1 Government bonds                                    | -             | -                         | -                           | -                            | -                             |
| A.2 Other debt instruments                              | -             | -                         | -                           | -                            | -                             |
| A.3 Units in UCIs                                       | -             | -                         | -                           | -                            | -                             |
| A.4 Loans                                               | 18,340        | 1,930                     | 5,264                       | 3,186                        | 66,581                        |
| - Banks                                                 | 17,663        | -                         | -                           | -                            | -                             |
| - Customers                                             | 677           | 1,930                     | 5,264                       | 3,186                        | 66,581                        |
| <b>B. Cash liabilities</b>                              | <b>446</b>    | <b>-</b>                  | <b>110</b>                  | <b>101,506</b>               | <b>14,543</b>                 |
| B.1 Deposits and current accounts                       | 446           | -                         | 110                         | 101,506                      | 14,543                        |
| - Banks                                                 | -             | -                         | 110                         | 101,506                      | 14,543                        |
| - Customers                                             | 446           | -                         | -                           | -                            | -                             |
| B.2 Debt instruments                                    | -             | -                         | -                           | -                            | -                             |
| B.3 Other liabilities                                   | -             | -                         | -                           | -                            | -                             |
| <b>C. “Off-balance sheet” transactions</b>              | <b>-</b>      | <b>21,903</b>             | <b>115</b>                  | <b>2,324</b>                 | <b>6,808</b>                  |
| C.1 Financial derivatives with exchange of capital      | -             | 21,903                    | 115                         | 2,324                        | 6,808                         |
| - Long positions                                        | -             | 21,588                    | -                           | 1,162                        | 3,404                         |
| - Short positions                                       | -             | 315                       | 115                         | 1,162                        | 3,404                         |
| C.2 Financial derivatives without exchange of principal | -             | -                         | -                           | -                            | -                             |
| - Long positions                                        | -             | -                         | -                           | -                            | -                             |
| - Short positions                                       | -             | -                         | -                           | -                            | -                             |
| C.3 Deposits and loans to be collected                  | -             | -                         | -                           | -                            | -                             |
| - Long positions                                        | -             | -                         | -                           | -                            | -                             |
| - Short positions                                       | -             | -                         | -                           | -                            | -                             |
| <b>C.4 Commitments to disburse funds</b>                | <b>-</b>      | <b>-</b>                  | <b>-</b>                    | <b>-</b>                     | <b>-</b>                      |
| - Long positions                                        | -             | -                         | -                           | -                            | -                             |
| - Short positions                                       | -             | -                         | -                           | -                            | -                             |
| C.5 Financial guarantees issued                         | -             | -                         | -                           | -                            | -                             |
| C.6 Financial guarantees received                       | -             | -                         | -                           | -                            | -                             |
| C.7 Credit derivatives with exchange of principal       | -             | -                         | -                           | -                            | -                             |
| - Long positions                                        | -             | -                         | -                           | -                            | -                             |
| - Short positions                                       | -             | -                         | -                           | -                            | -                             |
| C.8 Credit derivatives without exchange of principal    | -             | -                         | -                           | -                            | -                             |
| - Long positions                                        | -             | -                         | -                           | -                            | -                             |
| - Short positions                                       | -             | -                         | -                           | -                            | -                             |

## 1. Temporal distribution of financial assets and liabilities by residual contractual maturity

### OTHER CURRENCIES – Part 2

| Items/Time bands                                        | 3 Months to 6 months | More than 6 months to 1 year | More than 1 year to 5 years | More than 5 years | Indefinite duration |
|---------------------------------------------------------|----------------------|------------------------------|-----------------------------|-------------------|---------------------|
| <b>A. Cash assets</b>                                   | <b>3,462</b>         | <b>2,513</b>                 | <b>185</b>                  | <b>-</b>          | <b>-</b>            |
| A.1 Government bonds                                    | -                    | -                            | -                           | -                 | -                   |
| A.2 Other debt instruments                              | -                    | -                            | -                           | -                 | -                   |
| A.3 Units in UCIs                                       | -                    | -                            | -                           | -                 | -                   |
| A.4 Loans                                               | 3,462                | 2,513                        | 185                         | -                 | -                   |
| - Banks                                                 | -                    | -                            | -                           | -                 | -                   |
| - Customers                                             | 3,462                | 2,513                        | 185                         | -                 | -                   |
| <b>B. Cash liabilities</b>                              | <b>-</b>             | <b>-</b>                     | <b>-</b>                    | <b>-</b>          | <b>-</b>            |
| B.1 Deposits and current accounts                       | -                    | -                            | -                           | -                 | -                   |
| - Banks                                                 | -                    | -                            | -                           | -                 | -                   |
| - Customers                                             | -                    | -                            | -                           | -                 | -                   |
| B.2 Debt instruments                                    | -                    | -                            | -                           | -                 | -                   |
| B.3 Other liabilities                                   | -                    | -                            | -                           | -                 | -                   |
| <b>C. “Off-balance sheet” transactions</b>              | <b>6,808</b>         | <b>3,404</b>                 | <b>-</b>                    | <b>-</b>          | <b>-</b>            |
| C.1 Financial derivatives with exchange of capital      | 6,808                | 3,404                        | -                           | -                 | -                   |
| - Long positions                                        | 3,404                | 1,702                        | -                           | -                 | -                   |
| - Short positions                                       | 3,404                | 1,702                        | -                           | -                 | -                   |
| C.2 Financial derivatives without exchange of principal | -                    | -                            | -                           | -                 | -                   |
| - Long positions                                        | -                    | -                            | -                           | -                 | -                   |
| - Short positions                                       | -                    | -                            | -                           | -                 | -                   |
| C.3 Deposits and loans to be collected                  | -                    | -                            | -                           | -                 | -                   |
| - Long positions                                        | -                    | -                            | -                           | -                 | -                   |
| - Short positions                                       | -                    | -                            | -                           | -                 | -                   |
| C.4 Commitments to disburse funds                       | -                    | -                            | -                           | -                 | -                   |
| - Long positions                                        | -                    | -                            | -                           | -                 | -                   |
| - Short positions                                       | -                    | -                            | -                           | -                 | -                   |
| C.5 Financial guarantees issued                         | -                    | -                            | -                           | -                 | -                   |
| C.6 Financial guarantees received                       | -                    | -                            | -                           | -                 | -                   |
| C.7 Credit derivatives with exchange of principal       | -                    | -                            | -                           | -                 | -                   |
| - Long positions                                        | -                    | -                            | -                           | -                 | -                   |
| - Short positions                                       | -                    | -                            | -                           | -                 | -                   |
| C.8 Credit derivatives without exchange of principal    | -                    | -                            | -                           | -                 | -                   |
| - Long positions                                        | -                    | -                            | -                           | -                 | -                   |
| - Short positions                                       | -                    | -                            | -                           | -                 | -                   |

## 2. Self-Securitisations

Below is a brief illustration of the self-securitisations originated by illimity, existing as of 31 December 2025, in which the Bank subscribed 100% of the securities issued by the related vehicle (self-securitisation).

### COLT SPV



In December 2022, the Bank entered into a receivable sale agreement with the special-purpose vehicle COLT SPV for the recourse sale, en bloc, of a portfolio of performing variable-rate loans to corporate counterparties originated by illimity. COLT SPV is a vehicle incorporated pursuant to Law 130/1999, not owned by illimity, which, on 19 December 2022, issued senior, mezzanine and junior notes for a total notional value of EUR 570.1 million, fully subscribed by illimity.

In 2023 the Bank subscribed additional notes issued by the vehicle for a total of around EUR 138 million.

In 2024, the Bank entered into another receivable sale agreement with the special-purpose vehicle COLT SPV for the recourse sale, en bloc, of a portfolio of performing loans originated by illimity to corporate counterparties of the b-ilty Division. Against this, the COLT SPV is structured in two segments.

This transaction falls under transactions without derecognition aimed at expanding the portfolio of assets that can be set aside to constitute a liquidity reserve that can be activated through loan transactions with the ECB, repos or other transactions. The notes subscribed by illimity were used as a guarantee for reverse repurchase agreements in order to ensure that the bank has sufficient liquidity for its funding policies.

## ENERGIA SOSTENIBILE SPV

In 2022, the Bank subscribed several minibond issues of leading industrial companies, to favour the energy transition and improve issuers' sustainability profiles. Mainly for the purpose of mitigating the risk relating to the Bank's exposure, it was agreed to give priority to issues of minibonds that could benefit from guarantees such as those from SACE and the EIF. It was thus verified, through legal assessments, that the minibonds benefiting from those guarantees cannot be transferred to third parties or to any securitisation vehicle established pursuant to Law 130/99 specifically due to the framework agreements of the guarantors.

In February 2023, the Bank thus structured a synthetic securitisation transaction with the vehicle Energia Sostenibile SPV, established pursuant to Law 130/1999, not held by illimity, which issued single tranche notes fully subscribed by illimity. Using the funds deriving from illimity's (the sole noteholder) subscription of the single tranche notes, the SPV disbursed a limited recourse loan, of which illimity is the sole borrower, whose characteristics were exactly replicated from the minibonds at the single closings (in terms of interest, redemptions, economic terms and conditions, etc.).

This transaction falls under transactions without derecognition ("self-securitisations") typically aimed at expanding the portfolio of assets that can be set aside to constitute a liquidity reserve that can be activated through loan transactions, repos or other transactions.

## 1.5 Operational risks

### Qualitative information

#### A. General aspects, management processes and methods used to measure operational risk

Operational risk is the risk of incurring losses due to inadequate or malfunctioning procedures, human resources or internal systems, or due to exogenous events. This type of risk includes internal and external fraud, errors in the performance of operational processes, interruptions to operations, unavailability of systems, cases of contractual non-fulfilment and natural disasters. This definition does not cover strategic or business risk and reputational risk, but does cover ICT and security risk and legal risk, with the latter being understood as the risk deriving from the infringement of laws or other regulations in force, or from failure to honour contractual and extra-contractual responsibilities. In some cases, operational risk may include several types of risk that can be classified, due to their causal factors, as deriving from ESG (Environmental, Social and Governance) risk. Those cases of risk, at times, may derive from the inadequacy of the internal processes of assessment or management of the environmental, social or governance impact of financial counterparties and of the Bank.

Operational risk is therefore characterised by a cause and effect, such that an adverse event, and the related operating loss, is generated by one or more triggers. This loss is defined as the entire set of negative financial effects generated by an operational risk event, as recognised in the company accounts and likely to have an impact on the income statement.

The overall operational risk management framework of illimity Bank and its Subsidiaries is based on a set

of shared human and technological resources, procedures and organisational rules aimed at identifying, analysing, recording and mitigating all operational risks inherent in the current and prospective operations of the various operational units.

The primary objective of the framework is, in fact, the prevention and containment of the impact on company functions of such risk events through the *ex ante* implementation of organisational and operational controls, and *ex post* targeted mitigation measures. The guiding principles on which the operational risk prevention and mitigation framework is based include:

- increasing the efficiency and security of internal and third party-facing processes;
- increasing overall operational and IT security;
- ensuring the regulatory and organisational compliance of business activities;
- promoting the culture of risk among staff
- mitigating the effects of the occurrence of risk events;
- transferring any risks that are not to be retained, where possible, using insurance-type contracts;
- protecting relations with stakeholders, reputation and the brand.

The mitigation tools available therefore include insurance policies that offer broad coverage against various types of potentially adverse events. illimity Bank and its

Subsidiaries, in that respect, took out adequate policies covering various instances of operational risk and, in particular, cyber risk, property risk, employee infidelity risk, risk of non-integrity of the repossessed real estate and the value of the properties received as collateral in the purchase of non-performing loans, and risk of disregard for advanced electronic signatures and graphometrics. This insurance is subject to valuation and continuous adjustment, including based on the progressive operational and structural evolution of Illimity and its Subsidiaries.

With regard to the management of critical ICT and security risks, the Group has a disaster recovery plan, which sets out the technical and organisational measures necessary to deal with the unavailability of IT systems or infrastructure. The plan aims to guarantee the functioning of critical IT procedures at alternative sites to those of production, and forms an integral part of the business continuity plan, ensuring the return to normal operations, within reasonable timing, of illimity Bank and its Subsidiaries. In line with the supervisory instructions issued by the Bank of Italy, and in relation to the company's digital operational resilience strategy, this system is managed by the supplier altermAlnd through the internal coordination of the ICT Management area & Digital Resilience.

Furthermore, to control the economic risks arising from legal proceedings against illimity Bank and its Subsidiaries, a provision is made in the financial statements, which is appropriate for and consistent with international accounting standards. The amount of the provision is estimated on the basis of multiple factors, which mainly concern the predicted outcome of the dispute, and in particular the likelihood of losing the proceedings and the amount to be paid to the adverse party in the event of a loss.

In order to guarantee the correct management and integrated oversight of operational risk, illimity Bank and its Subsidiaries have put in place a continuous structured loss data collection (LDC) process and a process to determine the forward-looking exposure to operational risk, based on an annual Risk Self Assessment (RSA).

Through the LDC process, the main information related to the operational risk events of illimity Bank and its Subsidiaries, as well as their economic effects, is collected and analysed in a timely manner. The process extends throughout the entire illimity Bank structure, also involving the subsidiaries for which illimity carries out risk management activities as an outsourcer. The activity of reporting and gathering data also makes use of IT applications and processes that guarantee the orderly and systematic recording of events and operational losses, thereby facilitating the recording of such information for the purposes of monitoring and assessing adequate mitigation measures.

RSA activity instead aims to quantify exposure to operational risks to which illimity Bank and its Subsidiaries are exposed, based on a forward-looking self assessment activity conducted from main

operating areas, or centralised in the II-level structure responsible for operational risk management. This activity starts with the definition of and agreement on possible future operational risk scenarios, is carried out through a structured process involving the assessment of the frequency, expected impact and *worst case* scenario for the main operational risk events that may characterise each organisational unit of illimity Bank and its Subsidiaries: these forward-looking estimates are then screened by the control functions based on objective criteria which are, lastly combined to provide an overall vision of expected and unexpected operational losses at an individual Subsidiary level and of illimity Bank. This is also accompanied by a qualitative assessment of the status of safeguards (processes, checks and systems and resources), with the identification of possible mitigation actions

Both key processes to identify and manage operational risk cover all illimity Bank Subsidiaries on a uniform basis, so as to effectively supplement the operational, ICT and security risk control systems, and therefore ensure a unique management framework adopted. Future actions are planned for the ongoing consolidation and monitoring of the integration of Subsidiaries in terms of risk supervision and measurement and to update internal rules.

What was observed in the previous year in terms of a low number of operational loss events with an overall economic impact below the risk appetite thresholds set for the year is also confirmed for 2025.

In general, and in line with the risk profile recorded in recent years, the most significant events detected in terms of intrinsic risk relate to the Bank's current operations, and in particular, concern shortcomings in the finalisation of transactions or in the management of processes, as well as in the management of relations with commercial counterparties, vendors and suppliers (ET 7), and to a lesser extent, non-compliance with professional obligations towards customers or the nature or characteristics of the product or service provided (ET 4) and external fraud (ET2) and events generated by system malfunctions and interruptions in operations. Operational risk events that do not produce or have not produced actual economic loss effects are continuously monitored due to their potential capacity to generate future losses. As regards the subsidiaries (ARECneprix S.p.A., Fürstenberg SGR and the Enaio Group), risk events related to shortcomings in the finalisation of transactions or in the management of processes, as well as in the management of relations with commercial counterparties, vendors and suppliers (ET 7) have been recorded.

No internal fraud occurred (ET1) or disputes regarding work practices (ET3), or damage from external events (ET 5).

## 1.6 ESG risks

### Definition of ESG risks, physical risks and transition risks

Illimity and its Subsidiaries assess the profiles of impacts, risks and opportunities related to sustainability and related ESG (environmental, social and governance) factors in two separate exercises: both as part of the activities to identify and update the Group's relevant risks ("risk radar"), which are also functional to the conduct of the regulatory self-assessment exercises of capital adequacy (ICAAP) and liquidity (ILAAP), as well as the Strategic Plan, Budget and RAF; as well as part of the "Double Materiality" process by which material information on sustainability impacts, risks and opportunities (so-called IROs) is determined in order to support strategic decisions, the determination of material sustainability issues to be reported in the sustainability statements, carried out annually by the organisation. The purpose of this process is to determine the materiality of an issue in the context of reporting under Italian Legislative Decree 125/2024. A sustainability matter is material if it meets the definition of impact materiality (an inside-out perspective: the impact of Illimity Bank Spa's activities on the environment and people, and thus how its operations affect pollution, biodiversity, social wellbeing, equity, etc.), financial materiality (an outside-in perspective: how environmental, social and governance factors can affect the financial performance and capital stability of Illimity and its Subsidiaries, with potential negative impacts on asset value, profitability, cost of capital and reputation) or both.

Focusing on the "E" (*Environmental*) component and therefore on climate and environmental risks, the following risks have been identified:

- physical risk: indicates the impact of climate change, including extreme weather events which are more frequent and gradual climate changes, as well as environmental degradation, i.e.,

atmospheric, water and soil pollution, water stress, loss of biodiversity and deforestation; this type of risk also includes hydrogeological events. These can be classed as “acute” risks, if caused by extreme events such as drought, floods, cyclones, storms, heatwaves and forest fires; landslides and earthquakes, or as “chronic”, if caused by gradual changes such as rising temperatures, rising sea levels, water stress, changes in atmospheric precipitation levels, loss of biodiversity and scarcity of resources. Such a risk can directly cause, for example, material damage to property and/or collaterals or a drop in productivity, or can indirectly cause subsequent events such as the interruption of production and logistical chains. This kind of risk may affect the company directly (through operational and business losses) or indirectly by having an impact on financed counterparties (with negative consequences for their credit rating and for the recovery of any collaterals);

- transition risk: indicates the financial loss that the company may incur, directly or indirectly, as a result of the process of adjusting to a low-carbon and more environmentally sustainable economy. This situation could be caused, for example, by the relatively unexpected adoption of climate-related and environmental policies, technological progress, or changes in market and customer/consumer confidence and preferences. This impact may occur directly, for example due to a lower corporate profitability or asset write-downs, or indirectly through macro-financial changes.

Focusing on the “S” (Social) component, we can see that this includes aspects related to diversity management policies, the protection of human and workers’ rights, labour standards and community relations.

Focusing on the “G” (Governance) component, we can see that this includes aspects related to the composition of the corporate governance bodies, management policies and systems, transparency and reputation, exposure to the risk of sanctions, penalties, and other potential losses of various kinds.

Furthermore, ESG risks do not constitute a new category of risk, but instead represent causal factors in relation to the traditional financial risk categories, such as credit, market, liquidity and operational risk, and, in light of that, are measured and managed in the context of the risk management processes.

### **Material ESG risks for illimity and its Subsidiaries (“Risk Radar”)**

In the context of the activities carried out to identify and update the significant risks facing illimity and its Subsidiaries (the “risk radar”), which are also useful for performing the Internal Capital Adequacy Assessment Process (ICAAP) and Internal Liquidity Adequacy Assessment Process (ILAAP) regulatory exercises, as well as for the Strategic Plan, the Budget and the RAF, the assessment of the significance of the impact of ESG risks has also been included since 2024.

At the level of the individual business areas of illimity and its Subsidiaries, the level of physical, transitional and ESG risk is identified, taking into account the model, strategies and market context of the relevant business. This analysis makes it possible to measure the overall level of risk, which, when compared with the predetermined thresholds, determines its materiality. Next, climate environmental risk scenarios characterised by the following factors are identified, mapped and analysed:

- environmental climate risk drivers of acute physical (e.g. floods, fires) and/or chronic (e.g. droughts, landslides) and transitional (e.g. government regulations, technological changes) nature;
- microeconomic (i.e. consumer effects) or macroeconomic (i.e. exchange rate effects) transmission channels;
- traditional banking risks (i.e. credit, market, operational) impacted by the climate environmental risk scenario;
- time horizon (short, medium and long term) of impact;
- financial statement items impacted by the risk scenario;
- management procedure (i.e. mitigation actions).

From this mapping activity, we identify the areas of the operations of illimity and its Subsidiaries that are most exposed to climate environmental factors such as, for example: the impact of acute or chronic physical risk on counterparties’ credit rating (PD) and on the value of collaterals (LGD, haircuts on Business Plans); the impact of transition risk (regulatory changes and customer preferences) on the credit rating of

counterparties (PD). The Competence Line Risk continuously monitors these areas of operations and identifies mitigation actions.

### Double Materiality Assessment of ESG risks

As part of the so-called “Double Materiality Assessment” of ESG risks, the Risk Strategy & Group Controls area oversees the identification of risks within the overall list of Impacts, Risks and Opportunities (IROs), and specifically deals with their assessment in the financial materiality assessment.

The long list of IROs identified by Sustainability, in agreement with Administration, Accounting & Control and Risk Strategy & Group Controls, are validated by the Sustainability Committee and Risk Committee prior to their materiality assessment.

It should be noted that as of 4 July 2025, following the acquisition, illimity and its subsidiaries belong to the Banca Ifis Group and are subject to its management and coordination activity. Therefore, the Shareholders' Meeting of 25 September 2025 resolved to adopt the traditional management and control system, already adopted at Banca Ifis and in the Ifis Group. The management and control system is traditional and assigns strategic management to the Management Board and supervisory and control functions to the Board of Statutory Auditors, both appointed by the Shareholders' Meeting.

In order to identify the long-list of risks and opportunities related to the topics and sub-topics, the Sustainability function, assisted by Risk Strategy & Group Controls, together with the specific business, central and control Functions of reference for topics and sub-topics, performs the following activities:

- Identification of outside-in risks and opportunities for Illimity and its Subsidiaries that are economically-financially material by associating the respective reference time horizon (short - medium - long);
- Consolidation of the risks identified in the ICAAP/ILAAP and the Risk Self Assessment (RSA) of Operational Risks, with regard to ESG risks;
- Completion of risks and opportunities for the topics not covered by ICAAP/ILAAP and RSA.

Sustainability risks are thus associated with classic financial risks (primarily credit, liquidity, rate, compliance, market, reputational and operational/ICT) and the 10 topics listed in AR16, just as opportunities are associated with these topics. The purpose of this process is to determine the materiality of an issue in the context of reporting under Italian Legislative Decree 125/2024.

### Measurement, monitoring, reporting and management of ESG risks

Illimity and its Subsidiaries assess, monitor and control exposure to ESG risks in line with supervisory expectations, Bank of Italy guidelines and emerging best practices through the internal development of methodologies and systems and the support of data provided by external info providers.

Specifically, these risks are the subject of quarterly reporting in the *RAF Tableau de Bord* intended for the Administrative Body, the Corporate Bodies, Top Management and the Supervisory Authorities. This reporting is also useful for verifying compliance with the pre-established risk limits and targets.

- Examples of some of the tools used for such reporting are given below: GHG emissions of financed counterparties, energy certifications on real estate used as a guarantee, level of transition of economic sectors);
- ESG scores/ratings resulting from the distribution of questionnaires or the application of automatic models (via info-providers), related to financed counterparties, issuers of own-portfolio securities, suppliers and partners, and the ESG rating assigned to illimity by external ratings agencies;
- Risk and loss indices (indices of the physical and transition risk of financed counterparties, indices of the physical risk of *real estate* assets, level of expected and unexpected loss of value of *collaterals* due to physical risk scenarios;
- Assessment of the sentiment of the ESG news published on social networks and in the media, relating both to counterparties/issuers/suppliers and partners and to illimity, its company representatives and the Group's brands;
- Operational losses resulting from ESG risk factors, recognised in the final balance or as a result of the assessment of prospective risk scenarios;
- ESG complaints received;
- Internal models (models used to estimate the impacts of climate-environmental scenarios on credit risk parameters (PD, LGD), model used to estimate the physical risk of the *collaterals* portfolio via the



“Monte Carlo” simulation);

- Scenario analysis and stress testing: ad hoc and stress scenarios applied to specific risks and portfolios, partly borrowed from the regulatory exercises of the European Central Bank.

Illimity Bank has developed the *ESG datalake* which serves as a corporate information system containing a number of assessment tools and which centralises internal and external data and risk estimates, their uploading processes, historicisation, *data quality* and use by the various internal users (business structures, control and central functions for the *disclosure* and reporting processes) through, also, specific *front ends* for consulting and obtaining financial and sustainability information.

The assumption and management of ESG risks is governed by the system of risk limits and targets (the Risk Appetite Framework), which, since 2023, has been supplemented by an initial set of indicators associated with ESG risks and opportunities, both for illimity and for credit and financed counterparties, with a particular focus on climate-environmental risks. In particular, reference is made to the following indicators: ESG scores relating to financed counterparties, hydraulic and hydrogeological physical risk scores relating to *collaterals* in relation to NPL portfolios, sustainable finance targets in terms of volumes of loans disbursed/financial instruments acquired, ESG rating attributed to illimity, operational losses generated by ESG factors, illimity's emission intensity (GHG scope 1 and scope 2 emitted per employee).

Furthermore, ESG risk mitigation and governance tools include the adoption of negative screening mechanisms; the adoption of a transition strategy with which a *business origination* quota has been established for the Bank dedicated to loans and investments that are sustainable or associated with sustainability; the preparation of action plans for counterparties with high ESG risk; criteria and limits at *investment policy* level; processes for sectoral diversification of loans and geographical/type diversification of *real estate collaterals*; interventions to reskill and regenerate assets and their development from an energy perspective (e.g., support for their reskilling in terms of energy certifications, installation of solar panels, etc...) and the use of insurance cover.

## 2025 ESG risk profiles

Illimity and its Subsidiaries are characterised by a profile of moderate exposure to ESG risks in the short and medium term - and in particular to climate-environmental risks – pursuant to the following considerations:

- Impact due to very limited physical risk scenarios, mainly related to the management of *collaterals* resulting from NPL portfolio acquisitions, collaterals relating to performing loans, repossessed properties and guarantees relating to the loans of the Alternative Investment Funds managed by illimity SGR (following the Public Tender and Exchange Offer that coincides with Furstenberg SGR), in relation to the riskiness of the geographical areas of location (ISPRA data) and the high geographical diversification thereof; furthermore, this scenario is also due to the deterioration of the credit rating (PD) of the financed counterparty due to damage related to acute and extreme events for plants and production sites;
- Limited transition risk impact, relating to the financed counterparties and issuers of own-portfolio securities, in relation to sectoral *asset allocation*, the specific characteristics of the financed companies, and climate-environmental scenarios that have the greatest impacts on the counterparties most exposed beyond the 2026 time horizon;
- limited negative impact - in relation to the occurrence of climate-environmental scenarios - in terms of both capital (up to a maximum of approximately -30/-32 bps in the event of a medium-term stress scenario) and liquidity (with LCR and NSFR indicators that are adequately above the minimum regulatory levels, including in a stress scenario);
- absence of operational losses from ESG factors (and prospective scenarios of low-impact operating risk) and of complaints associated with sustainability profiles;
- high ESG standing of illimity and its Subsidiaries among the main stakeholders (as also shown by the ESG ratings assigned to illimity by specialist agencies);
- strong *governance* to oversee the 2023-2025 Sustainability Plan and the Plan of adaptation to the Bank of Italy's expectations with regard to climate and environmental risks.

It should be noted that, following the Public Tender and Exchange Offer with Banca IFIS, the strategic business model of illimity and its subsidiaries will undergo evolutions so that forward-looking analyses in the area of climate environmental risk will be modified.

### Plan of action to adapt to the Bank of Italy's expectations

Illimity and its Subsidiaries have defined, approved and implemented a Plan of action (separately for illimity Bank and illimity SGR) in order to carry out, in the 2023-2025 period, interventions aimed at achieving alignment with the Bank of Italy's expectations with regard to the integration of climate and environmental (physical and transition) risks, concerning the following contexts:

- governance and control systems, business model and corporate strategy;
- organisational system and operating processes;
- market disclosure and risk management system.

With regard to risk management profiles, the interventions concern aspects such as: risk appetite framework; KRI & reporting, assessment of materiality, risk quantification, mitigation and management measures, impacts on capital adequacy, disclosure (Pillar 3).

At the end of 2025 the work progress status shows the achievement of all 31 ESG targets so it is possible to confirm the successful conclusion of the Plan.

### Accounting impacts

Illimity and its Subsidiaries have identified and assessed the best solutions for integrating ESG risk factors, with a particular focus on climate environmental risks, into the credit risk management process and the related accounting practices. In particular:

- Investigation process: advancement of the current process, introducing a documented and formalised preliminary analysis of counterparties' ESG and climate environmental risk profiles. This analysis considers various aspects, such as collaterals and the status of the parties involved;
- Credit monitoring: introduction of monitoring tools, in addition to the existing ones, with new early warning indicators that also take account of ESG risks, thereby facilitating the timely identification of potential risk exposures;
- Collective adjustment framework: methodological evolution of the macroeconomic mode in order to reflect in the *expected credit loss* stressed macroeconomic scenarios and ESG variables (i.e. different ECLs) related to environmental climate risk;
- Rating attribution process: the integration of ESG factors into the rating assignment process, with a view to adopting *override* criteria in the presence of significant climate-environment risks, whilst maintaining a flexible approach to exceeding specific thresholds.

In addition, attention was also paid to adapting the practices used to evaluate and manage collaterals, with the aim of including, where necessary, considerations relating to the effects of climate change, in terms of both physical and transition risk, in the development of such activities.

These processes will be implemented taking into consideration the limitations relating to data availability and the need for an effective governance approach that is supported by transparent, objective documentation.

Lastly, illimity and its subsidiaries may consider the possible use of overlay techniques as an integral part of its strategy to deal with ESG risks, thereby providing for the possible adoption of adjustments to the existing models, such as the introduction of new models or scenarios based on expertise, to better reflect the impact of climate-environmental risks. These tools will be developed taking into account actual data availability, with a view to implementing them flexibly and gradually, and in line with the evolution of the applicable regulations and emerging best practices.

## OTHER MATERIAL RISKS

### Risk of over-leverage

This risk of over-leverage is defined by the prudential regulations as the risk that a particularly high level of indebtedness compared to the amount of own funds making Illimity and its Subsidiaries vulnerable, and requiring the adoption of corrective measures to the Strategic Plan, including the sale of assets and the recognition of impairment losses or value adjustments.

Risk exposure is measured by the Leverage Ratio (the financial leverage index, measured as the ratio between own assets and total on- and off-balance sheet assets that, not including corrections/weighting for the risk, serves as supplement to the capital requirements of the first pillar) and through other indicators that can identify any imbalances between assets and liabilities (structural and operational liquidity ladder). The strategic and operational target is to control the risk by keeping asset trends within limits that are compatible with long-term balance in order to avoid risking the company's stability.

The over-leverage risk relates to the entire financial statements, to the exposures arising from derivatives and the off-balance sheet assets, and is accepted as part of the exercise of core business. It is closely connected to planning and capital management activities; the level of exposure to risk is an expression of the guidelines and development lines elaborated by the Board of Directors. Risk exposure is mitigated through capital management and asset management allocation measures, which remain within the guidelines set out in the current Strategic Plan. Consideration is also given to the potential increase in risk connected to the recognition of expected or realised losses which reduce capital.

### Settlement risk

Settlement risk is the risk connected to non-simultaneous settlements, in other words for operations on debt instruments, equity instruments, foreign currencies and goods (apart from sales with repurchase clauses or operations for the granting and acceptance on loan of securities or goods that are not liquidated after expiry of the related delivery date). Article 378 of the CRR requires a bank to calculate its requirements in terms of own funds for settlement risk by calculating the price difference it would be exposed to if that difference could result in a loss. The difference between the agreed liquidation price and the current market value would determine the risk related to operations where settlement is not simultaneous with the actual delivery.

### Counterparty risk

Counterparty risk is the risk that the counterparty in an operation defaults before the final payment of the cash flows of that operation, with regard to transactions concerning

financial derivatives and credit instruments traded on unregulated markets (OTC), repurchase agreements and operations with deferred settlement.

The losses involved with this type of risk are generated when the transactions with a certain counterparty have a positive value at the time of the insolvency.

### Transfer risk

Transfer risk is the risk that a bank, which has exposure towards a party funded in a currency other than that of its main source of income, realises losses due to the borrower's difficulties in converting its currency into the currency of the exposure.

### Sovereign risk

Sovereign risk is the risk of a reduction in the value of bonds of an issuer State, almost all of which are included in the Held to Collect and Sell (HTCS) and Held to Collect (HTC) portfolio categories, in relation to a decrease in the credit rating, or in an extreme scenario, the insolvency of the State. Exposure is regularly monitored and reported to the executive bodies.



## Strategic and business risk

Strategic and business risk is the current or forward-looking risk of falling profits or capital resulting from changes to the operational context or from incorrect business decisions, the inadequate implementation of decisions, or lack of response to changes in the competitive environment.

The two components refer to strategic risk related to business interruption (for example entry on new markets or the adoption of significant operating changes) and business risk, which is the risk of a potential reduction in profits as a result of changes in the operational environment within the normal course of business (for example volatility of volumes or changes in customer preferences).

Exposure to strategic and business risk is not connected to specific operating activities but to the adequacy of the decisions and the efficiency of their implementation. In particular the risk relates to the stages of defining the business strategies and the related phases of implementation consisting of the definition of the strategic plan, commercial planning, budgeting, management control and the monitoring of markets and the competitive environment, capital allocation and capital management.

By defining, approving and monitoring the annual planning and progress of the Strategic Plan, top management carries out strategic checks on the evolution of the various areas of business and the risks connected to its activities. The Competence Line Risk continually monitors and controls the level of exposure to risk, also through the introduction of a RAF indicator during 2025, providing adequate reporting on a quarterly basis to company bodies and top management.

## Compliance risk

The risk of non-compliance is the risk of incurring legal or administrative penalties, major financial losses or damage to reputation as a result of breaches of mandatory laws (laws and regulations), or codes of self-governance (such as articles of association or codes of conduct). Illimity and its Subsidiaries pay particular attention to compliance risk, considering that the adoption of the highest standard of conformity to laws and regulations is a way of maintaining one's reputation over time.

## Money laundering risk

Money laundering risk is the risk of incurring legal or reputation risks as a result of potential involvement in illegal operations connected to money laundering or the financing of terrorism. Illimity and its Subsidiaries have set up a specialised function within each one's organisational structure, in accordance with the current regulatory requirements that is responsible for overseeing, in a general perspective, the aforementioned management of AML risk, and for providing the necessary support and advice to business Divisions.

## Reputation risk

Reputation risk is defined as "the current or forward-looking risk of a decline in profits or equity due to a negative perception of the image of illimity and its Subsidiaries by customers, counterparties, shareholders, investors or Regulators". Likewise, reputation is an intangible asset of essential importance and is a distinctive feature which forms the basis for a long-term competitive advantage.

The risk relates primarily to the area of stakeholder relations. It can originate from factors outside of the business perimeter and beyond the bank's operations (for example the publication of inaccurate information or rumours, or phenomena affecting the banking system that may affect all banks indiscriminately). The primary, essential control on the management of reputation risk is the sharing by all staff, suppliers, partners and consultants of the system of values, standards and rules of conduct inspiring all.

Reputation is overseen by specific communication strategies, policies and processes and is continually monitored, for example through "sentiment analysis" instrument that identify how its image is perceived by the media, market operators and social media. In addition, the Competence Line Risk, receives ad hoc requests via a dedicated service desk on JIRA, in order to assess the reputational risk associated with counterparty loan transactions and the onboarding of new suppliers, issuing a (non-binding) opinion that supports stakeholders in their operations.

# PART F – Information on consolidated Shareholders' Equity

## Section 1 - Consolidated shareholders' equity

### Qualitative information

Shareholders' equity is defined by the International accounting standards as “what remains of the company's assets after deducting all the liabilities”. From a financial viewpoint, equity is the monetary amount of the funds contributed by the proprietors, or generated by the business.

### B.1 Consolidated shareholders' equity: breakdown by type of enterprise

| Items in shareholders' equity                                                                         | Prudential consolidation | Insurance companies | Other companies | Eliminations and adjustments from consolidation | Total            |
|-------------------------------------------------------------------------------------------------------|--------------------------|---------------------|-----------------|-------------------------------------------------|------------------|
| <b>1. Share capital</b>                                                                               | <b>58,929</b>            | -                   | -               | -                                               | <b>58,929</b>    |
| <b>2. Share premium reserve</b>                                                                       | <b>629,911</b>           | -                   | -               | -                                               | <b>629,911</b>   |
| <b>3. Reserves</b>                                                                                    | <b>225,575</b>           | -                   | -               | -                                               | <b>225,575</b>   |
| <b>4. Equity instruments</b>                                                                          | -                        | -                   | -               | -                                               | -                |
| <b>5. (Treasury shares)</b>                                                                           | <b>(5,070)</b>           | -                   | -               | -                                               | <b>(5,070)</b>   |
| <b>6. Valuation reserves:</b>                                                                         | <b>(12,623)</b>          | -                   | -               | -                                               | <b>(12,623)</b>  |
| - Equities measured at fair value through other comprehensive income                                  | (783)                    | -                   | -               | -                                               | (783)            |
| - Hedging of equity securities measured at fair value through other comprehensive income              | -                        | -                   | -               | -                                               | -                |
| - Financial assets (other than equity securities) at fair value through other comprehensive income    | (12,448)                 | -                   | -               | -                                               | (12,448)         |
| - Property and equipment                                                                              | -                        | -                   | -               | -                                               | -                |
| - Intangible assets                                                                                   | -                        | -                   | -               | -                                               | -                |
| - Hedging of foreign investments                                                                      | -                        | -                   | -               | -                                               | -                |
| - Cash flow hedges                                                                                    | -                        | -                   | -               | -                                               | -                |
| - Hedging instruments [undesignated elements]                                                         | -                        | -                   | -               | -                                               | -                |
| - Foreign exchange differences                                                                        | -                        | -                   | -               | -                                               | -                |
| - Non-current assets held for sale and discontinued operations                                        | -                        | -                   | -               | -                                               | -                |
| - Financial liabilities measured at fair value through profit or loss (changes in credit rating)      | -                        | -                   | -               | -                                               | -                |
| - Actuarial gains (losses) relating to defined benefit plans                                          | 577                      | -                   | -               | -                                               | 577              |
| - Shares of valuation reserves for equity investments measured at shareholders' equity                | 31                       | -                   | -               | -                                               | 31               |
| - Financial revenues or costs relating to insurance contracts issued                                  | -                        | -                   | -               | -                                               | -                |
| - Financial revenues or costs relating to disposals in reinsurance                                    | -                        | -                   | -               | -                                               | -                |
| - Special laws regarding value adjustment                                                             | -                        | -                   | -               | -                                               | -                |
| <b>7. Profit (loss) (+/-) for the financial year attributable to the Group and minority interests</b> | <b>(306,265)</b>         | -                   | -               | -                                               | <b>(306,265)</b> |
| <b>Total</b>                                                                                          | <b>590,457</b>           | -                   | -               | -                                               | <b>590,457</b>   |

## B.2 Valuation reserves of the financial assets measured at fair value through other comprehensive income: breakdown

| Assets/Values           | Prudential consolidation |                  | Insurance companies |                  | Other companies  |                  | Eliminations and adjustments from consolidation |                  | Total            |                  |
|-------------------------|--------------------------|------------------|---------------------|------------------|------------------|------------------|-------------------------------------------------|------------------|------------------|------------------|
|                         | Positive reserve         | Negative reserve | Positive reserve    | Negative reserve | Positive reserve | Negative reserve | Positive reserve                                | Negative reserve | Positive reserve | Negative reserve |
| 1. Debt securities      | 4,814                    | (17,262)         | -                   | -                | -                | -                | -                                               | -                | 4,814            | (17,262)         |
| 2. Equity securities    | 7                        | (790)            | -                   | -                | -                | -                | -                                               | -                | 7                | (790)            |
| 3. Loans                | -                        | -                | -                   | -                | -                | -                | -                                               | -                | -                | -                |
| <b>Total 31/12/2025</b> | <b>4,821</b>             | <b>(18,052)</b>  | <b>-</b>            | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>-</b>                                        | <b>-</b>         | <b>4,821</b>     | <b>(18,052)</b>  |
| <b>Total 31/12/2024</b> | <b>5,323</b>             | <b>(23,978)</b>  | <b>-</b>            | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>-</b>                                        | <b>-</b>         | <b>5,323</b>     | <b>(23,978)</b>  |

## B.3 Valuation reserves of the financial assets measured at fair value through other comprehensive income: annual changes

|                                                                                   | Debt securities | Equity securities | Loans    |
|-----------------------------------------------------------------------------------|-----------------|-------------------|----------|
| <b>1. Opening balance</b>                                                         | <b>(18,660)</b> | <b>5</b>          | <b>-</b> |
| <b>2. Positive changes</b>                                                        |                 |                   |          |
| 2.1 Increases in fair value                                                       | 20,308          | -                 | -        |
| 2.2 Value adjustments for credit risk                                             | 2,853           | X                 | -        |
| 2.3 Reclassification through income statement of negative reserves from disposal  | 2,833           | X                 | -        |
| 2.4 Transfers to other items of shareholders' equity (equity securities)          | -               | -                 | -        |
| 2.5 Other changes                                                                 | 2,783           | 3                 | -        |
| <b>3. Negative changes</b>                                                        |                 |                   |          |
| 3.1 Decreases in fair value                                                       | (10,857)        | (791)             | -        |
| 3.2 Value recoveries for credit risk                                              | (1,645)         | -                 | -        |
| 3.3 Reclassification through income statement of positive reserves: from disposal | (4,807)         | X                 | -        |
| 3.4 Transfers to other items of shareholders' equity (equity securities)          | -               | -                 | -        |
| 3.5 Other changes                                                                 | (5,256)         | -                 | -        |
| <b>4. Closing inventories</b>                                                     | <b>(12,448)</b> | <b>(783)</b>      | <b>-</b> |

**B.4 Valuation reserves on defined benefit plans: annual changes**

| 31/12/2025                                                         |            |
|--------------------------------------------------------------------|------------|
| <b>1. Opening balance</b>                                          | <b>45</b>  |
| <b>2. Positive changes</b>                                         |            |
| 2.1 Increases in fair value Actuarial (Gains)/Losses               | -          |
| 2.2 Reclassification through income statement of negative reserves | -          |
| 2.3 Other changes                                                  | 169        |
| <b>3. Negative changes</b>                                         |            |
| 3.1 Decreases in fair value Actuarial (Gains)/Losses               | -          |
| 3.2 Reclassification through income statement of positive reserves | -          |
| 3.3 Other changes                                                  | (46)       |
| <b>4. Closing inventories</b>                                      | <b>168</b> |

**Section 2 – Own funds and capital ratios**

With regard to own funds and capital adequacy, please refer to the corresponding information sections prepared by the Ifis Group, as well as illimity bank S.p.A.

# PART G – BUSINESS COMBINATIONS OF COMPANIES OR BUSINESS UNITS

## Section 1 - Transactions carried out during the financial year

### 1.1 Business combinations

In 2025, illimity finalised the purchase of 100% of the share capital of iREC Leaseco S.r.l. for a value of EUR 12 thousand. This transaction did not involve the recording of any goodwill in the consolidated financial statements.

### 1.2 Transactions between subjects under common control

It should be noted that with legal effect from 1 July 2025 (with accounting and tax effects starting from 1 January 2025) the merger by incorporation of the subsidiary Industrial Discount S.r.l. into Abilio S.p.A. was finalised.

This merger, classified as “*business combination between entities under common control*” and therefore outside the scope of IFRS 3, had no effect on the consolidated financial statements since such companies were already controlled by the Group and included in the consolidated financial statements using the full consolidation method.

During 2025, there were no other transactions between entities under common control.

## Section 2 – Transactions carried out after the end of the financial year

### 2.1 Business combinations

There were no business combinations governed by IFRS 3 after the end of 2025 year.

### 2.2 Transactions between subjects under common control

There were no business combinations between entities under common control after the end of 2025 year.

## Section 3 – Retrospective adjustments

No retrospective adjustment was made during 2025 to business combinations taking place in previous years.

## PART H – RELATED PARTY TRANSACTIONS

Related party transactions, as identified according to IAS 24, are included within the normal operations of the Bank and are settled at market conditions or on the basis of the costs incurred, if there are no suitable criteria.

During the first half of 2025, a material related party transaction was carried out involving an agreement to manage the liquidity deposited by a counterparty related to the group in current and deposit accounts with illimity Bank S.p.A. (about which adequate disclosure was provided to the market, which should be referred to for further details). There were no further material or minor related party transactions which significantly affected the Group's capital or its financial performance.

It should be noted that transactions or positions with related parties, as classified in the above mentioned IAS 24, have a limited impact on the Group's economic and financial situation and cash flows.

According to IAS 24, related parties are parties:

- a) that directly or indirectly, through one or more intermediaries,
  - (i) control the entity, are controlled by it, or are under joint control (including controlling entities, subsidiaries and associates);
  - (ii) hold an ownership interest in the entity to an extent that they may have considerable influence on the latter; or
  - (iii) jointly control the entity;
- b) represent an associate of the entity;
- c) represent a joint venture in which the entity participates;
- d) are one of the key management personnel of the entity or its parent company;
- e) are a close family member of one of the parties in points (a) or (d);
- f) are an entity controlled by, controlled jointly or subject to significant influence by one of the subjects in points (d) or (e), or those parties having directly or indirectly, a significant portion of voting rights; or
- g) are a pension fund for employees of the entity or of any related entity.

The Board of Directors of the Bank has approved the "Policy for transactions with entities within the single scope of the illimity Bank Group", which defines the internal policies (and relative controls) regarding transactions with related parties and connected entities.

In this regard, it should be noted that, at its meeting of 25 September 2025, the Board of Directors incorporated the guidelines and principles of the "Group Policy on transactions with related parties, connected entities and corporate representatives pursuant to art. 136 of the Consolidated Law on Finance" of the IFIS Group. Therefore, transactions with related parties and connected entities also comply with this last Policy.

### 1. Information on remuneration of key management personnel

The total remuneration and other benefits paid pertaining to the financial year to directors, statutory auditors and other key management personnel is EUR 238 thousand. It should be noted that pursuant to this disclosure, only Key Management Personnel ("KMP") of the parent company Banca IFIS have been identified as KMP. Therefore, the remuneration of the current KMP prior to the acquisition by Banca IFIS is shown in the tables below as balances "to Other related parties". As required by the new IAS 24, paragraph 17, further information has been provided about the following categories of remuneration for key management personnel and employees:

| (Thousands of euros)                                                                                                          |        |
|-------------------------------------------------------------------------------------------------------------------------------|--------|
| Category                                                                                                                      | Amount |
| a) short-term benefits                                                                                                        | -      |
| b) post-employment benefits                                                                                                   | -      |
| c) share-based payments                                                                                                       | -      |
| d) remuneration of members of the Board of Directors and the Audit and Internal Control Committee/Board of Statutory Auditors | 238    |

## 2. Information on related party transactions

With regard to financial and economic relations, and remembering that key management personnel also include the directors and the Board of Statutory Auditors of the bank and directors and statutory auditors of the Group companies, the situation on the closing date of the consolidated financial statements is that shown in the following table, expressed in thousands of euros.

| BALANCE SHEET                                                             |            |                               |                           |
|---------------------------------------------------------------------------|------------|-------------------------------|---------------------------|
| Assets                                                                    | Book value | of which with related parties | Impact of related parties |
| <b>20. Financial assets measured at fair value through profit or loss</b> | 513,885    | 77                            | 0.01%                     |
| c) other financial assets mandatorily measured at fair value              | 501,366    | 77                            | 0.02%                     |
| - To other related parties                                                |            | 77                            |                           |
| <b>40. Financial assets measured at amortised cost</b>                    | 5,119,518  | 30,148                        | 0.59%                     |
| b) loans to customers                                                     | 5,021,495  | 30,148                        | 0.60%                     |
| - To other related parties                                                |            | 30,148                        |                           |
| <b>70. Equity investments</b>                                             | 32,056     | 32,056                        | 100.00%                   |
| - To companies subject to significant influence                           |            | 32,056                        |                           |
| <b>120. Non-current assets held for sale and discontinued operations</b>  | 146,843    | 85,000                        | 57.88%                    |
| - To companies subject to joint control                                   |            | 85,000                        |                           |
| <b>130. Other assets</b>                                                  | 241,921    | 607                           | 0.25%                     |
| - To parent company                                                       |            | 8                             |                           |
| - To companies subject to significant influence                           |            | 579                           |                           |
| - To other related parties                                                |            | 20                            |                           |

| BALANCE SHEET                                               |            |                               |                           |
|-------------------------------------------------------------|------------|-------------------------------|---------------------------|
| Liabilities                                                 | Book value | of which with related parties | Impact of related parties |
| <b>10. Financial liabilities measured at amortised cost</b> | 6,260,487  | 346,556                       | 5.54%                     |
| a) due to banks                                             | 726,634    | 207,132                       | 28.51%                    |
| - To parent company                                         |            | 207,132                       |                           |
| b) due to customers                                         | 4,959,376  | 139,424                       | 2.81%                     |
| - To companies subject to significant influence             |            | 1,001                         |                           |
| - To key management personnel                               |            | 155                           |                           |
| - To companies subject to joint control                     |            | 121,657                       |                           |
| - To other related parties                                  |            | 16,611                        |                           |
| <b>80. Other liabilities</b>                                | 154,183    | 15,363                        | 9.96%                     |
| - To companies subject to joint control                     |            | 895                           |                           |
| - To companies subject to significant influence             |            | 13,607                        |                           |
| - To key management personnel                               |            | 64                            |                           |
| - To other related parties                                  |            | 797                           |                           |
| <b>90. Employee severance pay</b>                           | 4,289      | 230                           | 5.36%                     |
| - To key management personnel                               |            | 230                           |                           |

| INCOME STATEMENT                                                    |            |                               |                           |
|---------------------------------------------------------------------|------------|-------------------------------|---------------------------|
| Items                                                               | Book value | of which with related parties | Impact of related parties |
| <b>10. Interest income and similar income</b>                       | 351,319    | 1,532                         | 0.44%                     |
| <b>20. Interest expenses and similar charges</b>                    | (237,694)  | (4,857)                       | 2.04%                     |
| <b>40. Fees and commission income</b>                               | 76,124     | 40                            | 0.05%                     |
| <b>50. Fees and commission expense</b>                              | (14,726)   | (298)                         | 2.02%                     |
| <b>130. Net value adjustments for credit risks associated with:</b> | (196,441)  | 84                            | (0.04%)                   |
| a) financial assets measured at amortised cost                      | (195,233)  | 84                            | (0.04%)                   |
| <b>190. Administrative expenses:</b>                                | (217,185)  | (71,869)                      | 33.09%                    |
| a) personnel expenses                                               | (81,874)   | (8,449)                       | 10.32%                    |
| b) other administrative expenses                                    | (135,311)  | (63,420)                      | 46.87%                    |
| <b>220. Net value adjustments on intangible assets</b>              | (10,126)   | (21)                          | 0.21%                     |
| <b>230. Net other income/expenses</b>                               | 12,429     | 377                           | 3.03%                     |
| <b>280. Profit (losses) on equity investments</b>                   | (28,796)   | (28,796)                      | 100%                      |



# PART I - SHARE-BASED PAYMENTS

## Qualitative information

### Description of share-based payments

With reference to the variable component, the illimity Group's Remuneration Policy had provided for a "*Long Term Incentive*" (LTI) plan.

On 15 December 2021, the illimity Bank S.p.A. Ordinary Shareholders' Meeting, on the premise that remuneration represented one of the most important factors for attracting and retaining individuals with the professional expertise and skills appropriate to the company's medium- and long-term needs, had approved a *Long Term Incentive Plan* ("LTIP", "the Plan") for the 2021-2025 period, associated with the economic, financial and ESG targets set out in the Strategic Plan.

This LTI Plan had replaced:

- the "Stock Option Plan" (also "SOP"), the adoption of which was resolved on 18 January 2019 by the Shareholders' Meeting, reserved for a selected number of employees of illimity and the companies directly and/or indirectly controlled by it; and
- the 2020-2023 Long Term Incentive Plan reserved for the Chief Executive Officer and the rest of illimity's Top Management, whose adoption was resolved upon on 22 April 2020 by the Shareholders' Meeting.

The LTI Plan had the aim of ensuring that the time horizon of the long-term incentive plan for key resources of the Bank is aligned with that of the 2021-25 Strategic Plan presented on 22 June 2021; to ensure strict alignment between the interests of the Bank, its shareholders and the beneficiaries of the LTI Plan, by incentivising commitment to achieving the Strategic Plan goals; and to support the achievement of ESG (Environmental, Social & Governance) targets in addition to economic and financial targets, in accordance with the overall framework of the aforementioned Strategic Plan.

The LTI plan was classified, in accordance with IFRS 2, as *equity-settled*, since it had provided for share-based payments regarding the Bank's shares.

This plan, which expired on 31 December 2025, saw the cancellation of the rights during the year following the failure to achieve the set objectives.

## Quantitative information

### Annual changes

| Items/Number of options and exercise prices                     | 31/12/2025        |                         |                         | 31/12/2024        |                         |                         |
|-----------------------------------------------------------------|-------------------|-------------------------|-------------------------|-------------------|-------------------------|-------------------------|
|                                                                 | Number of options | Average exercise prices | Average expiration date | Number of options | Average exercise prices | Average expiration date |
| <b>A. Opening balance</b>                                       | <b>621,614</b>    | -                       | <b>31/12/2025</b>       | <b>1,752,155</b>  | -                       | <b>31/12/2025</b>       |
| <b>B. Increases</b>                                             |                   |                         | X                       |                   |                         | X                       |
| B.1 New issues                                                  | -                 | -                       | X                       | -                 | -                       | X                       |
| B.2 Other changes                                               |                   |                         | X                       |                   |                         | X                       |
| <b>C. Decreases</b>                                             |                   |                         | X                       |                   |                         | X                       |
| C.1 Derecognised                                                | (621,614)         | -                       | X                       | (992,697)         | -                       | X                       |
| C.2 Exercised                                                   | -                 | -                       | X                       | (137,844)         | -                       | X                       |
| C.3 Past-due                                                    | -                 | -                       | X                       | -                 | -                       | X                       |
| C.4 Other changes                                               | -                 | -                       | X                       | -                 | -                       | X                       |
| <b>D. Closing inventories</b>                                   | -                 | -                       | X                       | <b>621,614</b>    | -                       | <b>31/12/2025</b>       |
| <b>E. Options exercised as of the end of the financial year</b> | -                 | -                       | X                       | -                 | -                       | X                       |

## PART L - SEGMENT DISCLOSURE

### illimity Group operating segments

For segment disclosure purposes, as provided for by IFRS 8, the identification of operating segments is consistent with the organisational structure of the Group and procedured defined by Management for decision making with regard to allocation of resources and the assessment of results in accordance with internal reporting.

In 2025, the Group reviewed the representation of the Group operating segments with respect to the changes made in the Group's organisational structure; these changes also had an impact on how operating results are periodically analysed at the Bank's highest decision-making and operational level. In fact, it should be noted that, on 19 January 2025, the Bank approved a new internal organisational structure, designating a Deputy CEO with responsibility for all business areas of the Bank and of the illimity Group and a Deputy CEO to oversee and coordinate the central functions of the Group.

Consequently, illimity Group sector-specific disclosure was redefined by identifying an Operating Sector, i.e. the "Business" sector, alongside the central corporate functions (hereinafter also "Central Functions" or "HQ Functions").

The Business operating segment encompasses the following divisions/products:

- Corporate Banking;
- Turnaround & Credit Opportunities;
- Investment Banking;
- ABF-Investments;
- Digital Banking;
- B-ilty;
- Non-Core business;

to which are added the following legal entities:

- Fürstenberg SGR, focused on the management of reserved alternative investment funds;
- AREC neprix, engaged in the management and enhancement of distressed loans and real estate assets;
- Abilio S.p.A., which operates in the management and sale of assets from insolvency proceedings through online auctions and a nationwide network of professionals.

The "HQ Functions", on the other hand, are transversal structures that support the Business segment and oversee risk management. The results of the bank's equity investments in Hype SPA (sold in 2026 and classified under non-current assets and asset groups held for sale as at 31 December 2025) and in AltermAInd Srl, consolidated with the equity method, are also allocated to HQ Functions.

The following sections show the main data summarising developments in the operating segments of the illimity Group in 2025.

The data relating to the previous year were restated with respect to that reported in the consolidated financial statements as at 31 December 2024, according to the segments and logic applied to the 2025 financial year, in order to allow a comparison on a uniform basis.

## Financial data broken down by operating segment

The following table reports the key data summarizing the evolution of the illimity Group's business segments in 2025.

| Economic performance                                                                                    | Business       | HQ Functions   | Eliminations and Consolidation Adjustments | 31/12/2025     |
|---------------------------------------------------------------------------------------------------------|----------------|----------------|--------------------------------------------|----------------|
| Net interest margin                                                                                     | 109.6          | -              | -                                          | 109.6          |
| Net fee and commission income                                                                           | 64.2           | -              | -                                          | 64.2           |
| Other income                                                                                            | 25.9           | 2.5            | (0.6)                                      | 27.8           |
| <b>Total net operating income</b>                                                                       | <b>199.6</b>   | <b>2.5</b>     | <b>(0.6)</b>                               | <b>201.5</b>   |
| Personnel expenses                                                                                      | (51.3)         | (22.0)         | 0.1                                        | (73.2)         |
| Other administrative expenses and net value adjustments on property and equipment and intangible assets | (64.2)         | (60.9)         | 0.6                                        | (124.5)        |
| <b>Operating expenses</b>                                                                               | <b>(115.5)</b> | <b>(82.9)</b>  | <b>0.7</b>                                 | <b>(197.7)</b> |
| <b>Operating profit (loss)</b>                                                                          | <b>84.1</b>    | <b>(80.4)</b>  | <b>0.1</b>                                 | <b>3.8</b>     |
| Total net value adjustments and other provisions                                                        | (214.6)        | (0.3)          | -                                          | (214.9)        |
| Contributions and other non-recurring expenses                                                          | (11.9)         | (71.2)         | -                                          | (83.1)         |
| Other income (expenses) on equity investments                                                           | (0.1)          | (2.2)          | -                                          | (2.3)          |
| <b>Profit (Loss) from operations before taxes</b>                                                       | <b>(142.5)</b> | <b>(154.1)</b> | <b>0.1</b>                                 | <b>(296.6)</b> |

Amounts in millions of euros. Any discrepancy between the figures shown is due exclusively to rounding.

| Financial data                                                 | Business       | HQ Functions | Eliminations and Consolidation Adjustments | 31/12/2025     |
|----------------------------------------------------------------|----------------|--------------|--------------------------------------------|----------------|
| Financial assets measured at fair value through profit or loss | 513.9          | -            | -                                          | 513.9          |
| Financial assets at FV through other comprehensive income      | 538.8          | 5.4          | -                                          | 544.2          |
| Financial assets measured at amortised cost                    | 5,001.5        | 118          | -                                          | 5,119.5        |
| Hedging derivatives                                            | 37.5           | -            | -                                          | 37.5           |
| Equity investments                                             | 0.1            | 31.9         | -                                          | 32.1           |
| Property and Equipment                                         | 34.5           | 17           | (0.6)                                      | 50.9           |
| Intangible assets                                              | 34.6           | 10           | -                                          | 44.6           |
| Non-current assets held for sale and discontinued operations   | 65.5           | 81.3         | -                                          | 146.8          |
| Other assets                                                   | -              | 566.7        | -                                          | 566.7          |
| <b>Total assets</b>                                            | <b>6,226.4</b> | <b>830.3</b> | <b>(0.6)</b>                               | <b>7,056.2</b> |

Shown below are the main financial and equity data as at 31 December 2024, restated as illustrated above.

| Economic performance                                        | Business       | HQ Functions  | Eliminations and Consolidation Adjustments | 31/12/2024     |
|-------------------------------------------------------------|----------------|---------------|--------------------------------------------|----------------|
| Net interest income                                         | 157.1          | -             | 0.1                                        | 157.2          |
| Net fee and commission income                               | 83.4           | -             | -                                          | 83.4           |
| Other income                                                | 40.2           | 55.1          | (0.8)                                      | 94.6           |
| <b>Operating income</b>                                     | <b>280.7</b>   | <b>55.1</b>   | <b>(0.7)</b>                               | <b>335.1</b>   |
| Staff costs                                                 | (53.9)         | (25.7)        | (0.1)                                      | (79.7)         |
| Other operating expenses and D&A                            | (70.0)         | (50.9)        | 0.9                                        | (120.0)        |
| <b>Operating costs</b>                                      | <b>(123.9)</b> | <b>(76.6)</b> | <b>0.8</b>                                 | <b>(199.7)</b> |
| <b>Operating profit</b>                                     | <b>156.7</b>   | <b>(21.5)</b> | <b>0.1</b>                                 | <b>135.3</b>   |
| Total net value adjustments/recoveries and other provisions | (134.5)        | -             | -                                          | (134.5)        |
| Contributions and other non-recurring expenses              | (38.9)         | (27.7)        | -                                          | (66.6)         |
| Other income (expenses) on investments                      | 0.1            | 0.7           | -                                          | 0.8            |
| <b>Profit (loss) before tax</b>                             | <b>(16.6)</b>  | <b>(48.5)</b> | <b>0.1</b>                                 | <b>(65.0)</b>  |

Amounts in millions of euros. Any discrepancy between the figures shown is due exclusively to rounding.

| Financial data                                                 | Business       | HQ Functions   | Eliminations and Consolidation Adjustments | 31/12/2024     |
|----------------------------------------------------------------|----------------|----------------|--------------------------------------------|----------------|
| Financial assets measured at fair value through profit or loss | 563.2          | -              | -                                          | 563.2          |
| Financial assets at FV through other comprehensive income      | 742.6          | 5.4            | -                                          | 748.0          |
| Financial assets measured at amortised cost                    | 5,669.0        | 292.2          | -                                          | 5,961.2        |
| Hedging derivatives                                            | 29.4           | -              | -                                          | 29.4           |
| Equity investments                                             | 0.2            | 140.0          | -                                          | 140.2          |
| Property and Equipment                                         | 71.7           | 18.8           | (1.1)                                      | 89.4           |
| Intangible assets                                              | 53.5           | 10.8           | -                                          | 64.3           |
| Non-current assets held for sale and discontinued operations   | 3.0            | -              | -                                          | 3.0            |
| Other assets                                                   | -              | 803.9          | -                                          | 803.9          |
| <b>Total assets</b>                                            | <b>7,132.6</b> | <b>1,271.1</b> | <b>(1.1)</b>                               | <b>8,402.5</b> |

Amounts in millions of euros. Any discrepancy between the figures shown is due exclusively to rounding.

## Information on geographical areas

It should be noted that operating activities and income are mainly achieved in Italy. The incidence of operating activities and income achieved abroad is to be considered negligible.

## Information on key customers

It should be noted that no customer accounts individually for more than 10% of the Group's total revenues.

# PART M – LEASE DISCLOSURE

## Section 1 - Lessee

### Qualitative information

Contracts of the Group may be classified in the following categories:

- Rental of business and personal use properties;
- Long-term rental of cars;
- Other rentals.

As of 31 December 2025, there were 121 lease contracts, of which 21 related to real estate leases, with a total value of rights of use amounting to EUR 18.2 million, of which 96 related to cars, with a total value of rights of use of EUR 1.2 million and 4 pertaining to other rentals, with a total value of rights of use of EUR 9 million.

Real estate lease contracts refer to the leasing of buildings intended for instrumental (office) use and personal use.

Contracts, as a rule, have a duration of greater than 12 months, and typically have renewal and termination options that can be exercised by the parties according to the provisions of law or specific contractual provisions.

Contracts referring to other leases relate to cars, photovoltaic plants and equipment. The former are long-term rental contracts available to employees. Generally, these contracts have a four-year duration, with monthly or quarterly payments, without the option of renewal and do not include the option of purchasing the asset.

*Sub-lease* transactions are attributable to properties intended for residential use.

As previously specified in the accounting policies, the scope of application of IFRS 16 excludes contracts that have terms of less than 12 months or that refer to leased assets with low unit values when new.

### Quantitative information

The following table provides a summary of the components of the Balance Sheet relating to lease contracts; for further information, see Part B of the Explanatory Notes:

| TYPE OF CONTRACT      | Right of use  | Lease Liability |
|-----------------------|---------------|-----------------|
| Real estate leasing   | 18,168        | 22,137          |
| Long-term Cars Rental | 1,234         | 1,273           |
| Other rentals         | 8,983         | 162             |
| <b>Total</b>          | <b>28,385</b> | <b>23,570</b>   |

The following table shows a summary of the components of the Income Statement relating to lease contracts; for further information refer to the contents of Part C of the Explanatory Notes:

| TYPE OF CONTRACT      | Interest expenses | Net value adjustments on property and equipment |
|-----------------------|-------------------|-------------------------------------------------|
| Real estate leasing   | 1,382             | 2,631                                           |
| Long-term Cars Rental | 66                | 702                                             |
| Other rentals         | 9                 | 2,121                                           |
| <b>Total</b>          | <b>1,457</b>      | <b>5,454</b>                                    |

As of 31 December 2025 there were no material amounts relating to lease commitments not yet entered into.

## Section 2 - Lessor

### Qualitative information

As of the reporting date, the Group had no leases in the role of lessor with third parties.

# Certifications of the Consolidated Financial Statements pursuant to Article 154-bis of Italian Legislative Decree 58/1998

1. The undersigned Raffaele Zingone, as Chief Executive Officer, and Massimo Luigi Zanaboni, as Financial Reporting Officer of illimity Bank S.p.A. certify, also considering Article 154-bis, paragraphs 3 and 4, of Italian Legislative Decree 58 of 24 February 1998:
  - the adequacy in relation to the characteristics of the enterprise and
  - the effective application of the administrative and accounting procedures used to draft the consolidated financial statements during financial year 2025.
2. The adequacy of the administrative and accounting procedures used in the formation of the consolidated financial statements as of 31 December 2025 is checked according to the “Internal Control – Integrated Framework” (CoSO) and the “Control Objective for IT and related Technologies” (Cobit), which are the benchmarks for the internal control system applicable to financial reporting and generally accepted at international level.
3. We can also certify that:
  - the consolidated financial statements:
    - i. were drafted in conformity with the applicable international accounting standards endorsed by the European Community under the terms of Regulation (EC) 1606/2002 of the European Parliament and Council, of 19 July 2002;
    - ii. correspond to the accounting records;
    - iii. provide a true and fair view of the financial position and performance and cash flows of the issuer.
  - The Report on Operations includes a reliable analysis of the progress and results of operations as well as the issuer’s situation, together with a description of the key risks and uncertainties the issuer is exposed to.

Milan, 9 March 2026

Signature of the Chief Executive Officer

Signature of the Financial Reporting Officer

Raffaele Zingone

Massimo Luigi Zanaboni

Signed

Signed



# Certification of the Consolidated Sustainability Statement pursuant to Article 154 bis of Italian Legislative Decree No. 58/1998

The undersigned Raffaele Zingone, as Chief Executive Officer, and Massimo Luigi Zanaboni, as Financial Reporting Officer of illimity Bank S.p.A. certify, also considering Article 154-bis, paragraphs 3 and 4, of Italian Legislative Decree 58 of 24 February 1998, that the Sustainability Reporting included in the Consolidated Directors' Report was drafted:

- in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 and Italian Legislative Decree 125 of 6 September 2024;
- with the specifications adopted in accordance with Article 8, paragraph 4, of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.

Milan, 9 March 2026

Signature of the Chief Executive Officer

Signature of the Financial Reporting Officer

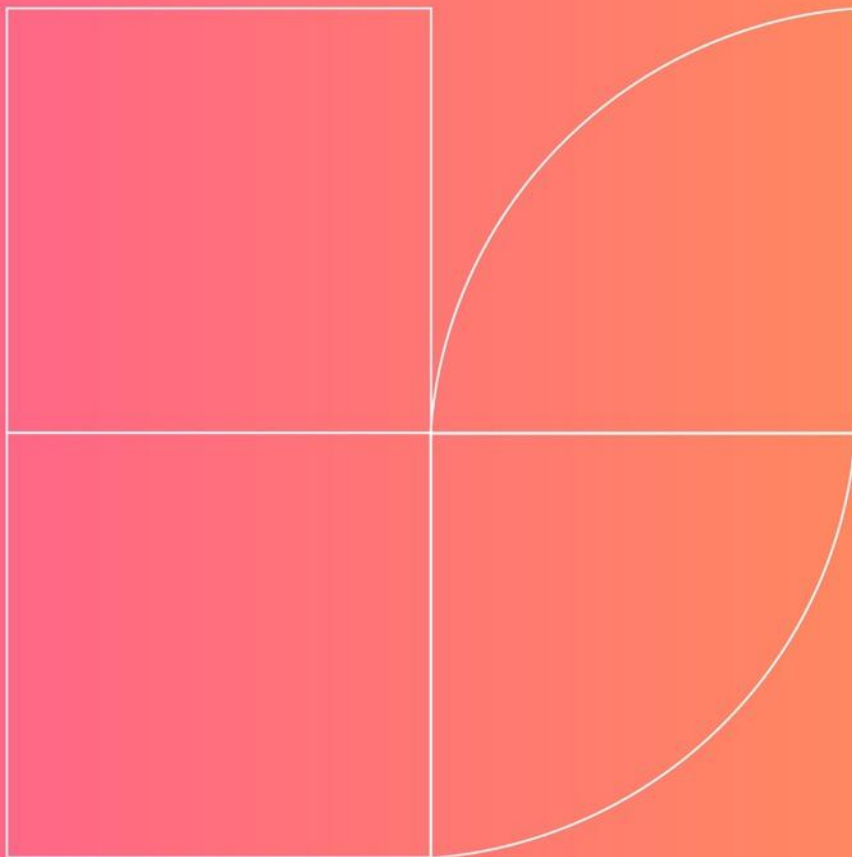
Raffaele Zingone

Massimo Luigi Zanaboni

Signed

Signed

# Independent Auditors' Report



## **Independent auditor's report in accordance with article 14 of Legislative Decree 39/2010 and article 10 of Regulation (EU) 537/2014**

To the Shareholder of

illimity Bank SpA

### **Report on the audit of the consolidated financial statements**

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#### **Opinion**

We have audited the consolidated financial statements of illimity group (the "Group"), which comprise the consolidated balance sheet as of 31 December 2025, the consolidated income statement, the statement of consolidated comprehensive income, the statement of changes in consolidated shareholders' equity, the consolidated cash flows statement for the year then ended, and explanatory 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.

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#### **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 illimity

PricewaterhouseCoopers SpA

Sede legale: **Milano** 20145 Piazza Tre Torri 2 Tel. 02 77851 Fax 02 7785240, Capitale Sociale Euro 6.890.000,00 i.v. C.F. e P.IVA e Reg. Imprese Milano Monza Brianza Lodi 12979880155 Iscritta al n° 119644 del Registro dei Revisori Legali - Altri Uffici: **Ancona** 60131 Via Sandro Totti 1 Tel. 071 2132311 - **Bari** 70122 Via Abate Gimma 72 Tel. 080 5640211 - **Bergamo** 24121 Largo Bolotti 5 Tel. 035 229691 - **Bologna** 40124 Via Luigi Carlo Farini 12 Tel. 051 6186211 - **Brescia** 25121 Viale Duca d'Aosta 28 Tel. 030 3687501 - **Catania** 95129 Corso Italia 302 Tel. 095 7532311 - **Firenze** 50121 Viale Gramsci 15 Tel. 055 2482811 - **Genova** 16121 Piazza Piacapetra 9 Tel. 010 29041 - **Napoli** 80121 Via dei Mille 16 Tel. 081 36181 - **Padova** 35138 Via Vicenza 4 Tel. 049 873481 - **Palermo** 90141 Via Marchese Ugo 60 Tel. 091 349737 - **Parma** 43121 Via Pisacane 1B Tel. 0521 275911 - **Pescara** 65127 Piazza Ettore Troilo 8 Tel. 085 4545711 - **Roma** 00154 Largo Fochetti 29 Tel. 06 570251 - **Torino** 10122 Via Santa Maria 11 Tel. 011 556771 - **Trento** 38122 Viale della Costituzione 33 Tel. 0461 237004 - **Treviso** 31100 Viale Fellissent 90 Tel. 0422 696911 - **Udine** 33100 Via Poscollo 43 Tel. 0432 25798 - **Varese** 21100 Via Abuzzi 43 Tel. 0332 285039 - **Verona** 37135 Via Francia 21/C Tel. 045 8263001.

Bank 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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Measurement of loans to customers measured at amortised cost other than government bonds</b></p> <p>Consolidated explanatory notes:</p> <p>Part A - Accounting policies</p> <p>Part B – Information on the consolidated balance sheet – Assets, Section 4</p> <p>Part C – Information on the consolidated income statement, Section 8</p> <p>Part E – Information on risks and related hedging policies</p> <p>Loans to customers measured at amortised cost other than government bonds, represent, as of 31 December 2025, the largest part of balance sheet line item 40 b) “Financial assets measured at amortised cost – Loans to customers” which shows a balance of Euro 4,032 million, corresponding in aggregate to 57.1 per cent of total consolidated assets.</p> <p>These amounts include a significant portion of the debt securities component, mainly relating</p> | <p>In performing our audit procedures, we considered internal control relevant to the financial reporting process.</p> <p>To address this key audit matter, we performed the following main procedures, also with the support of experts of the PwC network as needed:</p> <ul style="list-style-type: none"> <li>• 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 loans to customers.</li> <li>• Understanding and evaluation of the design of relevant controls to monitoring, classification and measurement of loans to customers and testing of the operating effectiveness of certain controls.</li> <li>• Understanding and assessment of 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</li> </ul> |

| Key audit matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Auditing procedures performed in response to key audit matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>to investments in securitisation notes also backed by distressed assets.</p> <p>Net value adjustments for credit risks recognised during the year for these loans amount to Euro 195 million and represent directors' best estimate of expected credit losses at the reporting date in accordance with the applicable reporting standards.</p> <p>The process for classifying loans into different risk categories and the 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.</p> <p>For the current year, in addition to the recurring process of updating the input data and risk parameters, the Group implemented a number of changes to the estimation processes also in order to align them with those adopted by the new parent company.</p> <p>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.</p> | <p>changes to the estimation processes introduced during the year.</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> <li>• 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 evidence including external information.</li> <li>• 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.</li> <li>• Assessment of the control activities carried out during the year by the internal control functions (in particular, by the Internal Audit), the related results and any remedial actions undertaken.</li> </ul> |



| Key audit matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Auditing procedures performed in response to key audit matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <ul style="list-style-type: none"> <li>• Performance of comparative and trend analyses of the volumes of loans to customers and related coverage ratios, also by comparison with previous years data and publicly available industry information.</li> <li>• Examination of ECL sensitivity analyses to the macroeconomic scenarios that influence the risk parameters of the models used.</li> <li>• 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.</li> </ul>                                                                                                                                                                          |
| <p><b>Measurement of financial assets mandatorily measured at fair value not quoted in active markets</b></p> <p>Consolidated explanatory notes:</p> <p>Part A – Accounting policies</p> <p>Part B – Information on the consolidated balance sheet –Assets, Section 2</p> <p>Part C – Information on the consolidated income statement, Section 7</p> <p>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 501 million, corresponding to 7.1 per cent of total consolidated assets.</p> <p>This amount represents directors' best estimate of the fair value of the financial assets at the</p> | <p>In performing our audit procedures, we considered internal control relevant to the financial reporting process.</p> <p>To address this key audit matter, we performed the following relevant procedures, also with the support of the experts of the PwC network:</p> <ul style="list-style-type: none"> <li>• Analysis of the adequacy of the IT environment and testing the operating effectiveness of the applicable relevant controls over the systems and computer applications.</li> <li>• 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.</li> <li>• Understanding and assessment of the policies adopted for determining the fair value of financial assets, in order to verify their appropriateness.</li> </ul> |

| Key audit matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Auditing procedures performed in response to key audit matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>reporting date determined in accordance with the applicable reporting standards.</p> <p>In our audit, we paid particular attention to the measurement of these financial assets and in particular, to those characterised by a high degree of complexity.</p> <p>This was considered to be a key audit matter in 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.</p>                                                                                                                 | <ul style="list-style-type: none"> <li>• Analysis of the valuation techniques and models used as well as of the methods for determining significant assumptions and input data required.</li> <li>• Performance of specific substantive procedures on the related account balances, including the assessment, on a sample 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.</li> <li>• Testing the completeness and adequacy of financial statements disclosures provided in accordance with International Financial Reporting Standards and the applicable regulatory framework.</li> </ul>                                                                                                                     |
| <p><b>Recoverability of the carrying amount of goodwill arising from business combination transactions</b></p> <p>Consolidated explanatory notes:</p> <p>Part A – Accounting policies</p> <p>Part B – Information on the consolidated balance sheet –Assets, Section 10</p> <p>Part C – Information on the consolidated income statement, Section 19</p> <p>As of 31 December 2025, the carrying amount of goodwill arising from business combination completed in previous financial years, prior to the assessment of its recoverable amount (the so-called “impairment test”) amounted to Euro 33,7 million.</p> <p>During the year impairment losses of Euro 11,8 million were recognized following the partial reduction of the goodwill allocated to the Arec Neprix Cash Generating Unit (“CGU”).</p> | <p>In performing our audit procedures, we considered internal control relevant to the financial reporting process.</p> <p>To address this key audit matter, we performed the following relevant procedures, also with the support of the experts of the PwC network:</p> <ul style="list-style-type: none"> <li>• Understanding and evaluation of the process and methodology adopted by the directors for performing the impairment test.</li> <li>• Verification of the compliance of the valuation methodology adopted with the requirements of accounting standard IAS 36, also taking into account market practice.</li> <li>• Verification of the completeness of the perimeter of the CGUs tested for impairment.</li> <li>• Assessment of the reasonableness of the forecast data used in determining the future</li> </ul> |

| Key audit matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Auditing procedures performed in response to key audit matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The directors perform the impairment test at least annually. This assessment, aimed at identifying any impairment losses pursuant to the international accounting standard IAS 36 "Impairment of Assets," is based on the comparison between the carrying amount and the higher of fair value less cost to sell, and the value in use of the CGU.</p> <p>The estimate of the value in use of the CGUs was carried out using the Dividend Discount Model methodology with excess capital variant. This methodology, which is well established and widely recognised in prevailing practice, requires a significant use of estimates and assumptions which, by their nature, involve a significant degree of professional judgement, particularly with reference to the expected cash flows</p> <p>For the above described reasons, the recoverability of the carrying amount of goodwill was considered to be a key matter in the audit of the consolidated financial statements as of 31 December 2025.</p> | <p>cash flows of the identified CGUs and of their consistency with the forward-looking plans.</p> <ul style="list-style-type: none"> <li>Assessment of the reasonableness of the main assumptions used by the directors in the valuation process, including, where available, comparison with external data, and in particular of the key quantitative parameters (cost of capital, discount rates and growth rates) used to determine the recoverable amount of the CGUs.</li> <li>Verification of the accuracy and mathematical correctness of the calculations underlying the valuation models used.</li> <li>Assessment of the results of the sensitivity analyses performed by the directors in order to determine the changes in the key assumptions that could affect the assessment of the recoverable amount of goodwill.</li> <li>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.</li> </ul> |

#### Other matters

The consolidated financial statements of the illimity Group for the year ended 31 December 2024 were audited by another auditor, who expressed an unmodified opinion on those statements on 26 March 2025.



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## **Responsibilities of the directors and the board of statutory auditors for the consolidated financial statements**

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, 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 ilimity Bank SpA or to cease operations or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Group's financial reporting process.

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## **Auditor's responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised professional judgement and maintained professional scepticism throughout the audit.

Furthermore:

- We identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- We concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- We evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion on the consolidated financial statements.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

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#### **Additional disclosures required by article 10 of Regulation (EU) 537/2014**

On 25 September 2025, the shareholders of illimity Bank 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 2025 to 31 December 2033.

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**

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##### **Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 815/2019**

The directors of illimity Bank 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.

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Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree 39/2010

The directors of illimity Bank SpA are responsible for preparing a report on operations of illimity group as of 31 December 2025, including its consistency with the relevant consolidated financial statements and its 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, 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;
- issue a statement on material misstatements, if any, in the report on operations.

In our opinion, the report on operations is consistent with the consolidated financial statements of illimity group as of 31 December 2025.

Moreover, in our opinion, the report on operations, excluding the section on the consolidated sustainability reporting, is prepared in compliance with the law.



With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree 39/2010, issued on the basis of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have nothing to report.

Our opinion on compliance with the law does not extend to the section of the report on operations relating to the consolidated sustainability reporting. The conclusions on the compliance of that section with the rules governing its preparation and on compliance with the disclosure requirements established by article 8 of Regulation (EU) 852/2020 are expressed by ourselves in the report prepared in accordance with article 14-bis of Legislative Decree 39/2010.

Milano, 23 March 2026

PricewaterhouseCoopers SpA

Signed by

Pierfrancesco Anglani

(Partner)

As disclosed by the directors, the accompanying consolidated financial statements of Illimity Bank SpA constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 815/2019. This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

## **Independent auditor's limited assurance report on the consolidated sustainability statement in accordance with article 14-bis of Legislative Decree 39/2010**

To the Shareholder of

illimity Bank SpA

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### **Conclusion**

In accordance with article 8, of Legislative Decree 125/2024 (the "Decree"), we have undertaken a limited assurance engagement on the consolidated sustainability statement of the illimity group (the "Group") for the year ended 31 December 2025 prepared in accordance with article 4 of the Decree, presented in the specific section of the consolidated report on operations.

Based on the procedures performed, nothing has come to our attention that causes us to believe that:

- the consolidated sustainability statement of the illimity 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-Information pursuant art. 8 Reg. of the (EU) 2020/852 (EU 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

Sede legale: **Milano** 20145 Piazza Tre Torri 2 Tel. 02 77851 Fax 02 7785240, Capitale Sociale Euro 6.890.000,00 I.v., C.F. e P.IVA e Reg. Imprese Milano Monza Brianza Lodi 12979880155 Iscritta al n° 119644 del Registro dei Revisori Legali - Altri Uffici: **Ancona** 60131 Via Sandro Totti 1 Tel. 071 2132311 - **Bari** 70122 Via Abate Gimma 72 Tel. 080 5640211 - **Bergamo** 24121 Largo Belotti 5 Tel. 035 228691 - **Bologna** 40124 Via Luigi Carlo Farini 12 Tel. 051 6186211 - **Brescia** 25121 Viale Duca d'Aosta 28 Tel. 030 3697501 - **Catania** 95129 Corso Italia 302 Tel. 095 7532311 - **Firenze** 50121 Viale Gramsci 15 Tel. 055 2482611 - **Genova** 16121 Piazza Piccopietra 9 Tel. 010 29041 - **Napoli** 80121 Via del Mille 16 Tel. 081 36181 - **Padova** 35138 Via Vicenza 4 Tel. 049 873481 - **Palermo** 90141 Via Marchese Ugo 60 Tel. 091 349737 - **Parma** 43121 Via Pisacane 18 Tel. 0521 275911 - **Pescara** 65127 Piazza Ettore Troilo 8 Tel. 085 4545711 - **Roma** 00154 Largo Fochetti 29 Tel. 06 570251 - **Torino** 10122 Via Santa Maria 11 Tel. 011 556771 - **Trento** 38122 Viale della Costituzione 33 Tel. 0461 237004 - **Treviso** 31100 Viale Fellissent 90 Tel. 0422 696911 - **Udine** 33100 Via Poscollo 43 Tel. 0432 25789 - **Varese** 21100 Via Albuzzi 43 Tel. 0332 285039 - **Verona** 37135 Via Francia 21/C Tel. 045 8263001.

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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.

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## Other matters

The consolidated sustainability statement for the year ended 31 December 2024 was the subject of a limited assurance engagement performed by another auditor who expressed an unmodified conclusion thereon dated 26 March 2025.

The paragraph "*Basis for Sustainability Reporting – Specific Circumstances*" sets out the effects of the restatement of certain comparative data relating to the previous year, compared with the data previously presented, following the correction of a metric concerning the "Own workforce" (disclosure requirement S1-17).

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## Responsibilities of the directors and the board of statutory auditors of illimity Bank SpA for the consolidated sustainability statement

The directors of illimity Bank 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 (IROs) - Processes to identify and assess material IROs [IRO-1]”* of the consolidated sustainability statement.

The directors are also responsible for preparing the consolidated sustainability statement, which contains the information identified through the materiality assessment process, in accordance with the provisions of article 4 of the Decree, including:

- its compliance with the ESRS;
- its compliance with article 8 of the Taxonomy Regulation of the information set out in paragraph *“Other sustainability information-Information pursuant art. 8 Reg. of the (EU) 2020/852 (EU 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 4 of the Decree that is free from material misstatement, whether due to fraud or error. That responsibility also involves selecting and applying appropriate methods for processing the information, as well as developing hypotheses and estimates about specific items of sustainability information that are reasonable in the circumstances.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, compliance with the Decree.

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## Inherent limitations in the preparation of the consolidated 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.

#### **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.

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## Summary of the work performed

An engagement designed to obtain limited assurance involves performing procedures to obtain evidence as a basis for our conclusion.

The procedures performed were based on our professional judgement and included inquiries, primarily of personnel of illimity Bank 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.
- We verified the structure and presentation of disclosures included in the consolidated sustainability statement in accordance with the ESRS.
- We obtained management's representation letter.

Milan, 23 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.

# Annex 1 – Reconciliation between the reclassified balance sheet and income statement and financial statements

Below are the reconciliation schemes used for the preparation of the reclassified balance sheet and income statement. Any discrepancies between the figures presented are due solely to rounding.

## Reclassified Balance sheet

| Assets                                                                 | Values as of<br>31/12/2025 |
|------------------------------------------------------------------------|----------------------------|
| <b>Cash and cash equivalents</b>                                       | <b>229,715</b>             |
| <b>Loans to banks, financial entities and other institutions</b>       | <b>118,033</b>             |
| Item 40. a) Loans to banks                                             | 98,023                     |
| Loans to financial entities                                            | 20,010                     |
| <b>Loans to customers and investments</b>                              | <b>4,012,087</b>           |
| Item 40. b) Loans to customers                                         | 5,021,495                  |
| <i>To be deducted:</i>                                                 |                            |
| <i>Loans to financial entities</i>                                     | <i>(20,010)</i>            |
| <i>Government Bonds</i>                                                | <i>(989,398)</i>           |
| <b>Government Bonds</b>                                                | <b>989,398</b>             |
| <b>HTCS Financial assets</b>                                           | <b>544,166</b>             |
| <b>FVTPL Financial assets</b>                                          | <b>513,885</b>             |
| <b>Equity investments</b>                                              | <b>32,056</b>              |
| <b>Goodwill</b>                                                        | <b>21,971</b>              |
| <b>Other intangible Assets</b>                                         | <b>22,623</b>              |
| Item 100. Intangible assets                                            | 44,594                     |
| <i>To be deducted:</i>                                                 |                            |
| <i>Goodwill</i>                                                        | <i>(21,971)</i>            |
| <b>Other assets</b>                                                    | <b>572,263</b>             |
| Item 50. Hedging derivatives                                           | 37,482                     |
| Item 90. Property and equipment                                        | 50,912                     |
| Item 110. Tax assets                                                   | 95,105                     |
| Item 120. Non-current assets held for sale and discontinued operations | 146,843                    |
| Item 130. Other assets                                                 | 241,921                    |
| <b>Total Assets</b>                                                    | <b>7,056,197</b>           |

| Liabilities and shareholders' equity                                      | Value as of<br>31/12/2025 |
|---------------------------------------------------------------------------|---------------------------|
| <b>Due to banks</b>                                                       | <b>726,472</b>            |
| Item 10. a) Amounts due to banks                                          | 726,634                   |
| <i>To be deducted:</i>                                                    |                           |
| <i>Lease Liabilities (IFRS 16) towards banks</i>                          | (162)                     |
| <b>Due to customers</b>                                                   | <b>4,935,968</b>          |
| Item 10. b) Amounts due to customers                                      | 4,959,376                 |
| <i>To be deducted:</i>                                                    |                           |
| <i>Lease Liabilities (IFRS 16) towards customers</i>                      | (23,408)                  |
| <b>Securities issued</b>                                                  | <b>574,477</b>            |
| Item 10. c) Securities issued                                             | 574,477                   |
| <b>Other liabilities</b>                                                  | <b>228,823</b>            |
| Item 80. Other Liabilities                                                | 154,183                   |
| <i>Increase:</i>                                                          |                           |
| <i>Lease Liabilities (IFRS 16) towards customers</i>                      | 23,408                    |
| <i>Lease Liabilities (IFRS 16) towards banks</i>                          | 162                       |
| Item 20. Financial liabilities held for trading                           | 12,742                    |
| Item 40. Hedging derivatives                                              | 16,556                    |
| Item 50. Value adjustments of generic hedging financial liabilities (+/-) | (2,861)                   |
| Item 60. Tax liabilities                                                  | 3,296                     |
| Item 70. Liabilities associated with assets held for sale                 |                           |
| Item 90. Employee severance pay                                           | 4,289                     |
| Item 100. Funds for risks and charges                                     | 17,048                    |
| <b>Shareholders' equity</b>                                               | <b>590,457</b>            |
| Share capital and reserves                                                |                           |
| Item 120. Valuation reserves                                              | (12,627)                  |
| Item 150. Reserves                                                        | 228,569                   |
| Item 160. Share premium reserves                                          | 624,922                   |
| Item 170. Share capital                                                   | 54,789                    |
| Item 180. Treasury shares (-)                                             | (5,070)                   |
| Item 190. Equity attributable to minority interests (+/-)                 | 4,927                     |
| Item 200. Profit (loss) for the year                                      | (305,053)                 |
| <b>Total liabilities and shareholders' equity</b>                         | <b>7,056,197</b>          |

## Reclassified Income Statement

| Income Statement items                                                                                    | Values as of<br>31/12/2025 |
|-----------------------------------------------------------------------------------------------------------|----------------------------|
| <b>Net interest margin</b>                                                                                | <b>109,599</b>             |
| Item 10. Interest income and similar income                                                               | 351,319                    |
| <i>To be deducted:</i>                                                                                    |                            |
| <i>Reclassification from item 140. Profits (Losses) on changes in contracts without derecognition</i>     | (788)                      |
| Item 20. Interest expenses and similar charges                                                            | (237,694)                  |
| <i>Reclassification of Raisin operating components</i>                                                    | (4,695)                    |
| <i>To be deducted:</i>                                                                                    |                            |
| <i>IFRS 16 interest expenses</i>                                                                          | 1,457                      |
| <b>Net fees and commissions</b>                                                                           | <b>64,154</b>              |
| Item 40. Fees and commission income                                                                       | 76,124                     |
| Item 50. Fees and commission expense                                                                      | (14,726)                   |
| <i>Reclassification of HFS fees and commission expense</i>                                                | -                          |
| <i>To be deducted:</i>                                                                                    |                            |
| <i>Raisin operating components</i>                                                                        | 2,756                      |
| <b>Net profit (loss) in hedge accounting, trading and sale of financial assets</b>                        | <b>6,052</b>               |
| Item 70. Dividends and similar income                                                                     | 2,838                      |
| Item 80. Net profit (loss) on trading                                                                     | 391                        |
| Item 90. Net hedging result                                                                               | 67                         |
| Item 100. Profits (losses) from disposal or repurchase                                                    | 5,180                      |
| Item 110. Net profit (loss) on other assets and liabilities measured at fair value through profit or loss | (2,424)                    |
| <b>Net profit (loss) on closed positions</b>                                                              | <b>15,046</b>              |
| <i>of which: Net profit (loss) on closed positions - Clients - POCI</i>                                   | 14,229                     |
| <i>of which: Net profit (loss) on closed positions - Clients - PPC</i>                                    | -                          |
| <i>of which: Net profit (loss) on closed positions - Clients - Energy performing</i>                      | -                          |
| <i>Reclassification from item 280. Profit (Loss) from disposal of investments</i>                         | 817                        |
| <b>Profits (Losses) on changes in contracts without derecognition</b>                                     | <b>-</b>                   |
| item 140. Profits (Losses) on changes in contracts without derecognition                                  | (788)                      |
| <i>Reclassification to item 10. Interest income and similar income</i>                                    | 788                        |
| <b>Other profits (losses) from the disposal of investments</b>                                            |                            |
| Item 280. Profit (Loss) from disposal of investments                                                      | 817                        |
| <i>To be deducted:</i>                                                                                    |                            |
| <i>Reclassification to Net profit (loss) on closed positions</i>                                          | (817)                      |
| <b>Other operating expenses and income (excluding taxes)</b>                                              | <b>6,671</b>               |
| Item 230. Net other income/expenses                                                                       | 12,429                     |
| <i>To be deducted:</i>                                                                                    |                            |
| <i>Reclassification of recovery of other operating income/expenses to Other administrative expenses</i>   | (6,634)                    |
| <i>Reclassification from item 320. Profit (loss) from discontinued operations after tax</i>               | 876                        |
| <b>Total net operating income</b>                                                                         | <b>201,522</b>             |
| <b>Personnel expenses</b>                                                                                 | <b>(73,203)</b>            |
| Item 190. Administrative expenses: a) personnel expenses                                                  | (81,874)                   |
| <i>To be deducted:</i>                                                                                    |                            |
| <i>Reclassification from item 320. Profit (loss) from discontinued operations after tax</i>               | (229)                      |
| <i>Reclassification of HR expenses from other administrative expenses</i>                                 | 8,900                      |
| <b>Other administrative expenses</b>                                                                      | <b>(106,021)</b>           |
| Item 190. Administrative expenses: b) other administrative expenses                                       | (135,311)                  |
| <i>Reclassification of IFRS 16 interest expenses</i>                                                      | (1,457)                    |
| <i>Reclassification of HR expenses to personnel expenses</i>                                              | 229                        |
| <i>Reclassification of recovery of other operating income/expenses to Other administrative expenses</i>   | 6,634                      |
| <i>Raisin operating components</i>                                                                        | 1,939                      |
| <i>Reclassification of contributions and other non-recurring expenses</i>                                 | 21,945                     |
| <b>Net value adjustments on property and equipment and intangible assets</b>                              | <b>(18,496)</b>            |
| Item 210. Net value adjustments on property and equipment                                                 | (8,370)                    |
| Item 220. Net value adjustments on intangible assets                                                      | (10,126)                   |
| <b>Operating expenses</b>                                                                                 | <b>(197,720)</b>           |
| <b>Operating profit (loss)</b>                                                                            | <b>3,802</b>               |



| Income Statement items                                                                                                                  | Values as of 31/12/2025 |
|-----------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| <b>Net value adjustments for credit risk - HTC Banks and financial entities</b>                                                         | <b>146</b>              |
| <b>Net value adjustments for credit risk - HTC Clients</b>                                                                              | <b>(209,379)</b>        |
| Item 130. Value adjustments for credit risk: a) financial assets measured at amortised cost                                             | (195,233)               |
| <i>Reclassification of Net profit (loss) on closed positions - HTC&amp;S Clients - POCI to item 130b</i>                                | -                       |
| <i>Reclassification of Net profit (loss) on closed positions - HTC Clients - POCI off-balance to item 200</i>                           | 229                     |
| <i>To be deducted:</i>                                                                                                                  |                         |
| <i>Net value adjustments for credit risk - HTC Banks and financial entities</i>                                                         | (146)                   |
| <i>Value adjustments for credit risk: a) financial assets measured at amortised cost - Write-backs on Datio in solutum transactions</i> | -                       |
| <i>Net profit (loss) on closed positions - Clients - PPC</i>                                                                            | -                       |
| <i>Net profit (loss) on closed positions - Clients - Energy performing</i>                                                              | -                       |
| <i>Net profit (loss) on closed positions - Clients - POCI</i>                                                                           | (14,229)                |
| <b>Net value adjustments for credit risk - HTCS</b>                                                                                     | <b>(1,208)</b>          |
| Item 130. Value adjustments for credit risk: b) financial assets measured at fair value through other comprehensive income              | (1,208)                 |
| <i>To be deducted:</i>                                                                                                                  |                         |
| <i>Net profit (loss) on closed positions - HTC&amp;S Clients - POCI</i>                                                                 | -                       |
| <b>Net value adjustments for commitments and guarantees</b>                                                                             | <b>(195)</b>            |
| Item 200. Net provisions to allowances for risks and charges: a) commitments and guarantees issued                                      | 34                      |
| <i>To be deducted:</i>                                                                                                                  |                         |
| <i>Net profit (loss) on closed positions - HTC Clients - POCI off-balance</i>                                                           | (229)                   |
| <b>Total net value adjustments</b>                                                                                                      | <b>(210,636)</b>        |
| <b>Other net provisions</b>                                                                                                             | <b>(4,347)</b>          |
| Item 200. Net provisions to allowances for risks and charges: b) other net provisions                                                   | (17,488)                |
| Reclassification of one-off components of the income statement related to extraordinary transactions                                    | 13,141                  |
| <b>Other income (expenses) on equity investments</b>                                                                                    | <b>(2,270)</b>          |
| Item 250. Profit (Losses) on equity investments                                                                                         | (28,796)                |
| <i>Reclassification to Contributions and other non-recurring expenses</i>                                                               | 26,526                  |
| <b>Contributions and other non-recurring expenses</b>                                                                                   | <b>(83,148)</b>         |
| <i>of which: Institutional contributions and banking system</i>                                                                         | (1,257)                 |
| <i>Reclassification of one-off components of the income statement related to extraordinary transactions (FRO)</i>                       | (13,141)                |
| <i>Reclassification of one-off components of the income statement related to extraordinary transactions (AOP)</i>                       | (266)                   |
| <i>Reclassification of one-off components of the income statement related to extraordinary transactions (AOP)</i>                       | (610)                   |
| <i>of which: Public Tender and Exchange Offer costs</i>                                                                                 | (9,240)                 |
| <i>of which: Personnel expenses related to integration</i>                                                                              | (8,900)                 |
| <i>of which: Other administrative expenses related to integration</i>                                                                   | (11,448)                |
| <i>of which: Value adjustments on equity investments</i>                                                                                | (26,526)                |
| <i>of which: Goodwill value adjustments</i>                                                                                             | (11,760)                |
| <b>Other profits (losses) from the disposal of investments</b>                                                                          | <b>-</b>                |
| Item 280. Profit (Loss) from disposal of investments                                                                                    | 817                     |
| <i>To be deducted:</i>                                                                                                                  |                         |
| <i>Reclassification to Net profit (loss) on closed positions</i>                                                                        | (817)                   |
| <b>Profit (Loss) from operations before taxes</b>                                                                                       | <b>(296,599)</b>        |
| <b>Income taxes for the year on continuing operations</b>                                                                               | <b>(9,666)</b>          |
| Item 300. Income taxes for the year on continuing operations                                                                            | (9,666)                 |
| <b>Item 320. Profit (loss) from discontinued operations after tax</b>                                                                   | <b>-</b>                |
| Item 320. Profit (loss) from discontinued operations after tax                                                                          | -                       |
| <b>Profit (loss) for the year</b>                                                                                                       | <b>(306,265)</b>        |
| <b>Item 340. Profit (loss) for the financial year attributable to minority interests</b>                                                | <b>1,212</b>            |
| <b>Profit (loss) for the year</b>                                                                                                       | <b>(305,053)</b>        |

## Annex 2 – Fees for audit and non-audit services pursuant to Article 149-duodecies of CONSOB Regulation no. 11971

Pursuant to the provisions of Article 149-duodecies of CONSOB Issuers' Regulation, the following table lists information regarding the payments disbursed to auditors KPMG S.p.A. and PricewaterhouseCoopers S.p.A., as well as companies belonging to the same networks. The amounts reported below are net of VAT and Operating Costs:

| Type of service        | Service provider     | (In thousands of euros) |               |
|------------------------|----------------------|-------------------------|---------------|
|                        |                      | Sums due                |               |
|                        |                      | illimity Bank S.p.A.    | Group Company |
| Accounting Audit       | KPMG S.p.A.          | 156                     | 164           |
| Accounting Audit       | PwC S.p.A.           | 415                     | 156           |
| Certification services | KPMG S.p.A.          | 17                      | 8             |
| Certification services | PwC S.p.A.           | 79                      | -             |
| Other services         | KPMG Advisory S.p.A. | -                       | -             |
| Other services         | PwC S.p.A.           | -                       | -             |
| <b>Total</b>           |                      | <b>667</b>              | <b>328</b>    |



## Annex 3 – Public Disclosure Country by Country (pursuant to Bank of Italy Circular no. 285 of 17 December 2013 “Supervisory Provisions for banks” – 49th update of 23 July 2024)

Listed below is information relating to points a), b), c), d), e) and f) of Annex A to Section One, Title III, Chapter 2 of the aforementioned Supervisory Provisions for banks.

*Situation resulting from the consolidated financial statements as of 31 December 2025*

As a result of company events that have taken place in recent years and from time to time have been the subject of public disclosure via press releases or in the context of periodic financial reporting, as of the reporting date of 31 December 2025, the illimity Group is located exclusively in Italy.

### a) Name of company and nature of activity

Illimity Bank. S.p.A., with registered offices in Milan at via Soperga 9, is the parent company of the illimity Group, registered under number 245 in the Register of Banking Groups. As from 4 July 2025, the date of settlement of the public tender and exchange offer concerning the shares of illimity, the Bank and the entities of the Group referred to it are subject to management and coordination activities by Banca IFIS S.p.A.

The illimity Group is made up of the parent company, illimity Bank S.p.A., the subsidiaries Arec neprix S.p.A. and Fürstenberg SGR, with registered offices in Milan at via Soperga 9, and the subsidiary Abilio S.p.A., with registered offices in Faenza at via Galileo Galilei 6. The scope of the Group also includes the special purpose companies consisting of the LeaseCos, which support the bank in the management of lease operations, the ReoCos and the other property companies, which are active in the management of the properties linked to the acquired portfolios, and the Special Purpose Vehicles (SPVs) established to undertake securitisation operations. Finally, we should also mention the 48% ownership interest in the capital of AltermaInd, a company created in 2024 from the sale of the Digital Branch of illimity.

On 28 January 2026, the Bank of Italy authorised the acquisition by Banca Sella of 50% of Hype's capital held by illimity Bank and the remaining 50% stake held by the parent company Banca Sella Holding. The transaction, which had been announced on 3 November, was then completed on 6 February 2026.

| Information/Geographical area                                        |                    | Italy     |
|----------------------------------------------------------------------|--------------------|-----------|
| b) Turnover <sup>36</sup>                                            | Thousands of euros | 181,075   |
| c) Number of employees on a full-time equivalent basis <sup>37</sup> | Number of units    | 645       |
| d) Profit (loss) pre-tax <sup>38</sup>                               | Thousands of euros | (296,599) |
| e) Taxes on profit or loss <sup>39</sup>                             | Thousands of euros | (9,666)   |
| f) Government grants received <sup>40</sup>                          | Thousands of euros | 178       |

<sup>36</sup> This figure represents Item 120 “Total net operating income” of the Income Statement of the consolidated financial statements

<sup>37</sup> The number of employees was calculated by taking into consideration the number of hours actually worked in total by all employees, excluding overtime, divided by the number of hours in a week as contractually required for full time, multiplied by 52 weeks, minus 25 days - as conventionally defined - for annual leave

<sup>38</sup> This figure represents the sum of Item 290 “Profit (loss) from continuing operations before taxes” and 320 “Profit (loss) from discontinued operations” (before taxes) of the Income Statement of the consolidated financial statements

<sup>39</sup> This figure represents the sum of Item 300 “Income taxes for the year on continuing operations” and 320 “Profit (loss) from discontinued operations” (solely for the portion of taxes in question) of the Income Statement of the consolidated financial statements.

<sup>40</sup> This figure indicates the government grants not taken into consideration in transactions that fall within state aid schemes reported in Section A of the Explanatory Notes.

# Individual Report on Operations

This Report illustrates the performance and the related data and results of illimity Bank S.p.A. (“illimity” or the “Bank”).

## Alternative performance measures as of 31 December 2025

The main indicators of the Bank are presented below.

Although not covered by IAS/IFRS, the figures presented are provided in compliance with the indications in CONSOB Communication No. 0092543 of 3 December 2015, and of the ESMA Recommendations on alternative performance measures (ESMA/2015/1415 Guidance).

(amounts in thousands of euros)

| PERFORMANCE MEASURES        | 31/12/2025 | 31/12/2024 | Chg.      | Chg. % |
|-----------------------------|------------|------------|-----------|--------|
| Total net operating income  | 124,842    | 218,682    | (93,840)  | (43%)  |
| Operating expenses          | (137,937)  | (132,554)  | (5,383)   | 4%     |
| Operating profit (loss)     | (13,095)   | 86,128     | (99,223)  | n.a    |
| Total net value adjustments | (174,932)  | (136,960)  | (37,972)  | 28%    |
| Profit (loss) before tax    | (249,831)  | (130,400)  | (119,431) | 92%    |
| Profit (loss) for the year  | (257,594)  | (103,957)  | (153,637) | >100%  |

| STRUCTURAL RATIOS                       | 31/12/2025 | 31/12/2024 |
|-----------------------------------------|------------|------------|
| Shareholders' Equity/Total Liability    | 8.1%       | 10.2%      |
| Interbank Funding/Total Funding         | 11.5%      | 12.1%      |
| Liquidity Coverage Ratio                | ~228%      | ~216%      |
| Net Stable Funding Ratio                | >100%      | >100%      |
| Net loans with Customers/Total assets   | 66.8%      | 64.0%      |
| Direct customer funding/Total Liability | 78.9%      | 76.3%      |

| CAPITAL RATIOS                                                 | 31/12/2025 | 31/12/2024 |
|----------------------------------------------------------------|------------|------------|
| Tier I capital ratio (Tier 1 Capital/Total weighted assets)    | 11.32%     | 13.92%     |
| Total capital ratio [(Tier I + Tier II)/Total weighted assets] | 16.77%     | 17.95%     |
| Own Funds                                                      | 621,494    | 898,433    |
| of which: Tier I capital                                       | 419,639    | 696,934    |
| Risk-weighted assets                                           | 3,705,865  | 5,005,898  |

For details on the construction logic of the alternative performance indicators shown in the tables above, please refer to the same section of the consolidated financial statements.

## Composition and organisational structure

illimity Bank operates in the banking sector and is authorised to provide private banking, offer investment services and conduct trading activities. In the third quarter of 2025, illimity's Board of Directors approved an update of the Organisation Structure aimed at aligning it, where possible, with the organisational model of the parent company Banca Ifis. This evolution is an important step in fostering maximum synergy between the two entities and ensuring an effective and consistent integration path with shared strategies. Therefore, illimity has appointed a Chief Commercial Officer (CCO) to oversee the business, to whom the structures responsible for origination report:

- Corporate Banking, with its two structures, Structured Finance and Factoring;
- Turnaround & Credit Opportunities;
- Investment Banking;
- ABF (Asset-Based Finance) - Investments;
- Management, Portfolio & Business Transformation.

The CCO is also responsible for the Digital Banking unit, in charge of Direct Banking management, and the Strategy, Projects & Business Monitoring unit, responsible for coordinating and supporting business

activities, as well as the M&A Advisory & Syndication area.

Finally, the CCO also oversees the Lending Competence Line, with responsibility for credit analysis and resolution activities, in support of the business.

The Bank's organisational structure is also comprised of "HQ Functions", i.e., transversal structures supporting the business and monitoring risks. In particular, it should be noted that the Chief Operating Officer (COO) also oversees the Portfolio & Business Transformation Division, responsible for managing specific assets considered "non core" and for which no origination is envisaged.

For further details on the Bank's composition and organisational structure, please refer to the Consolidated Report on Operations.

### Bank branches and offices

The Bank's branches and offices are as follows:

- Milan - Via Soperga, 9 (registered office);
- Modena – Via F. Lamborghini 88/90.

### Human resources

On 31 December 2025 the Bank's registered employees were 367 (422 on 31 December 2024). A breakdown of the workforce is given below, divided by job level:

| Job level        | 31/12/2025 |             |             | 31/12/2024 |             |             | Changes     |              |
|------------------|------------|-------------|-------------|------------|-------------|-------------|-------------|--------------|
|                  | Number     | in %        | Average age | Number     | in %        | Average age | Number      | in %         |
|                  | employees  |             |             | employees  |             |             | employees   |              |
| Senior managers  | 47         | 13%         | 48          | 52         | 12%         | 47          | (5)         | (10%)        |
| Middle managers  | 181        | 49%         | 40          | 207        | 50%         | 39          | (26)        | (13%)        |
| Employees        | 139        | 38%         | 33          | 163        | 38%         | 32          | (24)        | (15%)        |
| <b>Employees</b> | <b>367</b> | <b>100%</b> |             | <b>422</b> | <b>100%</b> |             | <b>(55)</b> | <b>(13%)</b> |

## Relations with subsidiaries

| Name                                                            | Registered office | Operational headquarters | Quota di ownership interest % | Votes % |
|-----------------------------------------------------------------|-------------------|--------------------------|-------------------------------|---------|
| <b>A. Wholly-owned subsidiaries</b>                             |                   |                          |                               |         |
| 1. Soperga RE S.r.l.                                            | Milan             | Milan                    | 100%                          | 100%    |
| 2. Friuli LeaseCo S.r.l.                                        | Milan             | Milan                    | 100%                          | 100%    |
| 3. Doria LeaseCo S.r.l.                                         | Milan             | Milan                    | 100%                          | 100%    |
| 4. River LeaseCo S.r.l.                                         | Milan             | Milan                    | 100%                          | 100%    |
| 5. Arecneprix S.p.A.                                            | Milan             | Milan                    | 100%                          | 100%    |
| 6. Fürstenberg SGR S.p.A.                                       | Milan             | Milan                    | 100%                          | 100%    |
| 7. Pitti LeaseCo S.r.l.                                         | Milan             | Milan                    | 100%                          | 100%    |
| 8. River Immobiliare S.r.l.                                     | Milan             | Milan                    | 100%                          | 100%    |
| 9. Aporti S.r.l.                                                | Milan             | Milan                    | 66.7%                         | 66.7%   |
| 10. Pitti SPV S.r.l.                                            | Milan             | Milan                    | 100%                          | 100%    |
| 11. Friuli SPV S.r.l.                                           | Milan             | Milan                    | 100%                          | 100%    |
| 12. Doria SPV S.r.l.                                            | Milan             | Milan                    | 100%                          | 100%    |
| 13. River SPV S.r.l.                                            | Milan             | Milan                    | 100%                          | 100%    |
| 14. SpicyCo S.r.l.                                              | Milan             | Milan                    | 100%                          | 100%    |
| 15. SpicyCo 2 S.r.l.                                            | Milan             | Milan                    | 100%                          | 100%    |
| 16. Abilio S.p.A.                                               | Faenza            | Faenza                   | 82%                           | 82%     |
| 17. Dagobah SPV S.r.l.                                          | Milan             | Milan                    | 100%                          | 100%    |
| 18. Dagobah LeaseCo S.r.l.                                      | Milan             | Milan                    | 100%                          | 100%    |
| 19. Mida RE S.r.l.                                              | Milan             | Milan                    | 100%                          | 100%    |
| 20. Sileno SPV S.r.l.                                           | Milan             | Milan                    | 100%                          | 100%    |
| 21. Montes SPV S.r.l.                                           | Milan             | Milan                    | 100%                          | 100%    |
| 22. Montes LeaseCo S.r.l.                                       | Milan             | Milan                    | 100%                          | 100%    |
| 23. Mia SPV S.r.l.                                              | Milan             | Milan                    | 100%                          | 100%    |
| 24. Vela 2023 LeaseCo S.r.l.                                    | Milan             | Milan                    | 100%                          | 100%    |
| 25. Eolo Leaseco S.r.l.                                         |                   |                          |                               |         |
| 26. iREC LeaseCo S.r.l.                                         | Milan             | Milan                    | 100%                          | 100%    |
| <b>B. Jointly-owned subsidiaries</b>                            |                   |                          |                               |         |
| (*) <sup>41</sup>                                               | -                 | -                        | -                             | -       |
| <b>C. Companies in which significant influence is exercised</b> |                   |                          |                               |         |
| 27. AltermAlnd S.r.l.                                           | Milan             | Milan                    | 48%                           | 48%     |

The breakdown of the book value of individual equity investment is given below:

| Name                                                            | Book value    | Dividends received |
|-----------------------------------------------------------------|---------------|--------------------|
| <b>A. Wholly-owned subsidiaries</b>                             |               |                    |
| 1. Soperga RE S.r.l.                                            | 10            | -                  |
| 2. Friuli LeaseCo S.r.l.                                        | 10            | -                  |
| 3. Doria LeaseCo S.r.l.                                         | 10            | -                  |
| 4. River LeaseCo S.r.l.                                         | 10            | -                  |
| 5. ARECneprix S.p.A.                                            | 44,564        | -                  |
| 6. Fürstenberg SGR S.p.A.                                       | 4,055         | -                  |
| 7. Pitti LeaseCo S.r.l.                                         | 10            | -                  |
| 8. River Immobiliare S.r.l.                                     | 10            | -                  |
| 9. Aporti S.r.l.                                                | 11            | -                  |
| 10. Pitti SPV S.r.l.                                            | 14            | -                  |
| 11. Friuli SPV S.r.l.                                           | 14            | -                  |
| 12. Doria SPV S.r.l.                                            | 14            | -                  |
| 13. River SPV S.r.l.                                            | 14            | -                  |
| 14. SpicyCo S.r.l.                                              | 291           | -                  |
| 15. SpicyCo 2 S.r.l.                                            | 30            | -                  |
| 16. Abilio S.p.A.                                               | -             | -                  |
| 17. Dagobah SPV S.r.l.                                          | 10            | -                  |
| 18. Dagobah LeaseCo S.r.l.                                      | 64            | -                  |
| 19. Mida RE S.r.l.                                              | 10            | -                  |
| 20. Sileno SPV S.r.l.                                           | 10            | -                  |
| 21. Montes SPV S.r.l.                                           | 10            | -                  |
| 22. Montes LeaseCo S.r.l.                                       | 42            | -                  |
| 23. Mia SPV S.r.l.                                              | 10            | -                  |
| 24. Vela 2023 LeaseCo S.r.l.                                    | 10            | -                  |
| 25. Eolo LeaseCo S.r.l.                                         | 10            | -                  |
| 26. iREC LeaseCo S.r.l.                                         | 12            | -                  |
| <b>B. Jointly-owned subsidiaries</b>                            |               |                    |
| (*) <sup>42</sup>                                               | -             | -                  |
| <b>C. Companies in which significant influence is exercised</b> |               |                    |
| 27. AltermAlnd S.r.l.                                           | 31,927        | -                  |
| <b>Total</b>                                                    | <b>81,182</b> | <b>-</b>           |

<sup>42</sup>(\*) It should be noted that for the purposes of the financial statements as at 31 December 2025, illimity's joint control equity investment in Hype was reclassified under assets held for sale by virtue of the sale transaction contractualised in 2025 and finalised in February 2026

## Macroeconomic scenario

The macroeconomic scenario has been described in the Consolidated Report on Operations, to which reference is made.

## Significant events in 2025

### Corporate transactions

On 7 January 2025, the Board of Directors of Banca Ifis approved the promotion of a voluntary public tender and exchange offer (OPAS) on all the shares of illimity Bank. The offer was communicated to the market on 8 January 2025 by means of a announcement disclosed pursuant to and for the purposes of Article 102(1) of Italian Legislative Decree No. 58/98 (the "TUF") and Article 37 of the regulation adopted by Consob Resolution No. 11971/99 (the "Issuers' Regulations"). The offer envisaged the acquisition by Banca Ifis of ownership of 100% of the shares of illimity Bank listed on Euronext Milan, the Euronext STAR Milan segment.

On 27 June 2025, the period for participating in the OPAS (public tender and exchange offer) came to an end. Based on the results of the subscriptions at that date, which reached 84.092%, in order to reach the 90% threshold - the threshold relevant for the residual takeover bid and subsequent squeeze-out procedures - Banca Ifis announced at the end of the participation period that it intended to reopen the deadlines pursuant to and for the purposes of Article 40 *bis*, paragraph 1, letter a) of the Issuers' Regulations; as a result, the participation period was reopened for 5 trading days, specifically for the sessions from 7 July to 11 July 2025.

On 11 July 2025, the period for the reopening of the deadlines of the Public Tender and Exchange Offer came to an end. At the end of the reopening period, total subscriptions to the offer reached 92.488% (taking into account treasury shares). Therefore, based on the results of the reopening of the deadlines and taking into account the 70,694,489 illimity shares already tendered during the participation period, on the payment date following the reopening of the deadlines (18 July 2025), Banca Ifis held 77,752,504 illimity shares, representing 92.488% of its share capital (taking into account treasury shares).

Based on the final results of the reopening of the deadlines, the legal requirements for the fulfilment of the purchase obligation pursuant to Article 108(2) of the Italian Consolidated Law on Finance (TUF) were met, as Banca Ifis came to hold a total ownership interest of more than 90%, but less than 95%, of the share capital of illimity Bank, calculated by counting the 76,754,322 shares tendered in response to the offer and the 998,182 treasury shares held by illimity Bank, which, for the purposes of calculating the threshold envisaged by Article 108(2) of the TUF, must be included in the total ownership interest held by Banca Ifis (numerator) without being deducted from the share capital of illimity Bank (denominator).

Therefore, as stated in the Offer Document, Banca Ifis has not expressed any intention to restore a free float sufficient to ensure the regular trading of illimity shares and has undertaken to fulfil its purchase obligation pursuant to Article 108(2) of the Italian Consolidated Law on Finance (TUF) in relation to the remaining 7,313,486 illimity shares, representing 8.700% of the share capital of illimity Bank (including treasury shares).

The sell-out procedure was successfully completed on 29 August 2025, as at the end of the period for submitting sale requests, requests had been submitted for a total of 2,446,348 remaining shares. These residual shares represent 2.910% of the share capital of illimity Bank and 33.447% of the total remaining shares subject to the procedure for fulfilling the purchase obligation pursuant to Article 108(2) of the TUF (including treasury shares). Therefore, based on these provisional results and taking into account the 2,446,348 remaining shares subject to sale requests, 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 be the owner of 80,198,852 illimity Bank shares, representing 95.398% of the share capital of illimity Bank (taking into account treasury shares).

In view of the above, the legal requirements for the fulfilment of the purchase obligation pursuant to Article 108(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 illimity Bank shares, representing 4.602% of the share capital (so-called "squeeze out"), were met, as Banca Ifis came to hold a total ownership interest of more than 95% of illimity Bank's share capital.

As a result of the completion of the squeeze out procedure, on 19 September 2025 Banca Ifis had 100% of illimity Bank's share capital.

On 25 September 2025, the ordinary and extraordinary Shareholders' Meeting of illimity Bank met, called to resolve, *inter alia*, on the renewal of the corporate bodies.

It is noted that, as of December 31, 2025, the Bank is an issuer of debt securities listed on the Luxembourg Stock Exchange, the Euronext Dublin market, and the EuroTLX market of Borsa Italiana. Having elected Italy as its Member State of origin, the Bank is subject to the requirements applicable to Issuers as set forth in Legislative Decree 58/1998 (Consolidated Law on Finance) and Consob Regulation no. 11971/1999 (Issuers' Regulation).

### Main business transactions

In May 2025, illimity Bank S.p.A. acted as Euronext Growth Advisor (EGA) and Global Coordinator in the process of admission to and subsequent listing in the Euronext Growth Milan market of an AI Data Company that develops B2B Service as a Software solutions enhanced by artificial intelligence and advanced data analysis.

In December 2025, Banca Ifis entered into an agreement to sell the entire ownership interest held by illimity Bank in Hype in favour of Banca Sella. The offer, which was then finalised in February 2026, envisages an economic consideration of EUR 85 million.

### Other significant information

During 2025, analysis continued regarding the valuation of certain loan portfolios, securitisation notes, and AIF units recorded as a result of asset transformation transactions carried out in previous years. This process began in 2024 following recommendations issued by the Bank of Italy after the inspection to which the Bank was subjected during the previous year.

These analyses are part of a verification process aimed at ensuring, at each reporting date, that estimates are updated accurately and promptly, with a view to including the best information available – at any given time – in determining the expected cash flows and related effects on the financial statements for these instruments.

In particular, with reference to the estimate of the expected credit loss (ECL) on certain credit exposures, AIFs and securitisation notes with underlying the above-mentioned transformation transactions, the most up-to-date information on the actual recoverability of the credit positions in the portfolio was introduced and factored into the models, also in relation to the results of the due diligence activities carried out by the new Parent Company, which ended in December.

These derive primarily from the natural process of effective and continuous management of the same positions over time, also following the communications from the servicers last received in December. Reviewing, streamlining and updating work has been carried out in based on this information by the business functions and the activities carried out by risk management and the CLO, with the timely involvement of the corporate bodies.

Furthermore, Internal Audit carried out a third update of the assessment concerning the verification of the classification and measurement, for accounting and prudent purposes, of these financial instruments, which was completed in December and also factored in for the purpose of these Financial Statements.

The inclusion of these elements, with regard to the best estimates of the recoverability of the instruments, also for certain specific securitisation notes, led to the reclassification in terms of credit status, resulting in a change in their classification to Stage 3 among Impaired Financial Assets.



With specific reference to the loan portfolio, an overall analysis was also carried out, which also factored in the results of the aforementioned due diligence, which involved an increase in value adjustments, also considering the progressive deterioration of the portfolio during the financial year.

## Reclassified Consolidated Financial Statements as of 31 December 2025

This Report on Operations has been prepared on the basis of tables in the Bank of Italy Circular No. 262 of 22 December 2005 as amended.

In this document, the mandatory financial statements have been reclassified according to a managerial approach better suited to representing the Bank's financial situation. The goal has been to simplify the use of these financial statements through the specific aggregations of line items and reclassifications detailed below. Therefore, this Report on Operations includes a reconciliation between the financial statements presented and the mandatory financial reporting format laid down in Bank of Italy Circular No. 262, whose values converge in the items of the reclassified financial statements.

Reconciliation with the mandatory items of financial statements aids in reclassification of the items in question, but above all facilitates the understanding of the criteria adopted in constructing the Report on Operations; additional details useful to this end are provided below:

- recoveries of taxes recognised among other operating expenses/income are deducted directly from the indirect taxes included among other administrative expenses and therefore their amount has been set off against the relevant item of the mandatory financial statements;
- the cost components related to Raisin's operations are deducted from the net interest margin;
- dividends received from financial assets measured at fair value through profit or loss were included in the Net profit (loss) on financial assets trading;
- personnel expenses also include documented, itemised reimbursements of room, board and travel expenses incurred by employees on business trips and the costs of mandatory examinations;
- contributions and membership fees are excluded from other administrative expenses and recognised in a separate item, named "Contributions and other non-recurring expenses". Value adjustments and one-off components related to the merger of illimity in Banca Ifis were also classified in that item;
- interest expense resulting from the lease liability (IFRS 16) is recognised under other administrative expenses;
- net profit (loss) on closed positions include profits and losses generated from the sale of investment property and *datio in solutum* transactions;
- net profit of credit exposures to customers on closed positions is shown separately from net value adjustments for credit risk;
- write-backs and write-downs linked to transformations of capital assets, which are not loans, are reclassified to Other operating expenses and income (excluding taxes);
- net profit of credit exposures to customers on closed positions is shown separately from net value adjustments for credit risk;
- the profit from discontinued operations after tax was disaggregated and reallocated to its revenue and cost items in the financial statements. The gain from the sale of 52% of AltermAlnd's share capital was classified as other operating income and expenses before tax.

Some assets and liabilities in the balance sheet were grouped together, concerning:

- the inclusion of hedging derivative assets, property and equipment, tax assets and assets held for sale in the residual item other assets;
- the aggregation of Loan and securities at amortised cost from banks and financial entities;
- the separate indication of government bonds at amortised cost and loans to customers and investments at amortised cost;
- the separate indication of goodwill and other intangible assets;
- the reclassification of lease agreement liabilities, recognised under the amounts due to customers based on IFRS 16, to other liabilities for operational purposes;

- the inclusion of hedging derivative liabilities, the Allowance for Risks and Charges and employee severance pay in residual items of other liabilities;
- the aggregate indication of items comprising shareholders' equity.

## RECLASSIFIED BALANCE SHEET

| Components of official items of the Balance Sheet | Assets                                                    | 31/12/2025       | 31/12/2024       | Chg.               | Chg. %       |
|---------------------------------------------------|-----------------------------------------------------------|------------------|------------------|--------------------|--------------|
| 10)                                               | Cash and cash equivalents                                 | 172,452          | 340,587          | (168,135)          | (49%)        |
| 40 a) + 40 b)                                     | Loans to banks, financial entities and other institutions | 118,033          | 292,188          | (174,155)          | (60%)        |
| 40 b)                                             | Loans to customers and investments                        | 3,740,171        | 4,302,587        | (562,416)          | (13%)        |
| 40 b)                                             | Government Bonds                                          | 989,398          | 942,250          | 47,148             | 5%           |
| 30)                                               | HTCS Financial assets                                     | 544,166          | 748,027          | (203,861)          | (27%)        |
| 20 a) + 20 c)                                     | FVTPL Financial assets                                    | 932,566          | 972,469          | (39,903)           | (4%)         |
| 70)                                               | Equity investments                                        | 81,182           | 166,469          | (85,287)           | (51%)        |
| 90)                                               | Goodwill                                                  | -                | -                | -                  | N/A          |
| 90)                                               | Other intangible Assets                                   | 10,039           | 14,601           | (4,562)            | (31%)        |
| 50 + 80 + 100 + 110 + 120                         | Other assets                                              | 497,272          | 421,597          | 75,675             | 18%          |
|                                                   | <b>Total assets</b>                                       | <b>7,085,281</b> | <b>8,200,775</b> | <b>(1,115,494)</b> | <b>(14%)</b> |

| Components of official items of the Balance Sheet | Liabilities                                       | 31/12/2025       | 31/12/2024       | Chg.               | Chg. %       |
|---------------------------------------------------|---------------------------------------------------|------------------|------------------|--------------------|--------------|
| 10 a)                                             | Due to banks                                      | 726,465          | 864,936          | (138,471)          | (16%)        |
| 10 b)                                             | Due to customers                                  | 5,017,990        | 5,393,302        | (375,312)          | (7%)         |
| 10 c)                                             | Securities issued                                 | 569,171          | 867,359          | (298,188)          | (34%)        |
| 20 + 40 + 60 + 80 + 90 + 100                      | Other liabilities                                 | 196,254          | 238,439          | (42,185)           | (18%)        |
| (*)                                               | <b>Shareholders' equity</b>                       | <b>575,402</b>   | <b>836,739</b>   | <b>(261,337)</b>   | <b>(31%)</b> |
|                                                   | <b>Total liabilities and shareholders' equity</b> | <b>7,085,281</b> | <b>8,200,775</b> | <b>(1,115,494)</b> | <b>(14%)</b> |

(\*) 110 + 120 + 130 + 140 + 150 + 160 + 170 + 180

## RECLASSIFIED INCOME STATEMENT

| Components of official items of the Income Statement | Income Statement items                                                              | 31/12/2025       | 31/12/2024       | Chg.             | Chg. %       |
|------------------------------------------------------|-------------------------------------------------------------------------------------|------------------|------------------|------------------|--------------|
| <b>10 + 20 + 140 + 290</b>                           | Net interest margin                                                                 | 81,361           | 118,941          | (37,580)         | (32%)        |
| <b>40 + 50</b>                                       | Net fee and commission income                                                       | 31,346           | 45,068           | (13,722)         | (30%)        |
| <b>70 + 80 + 90 + 100 + 110</b>                      | Net profits (loss) on financial assets trading                                      | 165              | 19,976           | (19,811)         | (99%)        |
| <b>130 a) + 130 b) + 170 a)</b>                      | Net profit (loss) on closed positions                                               | 11,762           | 3,943            | 7,819            | >100%        |
| <b>250</b>                                           | Other profits (losses) from the disposal of investments                             | -                | -                | -                | N/A          |
| <b>200</b>                                           | Other operating expenses and income (excluding taxes)                               | 209              | 30,754           | (30,545)         | (99%)        |
| <b>Total net operating income</b>                    |                                                                                     | <b>124,842</b>   | <b>218,682</b>   | <b>(93,840)</b>  | <b>(43%)</b> |
| <b>160 a)</b>                                        | Personnel expenses                                                                  | (44,959)         | (49,513)         | 4,554            | (9%)         |
| <b>160 b)</b>                                        | Other administrative expenses                                                       | (83,806)         | (61,833)         | (21,973)         | 36%          |
| <b>180 + 190</b>                                     | Net value adjustments on property and equipment and intangible assets               | (9,172)          | (21,208)         | 12,036           | (57%)        |
| <b>Operating expenses</b>                            |                                                                                     | <b>(137,937)</b> | <b>(132,554)</b> | <b>(5,383)</b>   | <b>4%</b>    |
| <b>Operating profit (loss)</b>                       |                                                                                     | <b>(13,095)</b>  | <b>86,128</b>    | <b>(99,223)</b>  | <b>N/A</b>   |
| <b>130 a)</b>                                        | Net value adjustments for credit risk - HTC Banks, Financial Entities and Customers | (173,530)        | (137,243)        | (36,287)         | N/A          |
| <b>130 b)</b>                                        | Net value adjustments for credit risk - HTCS                                        | (1,208)          | 385              | (1,593)          | N/A          |
| <b>170 a)</b>                                        | Net value adjustments for commitments and guarantees                                | (194)            | (102)            | (92)             | 91%          |
| <b>Total net value adjustments</b>                   |                                                                                     | <b>(174,932)</b> | <b>(136,960)</b> | <b>(37,972)</b>  | <b>N/A</b>   |
| <b>170 b)</b>                                        | Other net provisions                                                                | (3,967)          | (163)            | (3,804)          | >100%        |
| <b>220</b>                                           | Other income (expenses) on equity investments                                       | (12,060)         | (29,894)         | 17,834           | (60%)        |
| <b>160 b)</b>                                        | Contributions and other non-recurring expenses                                      | (57,837)         | (49,511)         | 3,734            | (8%)         |
| <b>Profit (Loss) from operations before taxes</b>    |                                                                                     | <b>(249,831)</b> | <b>(130,400)</b> | <b>(119,431)</b> | <b>N/A</b>   |
| <b>270 + 290</b>                                     | Income taxes for the year on continuing operations                                  | (7,763)          | 26,443           | 34,206           | >100%        |
| <b>Profit (loss) for the year</b>                    |                                                                                     | <b>(257,594)</b> | <b>(103,957)</b> | <b>(153,637)</b> | <b>N/A</b>   |

## Key data on capital

Given the almost total contribution of the Bank to the Consolidated Financial Statements of the illimity Group, please refer to the Report on Operations of the Consolidated Financial Statements, for more information on the Key data on capital.

## Capital adequacy

On 1 January 2014, the new prudential requirements for banks and investment firms came into force, which are contained in Regulation (EU) No 575/2013 (Capital Requirements Regulation, the CRR) and in Directive 2013/36/EU (Capital Requirements Directive, the CRD IV), which have transposed into the EU the standards set by the Basel Committee on Banking Supervision (Basel 3 Framework). The CRR entered into effect in the Member States directly, whereas the rules laid down in CRD IV were transposed into Italian law by Legislative Decree no. 72 of 12 May 2015, which entered into force on 27 June 2015. Following a public consultation process launched in November, on 17 December 2013 the Bank of Italy published Circular no. 285, "Prudential supervisory provisions for banks", implementing the new EU rules to the extent of its remit, together with Circular no. 286, "Instructions for completing prudential reports for banks and securities brokerage firms" and the update to Circular no. 154 "Supervisory reports by credit and financial institutions. Reporting formats and instructions for submitting data streams" (the above set of rules has been updated on several occasions).

Below are the requirements to be met on an individual basis:

- CET1 ratio of 7.00%;
- Tier 1 ratio of 8.50%;
- Total Capital ratio of 10.50%.

These ratios include an additional requirement deriving from a Capital Conservation Buffer component of 2.50% to be maintained in the form of CET1 capital.

As of 31 December 2024, the "Systemic Risk Buffer", or "SyRB" must also be added to these requirements as provided for in Article 133 of EU Directive/2019/878 (CRD5), in order to prevent and mitigate systemic risks not otherwise covered by other macroprudential tools.

In determining own funds the profit (loss) for the period was allocated net of all charges and dividends that may be forecast pursuant to the CRR, Article 26, paragraph 2, letter b) and Delegated Regulation (EU) 241/2014, articles 2 and 3.

| Capital ratios                                          | 31/12/2025       | 31/12/2024       |
|---------------------------------------------------------|------------------|------------------|
| <b>Common Equity Tier 1 (CET1) capital</b>              | <b>419,639</b>   | <b>696,934</b>   |
| <b>Additional Tier 1 (AT1) capital</b>                  | -                | -                |
| <b>Tier 2 (T2) capital</b>                              | <b>201,855</b>   | <b>201,499</b>   |
| <b>Total own funds</b>                                  | <b>621,494</b>   | <b>898,433</b>   |
| <i>Credit risk</i>                                      | 267,808          | 353,397          |
| <i>Credit valuation adjustment risk</i>                 | -                | -                |
| <i>Settlement risks</i>                                 | -                | -                |
| <i>Market risks</i>                                     | 4,565            | 13,373           |
| <i>Operational risk</i>                                 | 24,096           | 33,701           |
| <i>Other calculation factors</i>                        | -                | -                |
| <b>Total minimum requirements</b>                       | <b>296,469</b>   | <b>404,472</b>   |
| <b>Risk-weighted assets</b>                             | <b>3,705,865</b> | <b>5,005,898</b> |
| <b>Common Equity Tier 1 ratio (<i>Phased-in</i>)</b>    | <b>11.32%</b>    | <b>13.92%</b>    |
| <b>Common Equity Tier 1 ratio (<i>Fully Loaded</i>)</b> | <b>10.71%</b>    | <b>13.45%</b>    |
| <b>Total capital ratio (<i>Phased-in</i>)</b>           | <b>16.77%</b>    | <b>17.95%</b>    |
| <b>Total capital ratio (<i>Fully Loaded</i>)</b>        | <b>16.03%</b>    | <b>17.48%</b>    |

The difference between the Fully Loaded ratio and the Phased-in ratio is due to the application of Regulation 2020/873, in relation to the application of IFRS 9 to own funds and capital ratios.

### Changes in shareholders' equity

As at 31 December 2025, the consolidated shareholders' equity, including the result for the year, amounted to approximately EUR 575.4 million, a decrease compared to 2024 mainly due to the effect of the loss for the year, as well as to the recognition of the extraordinary contribution of 27.5% on the excess profit reserve established pursuant to Article 1, paragraph 69, of Law No. 199 of 30 December 2005. For further details, please refer to the specific section "Extraordinary contribution Law No. 199 of 2025" within "Part A - Accounting policies", "A.1 - General section", "Section 5 - Other aspects" of these Explanatory Notes.

| Items/Technical Forms             | 31/12/2025     | 31/12/2024     |
|-----------------------------------|----------------|----------------|
| 1. Share capital                  | 54,789         | 54,789         |
| 2. Share premium reserve          | 624,922        | 624,937        |
| 3. Reserves                       | 171,418        | 284,934        |
| 4. Equity instruments             | -              | -              |
| 5. (Treasury shares)              | (5,070)        | (5,354)        |
| 6. Valuation reserves             | (13,063)       | (18,609)       |
| 7. Profit (loss) for the year     | (257,594)      | (103,957)      |
| <b>Total shareholders' equity</b> | <b>575,402</b> | <b>836,740</b> |

### Share capital and ownership structure

As of 31 December 2025, the Bank's share capital amounted to EUR 54,789,379.31, fully subscribed and paid up, divided into 84,067,808 Ordinary Shares, without indication of the par value, wholly owned by the shareholder Banca IFIS S.p.A.

### Treasury shares

As at 31 December 2025, the Bank held 998,182 treasury shares for an equivalent value of EUR 5.1 million, down from the amount recorded as at 31 December 2024, following the assignment of some of the same (56,009 for an equivalent value of EUR 285 thousand) in the context of the Group's incentive schemes. The Bank's subsidiaries do not hold any of its shares. As at 31 December 2025, the Bank does not hold shares in the parent company Banca IFIS.

## Financial performance

Given the almost total contribution of the Bank in the Consolidated Financial Statements, please refer to the Report on Operations of the Consolidated Financial Statements for more information on financial performance.

## Management of business risks

For information on the management of business risks, reference is made to the Report on Operations of the Consolidated Financial Statements.

## Main risks and uncertainties

For information about the main risks and uncertainties, reference is made to the Report on Operations of the Consolidated Financial Statements.

## Transactions with related parties

Related party transactions, as identified according to IAS 24, are included within the normal operations of the Bank and are settled at market conditions or on the basis of the costs incurred, if there are no suitable criteria.

In 2025 a material related party transaction was carried out involving an agreement to manage operations with said counterparty related to the liquidity deposited by the latter in current and deposit accounts with illimity Bank S.p.A. (about which adequate disclosure was provided to the market, which should be referred to for further details). There were no further material or minor related party transactions in 2025 which significantly affected the Bank's capital or its financial performance.

It should be noted that transactions or positions with related parties, as classified in the above mentioned IAS 24, have a limited impact on the Group's economic and financial situation and cash flows.

According to IAS 24, related parties are parties:

- h) that directly or indirectly, through one or more intermediaries,
  - (iv) control the entity, are controlled by it, or are under joint control (including controlling entities, subsidiaries and associates);
  - (v) hold an ownership interest in the entity to an extent that they may have considerable influence on the latter; or
  - (vi) jointly control the entity;
- i) represent an associate of the entity;
- j) represent a joint venture in which the entity participates;
- k) are one of the key management personnel of the entity or its parent company;
- l) are a close family member of one of the parties in points (a) or (d);
- m) are an entity controlled by, controlled jointly or subject to significant influence by one of the subjects in points (d) or (e), or those parties having directly or indirectly, a significant portion of voting rights; or
- n) are a pension fund for employees of the entity or of any related entity.

The Board of Directors of the Bank has approved the "Policy for transactions with entities within the single scope of the illimity Bank Group", which defines the internal policies (and relative controls) regarding transactions with related parties and connected entities.

In this regard, it should be noted that, at its meeting of 25 September 2025, the Board of Directors incorporated the guidelines and principles of the "Group Policy on transactions with related parties, connected entities and corporate representatives pursuant to art. 136 of the Consolidated Law on Finance" of the IFIS Group. Therefore, transactions with related parties and connected entities also comply with this last Policy.

For more detail about the operations with related parties and for an examination of the impact of these operations on the financial situation, refer to Part H of the Explanatory Notes.

## Atypical or non-ordinary transactions

In 2025 the Bank did not carry out any such transactions as defined in the Consob Communication no. 6064293 of 28 July 2006.

## Research and Development

illimity's Research and Development activities led to the realisation of various projects of significance to the Group, also with the support of AltermAlInd as the main provider of IT services.

In particular, during 2025, the Bank focused on optimising certain infrastructure components to achieve greater operational efficiency, as well as on identifying the main synergic items to be factored in, in view of the proposed merger in the parent company Banca IFIS scheduled for 2026.

## Events after the reporting period

On 28 January 2026, the Bank of Italy authorised the acquisition by Banca Sella of 50% of Hype's capital held by illimity Bank and the remaining 50% stake held by the parent company Banca Sella Holding. The transaction, which had been announced on 3 November, was then completed on 6 February 2026.

On 28 January 2026, illimity Bank completed a sale of credit loans recognised among assets held for sale for a value of EUR 41 million, in line with the carrying amount in the Financial Statements as at 31 December 2025.

The Board of Directors of illimity Bank, which met in Milan on Monday 9 February 2026, approved the appointment of Raffaele Zingone as the new Chief Executive Officer of the company. Mr. Zingone, who will also retain his role as Co-General Manager and Chief Commercial Officer of Banca Ifis, takes over from Frederik Geertman, current Chief Executive Officer of Banca Ifis and head of illimity Bank since last September.

## Business outlook

In the current macroeconomic context, the Italian and European economies are experiencing moderate but stable growth, following the slowdown recorded in 2025. The latest forecasts from 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 in investment and recovering domestic demand.

After peaking in the previous two years, inflation is gradually returning to the 2% target, thanks to lower energy prices and easing tensions on food and industrial goods. This development has allowed the European Central Bank to begin a cycle of reference rate reductions, which is set to continue, albeit gradually, throughout 2026.

The lower interest rate climate is helping to improve loan conditions for households and businesses, with positive effects on lending and deposit volumes, but it is also putting downward pressure on bank interest margins.

At international level, however, factors of uncertainty remain, linked to the volatility of the financial markets, the geopolitical situation in certain areas of the world and the evolution of fiscal policies in the main European countries.

The ongoing war involving Iran has escalated from a regional crisis into geopolitical uncertainty, with potential macroeconomic implications that are currently unforeseeable. The conflict has driven up oil and gas prices and, should it persist for several months, could fuel inflationary pressures and curb global growth.

Having taken into account the positive conclusion of the OPAS (public tender and exchange offer), the development of the Bank's activities will continue within the management and strategic guidelines of the new Group to which it belongs.



## Reserve deriving from the extraordinary tax on “extra profits”

It should be noted that Article 26 of Italian Decree Law No. 104 of 10 August 2023, converted with amendments by Italian Law No. 136 of 9 October 2023 introduced into the national tax system, for the year 2023, an extraordinary tax on banks, commensurate with the increase in the net interest income between 2021 and 2023, with a maximum limit calculated on the basis of individual risk exposure as at the end of the 2022 financial year.

When this decree was converted, paragraph 5-*bis* was introduced, allowing banks, as an alternative to paying the tax by 30 June 2024, to allocate, upon approval of the 2023 financial statements, an amount of no less than two and a half times the tax to a non-distributable reserve identified for this purpose. If the reserve thus established had subsequently been used for the distribution of profits, the tax due would have been paid in full, plus interest accrued in accordance with the provisions of the law.

With reference to this, the illimity Bank Shareholders' Meeting of 24 April 2024 – exercising the option envisaged by paragraph 5-*bis* above – resolved to allocate a portion of the profit for the 2023 financial year to the creation of a specific reserve, called the “Extra-profit reserve”, equal to two and a half times the amount of the extraordinary tax and therefore equal to EUR 27,350,489.

In view of the above reserve, no tax liability was recognised, as the Board of Directors of illimity Bank had decided not to propose its distribution. The aforementioned reserve was therefore classified as a reserve subject to tax on distribution, by virtue of the tax restriction described above.

Italian Law No. 199 of 30 December 2025 (the “2026 Budget Law”) amended the rules governing the above-mentioned 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 from 1 January 2029.

The same regulation also introduced the option of exempting the reserve in question from payment of the extraordinary tax described above (at a rate of 40%), which may be exercised until 31 December 2028, subject to the payment of an extraordinary contribution equal to 27.5% of the amount of the reserve existing as at 31 December 2025, if the option is exercised in 2026, or 33% of the amount of the reserve existing as at 31 December 2026 or 31 December 2027, if the option is exercised in 2027 or 2028, respectively.

At its meeting on 9 February 2026, the Board of Directors of illimity Bank, having assessed the economic benefits, resolved to exercise the right of exemption by paying an extraordinary contribution equal to 27.5% of the amount of the reserve existing at 31 December 2025, amounting to EUR 7,521,384. This contribution will be paid over by 30 June 2026.

Based on 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 entitled “Extraordinary contribution reserve pursuant to Italian Law No. 199/2025”.

Following payment of the extraordinary contribution (June 2026) and its subsequent settlement in the tax return for the 2025 tax period, the reserve in question will be released from any tax restrictions and will therefore become an available reserve.

As a result of the above exemption, shareholders are asked to approve the offsetting of the negative reserve entitled “Extraordinary contribution reserve pursuant to Italian Law No. 199/2025” with the “Non-distributable reserve for extra profits tax pursuant to Article 26(5-*bis*) of Italian Decree Law No. 104/2023”, by reducing the amount of the latter from EUR 27,350,489 to EUR 19,829,105.



# PROPOSED ALLOCATION OF THE RESULT FOR THE YEAR

The Board of Directors submits the following proposal for a resolution to the Meeting.

## PROPOSAL

The Shareholders' Meeting of illimity Bank S.p.A. ("illimity" or the "Bank"),

- having examined the draft financial statements of the Bank for the year ended 31 December 2025, accompanied by the annexes and documents prescribed by the law, as well as having examined the Consolidated Financial Statements of the Group as of 31 December 2025;
- examined the results of said draft annual financial statements for the year, which closed with a loss for the year of EUR 257,594,214.62 and the Group's Consolidated Financial Statements, which closed with a loss for the year attributable to the Parent Company of EUR 305,053 thousand;
- having examined the report of the Board of Directors on operations as of 31 December 2025;
- having acknowledged the respective reports drafted by the Board of Statutory Auditors and by the company responsible for the statutory audit, PricewaterhouseCoopers S.p.A.;

## RESOLVED

- to approve the annual financial statements of illimity Bank S.p.A., accompanied by the report of the Board of Directors on operations as of 31 December 2025, that show a loss for the year of EUR 257,594,214.62, and to carry forward the loss in full.

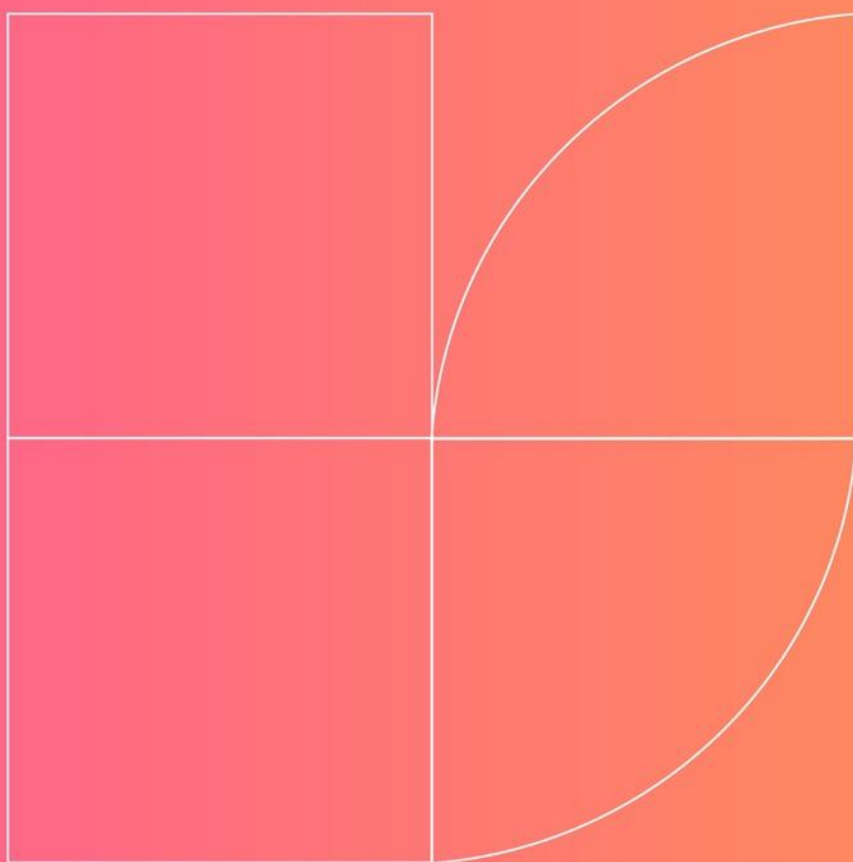
Milan, 9 March 2026

On behalf of the Board of  
Directors

The Chair, Ernesto Fürstenberg Fassio

# Financial Statements

as of 31 December 2025



 illimity

**BALANCE SHEET**

| Assets              |                                                                            | 31/12/2025           | 31/12/2024           |
|---------------------|----------------------------------------------------------------------------|----------------------|----------------------|
| 10.                 | Cash and cash equivalents                                                  | 172,451,608          | 340,587,214          |
| 20.                 | Financial assets measured at fair value through profit or loss             | 932,566,293          | 972,468,508          |
|                     | a) financial assets held for trading                                       | 12,519,426           | 44,028,937           |
|                     | c) other financial assets mandatorily measured at fair value               | 920,046,867          | 928,439,571          |
| 30.                 | Financial assets measured at fair value through other comprehensive income | 544,166,234          | 748,027,306          |
| 40.                 | Financial assets measured at amortised cost                                | 4,847,602,656        | 5,537,025,377        |
|                     | a) loans to banks                                                          | 98,023,433           | 269,813,468          |
|                     | b) loans to customers                                                      | 4,749,579,223        | 5,267,211,909        |
| 50.                 | Hedging derivatives                                                        | 37,482,172           | 29,384,561           |
| 70.                 | Equity investments                                                         | 81,182,305           | 166,469,136          |
| 80.                 | Property and equipment                                                     | 16,856,021           | 18,778,128           |
| 90.                 | Intangible assets                                                          | 10,039,486           | 14,600,812           |
| 100.                | Tax assets                                                                 | 91,403,678           | 98,521,364           |
|                     | a) current                                                                 | 27,824,651           | 23,136,030           |
|                     | b) deferred                                                                | 63,579,027           | 75,385,334           |
| 110.                | Non-current assets held for sale and discontinued operations               | 148,000,000          | -                    |
| 120.                | Other assets                                                               | 203,530,426          | 274,912,147          |
| <b>Total Assets</b> |                                                                            | <b>7,085,280,879</b> | <b>8,200,774,553</b> |

**continued: BALANCE SHEET**

| Liabilities and shareholders' equity |                                                                  | 31/12/2025           | 31/12/2024           |
|--------------------------------------|------------------------------------------------------------------|----------------------|----------------------|
| 10.                                  | Financial liabilities measured at amortised cost                 | 6,334,219,281        | 7,148,068,834        |
|                                      | a) due to banks                                                  | 726,626,563          | 865,146,410          |
|                                      | b) due to customers                                              | 5,038,421,719        | 5,415,563,542        |
|                                      | c) securities issued                                             | 569,170,999          | 867,358,882          |
| 20.                                  | Financial liabilities held for trading                           | 12,742,193           | 45,106,761           |
| 40.                                  | Hedging derivatives                                              | 16,555,961           | 42,742               |
| 50.                                  | Value adjustments of generic hedging financial liabilities (+/-) | (2,860,506)          | -                    |
| 60.                                  | Tax liabilities                                                  | 1,167,042            | 4,153,984            |
|                                      | b) deferred                                                      | 1,167,042            | 4,153,984            |
| 80.                                  | Other liabilities                                                | 129,165,823          | 139,010,437          |
| 90.                                  | Employee severance pay                                           | 2,531,529            | 2,737,125            |
| 100.                                 | Funds for risks and charges                                      | 16,357,554           | 24,915,574           |
|                                      | a) commitments and guarantees issued                             | 2,223,313            | 2,290,237            |
|                                      | c) other allowances for risks and charges                        | 14,134,241           | 22,625,337           |
| 110.                                 | Valuation reserves                                               | (13,063,339)         | (18,609,363)         |
| 140.                                 | Reserves                                                         | 171,417,908          | 284,933,592          |
| 150.                                 | Share premium reserve                                            | 624,922,118          | 624,936,792          |
| 160.                                 | Share capital                                                    | 54,789,379           | 54,789,379           |
| 170.                                 | Treasury shares (-)                                              | (5,069,849)          | (5,354,324)          |
| 180.                                 | Profit (loss) for the year (+/-)                                 | (257,594,215)        | (103,956,980)        |
|                                      | <b>Total liabilities and shareholders' equity</b>                | <b>7,085,280,879</b> | <b>8,200,774,553</b> |

## INCOME STATEMENT

| Items       |                                                                                                           | 31/12/2025           | 31/12/2024           |
|-------------|-----------------------------------------------------------------------------------------------------------|----------------------|----------------------|
| 10.         | Interest income and similar income                                                                        | 319,200,796          | 395,012,014          |
|             | <i>of which: interest income calculated according to the effective interest method</i>                    | 299,004,286          | 354,243,680          |
| 20.         | Interest expenses and similar charges                                                                     | (233,656,533)        | (274,513,736)        |
| <b>30.</b>  | <b>Net interest income</b>                                                                                | <b>85,544,263</b>    | <b>120,498,278</b>   |
| 40.         | Fees and commission income                                                                                | 38,281,651           | 51,416,760           |
| 50.         | Fees and commission expense                                                                               | (9,692,257)          | (8,103,810)          |
| <b>60.</b>  | <b>Net fees and commissions</b>                                                                           | <b>28,589,394</b>    | <b>43,312,950</b>    |
| 70.         | Dividends and similar income                                                                              | 20,007,119           | 2,674,548            |
| 80.         | Net profit (loss) on trading                                                                              | 391,557              | 9,003,892            |
| 90.         | Net profit (loss) in hedge accounting                                                                     | 66,981               | 257,085              |
| 100.        | Profits (losses) on disposal or repurchase of:                                                            | 5,179,694            | 3,529,400            |
|             | a) financial assets measured at amortised cost                                                            | 7,153,884            | 3,037,289            |
|             | b) financial assets measured at fair value through other comprehensive income                             | (1,974,190)          | 511,831              |
|             | c) financial liabilities                                                                                  | -                    | (19,720)             |
| 110.        | Net profit (loss) on other financial assets and liabilities measured at fair value through profit or loss | (25,480,610)         | 4,511,103            |
|             | b) other financial assets mandatorily measured at fair value                                              | (25,480,610)         | 4,511,103            |
| <b>120.</b> | <b>Operating income</b>                                                                                   | <b>114,298,397</b>   | <b>183,787,256</b>   |
| 130.        | Net value adjustments for credit risks associated with:                                                   | (163,204,655)        | (136,101,428)        |
|             | a) financial assets measured at amortised cost                                                            | (161,996,716)        | (136,486,390)        |
|             | b) financial assets measured at fair value through other comprehensive income                             | (1,207,939)          | 384,962              |
| 140.        | Profits/losses on changes in contracts without derecognition                                              | (787,680)            | -                    |
| <b>150.</b> | <b>Net profit (loss) from banking activities</b>                                                          | <b>(49,693,937)</b>  | <b>47,685,828</b>    |
| 160.        | Administrative expenses:                                                                                  | (170,828,154)        | (97,073,999)         |
|             | a) personnel expenses                                                                                     | (53,971,697)         | (42,598,053)         |
|             | b) other administrative expenses                                                                          | (116,856,457)        | (54,475,946)         |
| 170.        | Net provisions to allowances for risks and charges                                                        | (17,073,669)         | (17,487,043)         |
|             | a) commitments and guarantees issued                                                                      | 34,540               | 3,084,941            |
|             | b) other net provisions                                                                                   | (17,108,209)         | (20,571,984)         |
| 180.        | Net value adjustments on property and equipment                                                           | (2,998,376)          | (3,111,067)          |
| 190.        | Net value adjustments on intangible assets                                                                | (6,173,940)          | (4,329,438)          |
| 200.        | Net other income/expenses                                                                                 | 9,966,740            | 12,978,164           |
| <b>210.</b> | <b>Operating costs</b>                                                                                    | <b>(187,107,399)</b> | <b>(109,023,383)</b> |
| 220.        | Profit (Losses) on equity investments                                                                     | (13,029,606)         | (29,893,717)         |
| 240.        | Goodwill value adjustments                                                                                | -                    | (21,643,000)         |
| 250.        | Profit (Loss) from disposal of investments                                                                | -                    | (1)                  |
| <b>260.</b> | <b>Profit (loss) from continuing operations before tax</b>                                                | <b>(249,830,943)</b> | <b>(112,874,273)</b> |
| 270.        | Income taxes for the year on continuing operations                                                        | (7,763,272)          | 14,526,830           |
| <b>280.</b> | <b>Profit (loss) from continuing operations after tax</b>                                                 | <b>(257,594,215)</b> | <b>(98,347,443)</b>  |
| 290.        | Profit (loss) from discontinued operations after tax                                                      | -                    | (5,609,537)          |
| <b>300.</b> | <b>Profit (loss) for the year</b>                                                                         | <b>(257,594,215)</b> | <b>(103,956,980)</b> |

## STATEMENT OF COMPREHENSIVE INCOME

|                                                                                                              | 31/12/2025           | 31/12/2024           |
|--------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
| <b>10. Profit (loss) for the year</b>                                                                        | <b>(257,594,215)</b> | <b>(103,956,980)</b> |
| <b>Other income components, after tax, that may not be reclassified to the income statement</b>              |                      |                      |
| <b>20.</b> Equity instruments measured at fair value through other comprehensive income                      | (788,404)            | 471                  |
| <b>70.</b> Defined-benefit plans                                                                             | 122,481              | 18,668               |
| <b>Other income components, after taxes, that may be reclassified to the income statement</b>                |                      |                      |
| <b>140.</b> Financial assets (other than equities) measured at fair value through other comprehensive income | 6,211,947            | 11,640,278           |
| <b>170. Total other income components after tax</b>                                                          | <b>5,546,024</b>     | <b>11,659,417</b>    |
| <b>180. Other comprehensive income (Item 10+170)</b>                                                         | <b>(252,048,191)</b> | <b>(92,297,563)</b>  |

## STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS OF 31 DECEMBER 2025

|                            | Balance on 31/12/2024 | Change to opening balances | Balance on 1/1/2025 | Allocation of result for the previous year |                                 | Changes in the year |                                   |                             |                               |                              |                                |               |                                       | Shareholders' equity as of 31/12/2025 |
|----------------------------|-----------------------|----------------------------|---------------------|--------------------------------------------|---------------------------------|---------------------|-----------------------------------|-----------------------------|-------------------------------|------------------------------|--------------------------------|---------------|---------------------------------------|---------------------------------------|
|                            |                       |                            |                     | Reserves                                   | Dividends and other allocations | Change in reserves  | Shareholders' equity transactions |                             |                               |                              |                                |               |                                       |                                       |
|                            |                       |                            |                     |                                            |                                 |                     | Issue of new shares               | Purchase of treasury shares | Extraordinary distribution of | Change in equity instruments | Derivatives on treasury shares | Stock options | Comprehensive income as of 31/12/2025 |                                       |
| Share capital:             |                       |                            |                     |                                            |                                 |                     |                                   |                             |                               |                              |                                |               |                                       |                                       |
| a) ordinary shares         | 54,789,379            | -                          | 54,789,379          | -                                          | -                               | -                   | -                                 | -                           | -                             | -                            | -                              | -             | -                                     | 54,789,379                            |
| b) other shares            | -                     | -                          | -                   | -                                          | -                               | -                   | -                                 | -                           | -                             | -                            | -                              | -             | -                                     | -                                     |
| Share premium reserve      | 624,936,792           | -                          | 624,936,792         | -                                          | -                               | -                   | -                                 | -                           | -                             | -                            | -                              | (14,674)      | -                                     | 624,922,118                           |
| Reserves:                  |                       |                            |                     |                                            |                                 |                     |                                   |                             |                               |                              |                                |               |                                       |                                       |
| a) of profits              | 245,519,701           | -                          | 245,519,701         | (103,956,280)                              | -                               | -                   | -                                 | -                           | -                             | -                            | -                              | (2,037,320)   | -                                     | 139,525,401                           |
| b) other                   | 39,413,891            | -                          | 39,413,891          | -                                          | -                               | (7,521,384)         | -                                 | -                           | -                             | -                            | -                              | -             | -                                     | 31,892,507                            |
| Valuation reserves         | (18,609,363)          | -                          | (18,609,363)        | -                                          | -                               | -                   | -                                 | -                           | -                             | -                            | -                              | -             | 5,546,024                             | (13,063,339)                          |
| Equity instruments         | -                     | -                          | -                   | -                                          | -                               | -                   | -                                 | -                           | -                             | -                            | -                              | -             | -                                     | -                                     |
| Treasury shares            | (5,354,324)           | -                          | (5,354,324)         | -                                          | -                               | -                   | -                                 | -                           | -                             | -                            | -                              | 284,475       | -                                     | (5,069,849)                           |
| Profit (loss) for the year | (103,956,980)         | -                          | (103,956,980)       | 103,956,280                                | -                               | -                   | -                                 | -                           | -                             | -                            | -                              | (257,594,215) | (257,594,215)                         |                                       |
| Shareholders' equity       | 836,739,096           | -                          | 836,739,096         | -                                          | -                               | (7,521,384)         | -                                 | -                           | -                             | -                            | -                              | (1,767,519)   | (252,048,191)                         | 575,402,002                           |

## STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS OF 31 DECEMBER 2024

|                            | Balance on 31/12/2023 | Change to opening balance | Balance on 1/1/2024 | Allocation of result for the previous year |                                 | Changes in the year |                                   |                             |                                       |                  |                                |               |                                       | Shareholders' equity as of 31/12/2024 |
|----------------------------|-----------------------|---------------------------|---------------------|--------------------------------------------|---------------------------------|---------------------|-----------------------------------|-----------------------------|---------------------------------------|------------------|--------------------------------|---------------|---------------------------------------|---------------------------------------|
|                            |                       |                           |                     | Reserves                                   | Dividends and other allocations | Change in reserves  | Shareholders' equity transactions |                             |                                       |                  |                                |               |                                       |                                       |
|                            |                       |                           |                     |                                            |                                 |                     | Issue of new shares               | Purchase of treasury shares | Extraordinary distribution of profits | Change in equity | Derivatives on treasury shares | Stock options | Comprehensive income as of 31/12/2022 |                                       |
| Share capital:             |                       |                           |                     |                                            |                                 |                     |                                   |                             |                                       |                  |                                |               |                                       |                                       |
| a) ordinary shares         | 54,690,661            | -                         | 54,690,661          | -                                          | -                               | -                   | -                                 | -                           | -                                     | -                | -                              | 98,718        | -                                     | 54,789,379                            |
| b) other shares            | -                     | -                         | -                   | -                                          | -                               | -                   | -                                 | -                           | -                                     | -                | -                              | -             | -                                     | -                                     |
| Share premium reserve      | 624,583,587           | -                         | 624,583,587         | -                                          | -                               | 353,205             | -                                 | -                           | -                                     | -                | -                              | -             | -                                     | 624,936,792                           |
| Reserves:                  |                       |                           |                     |                                            |                                 |                     |                                   |                             |                                       |                  |                                |               |                                       |                                       |
| a) of profits              | 170,261,166           | -                         | 170,261,166         | 81,428,704                                 | 22,005                          | (373,236)           | -                                 | -                           | -                                     | -                | -                              | (5,818,938)   | -                                     | 245,519,701                           |
| b) other                   | 37,823,290            | -                         | 37,823,290          | -                                          | -                               | 1,590,601           | -                                 | -                           | -                                     | -                | -                              | -             | -                                     | 39,413,891                            |
| Valuation reserves         | (30,268,780)          | -                         | (30,268,780)        | -                                          | -                               | -                   | -                                 | -                           | -                                     | -                | -                              | -             | 11,659,417                            | (18,609,363)                          |
| Equity instruments         | -                     | -                         | -                   | -                                          | -                               | -                   | -                                 | -                           | -                                     | -                | -                              | -             | -                                     | -                                     |
| Treasury shares            | (746,902)             | -                         | (746,902)           | -                                          | -                               | -                   | -                                 | (4,896,690)                 | -                                     | -                | -                              | 289,268       | -                                     | (5,354,324)                           |
| Profit (loss) for the year | 102,307,087           | -                         | 102,307,087         | (81,428,704)                               | (20,878,383)                    | -                   | -                                 | -                           | -                                     | -                | -                              | -             | (103,956,980)                         | (103,956,980)                         |
| Shareholders' equity       | 958,650,109           | -                         | 958,650,109         | -                                          | (20,856,378)                    | 1,570,570           | -                                 | (4,896,690)                 | -                                     | -                | -                              | (5,430,952)   | (92,297,563)                          | 836,739,096                           |



**CASH FLOW STATEMENT**

| A. OPERATING ACTIVITIES                                                                                                                      | Amount               |                      |
|----------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
|                                                                                                                                              | 31/12/2025           | 31/12/2024           |
| <b>1. Operations</b>                                                                                                                         | <b>33,687,273</b>    | <b>41,883,613</b>    |
| Net profit/loss for the year (+/-)                                                                                                           | (257,594,215)        | (103,956,980)        |
| Gains/losses on financial assets held for trading and other financial assets/liabilities measured at fair value through profit or loss (-/+) | 46,537,000           | (6,309,346)          |
| Gains/losses on hedging activities (-/+)                                                                                                     | 1,518,441            | (266,272)            |
| Net value adjustments for credit risk (+/-)                                                                                                  | 164,511,956          | 133,681,174          |
| Net value adjustments on property and equipment and intangible assets (+/-)                                                                  | 9,172,316            | 29,083,505           |
| Net provisions to allowances for risks and charges and other costs/revenue (+/-)                                                             | 24,186,525           | 19,805,181           |
| Taxes, duties and unpaid tax credits (+)                                                                                                     | 11,725,076           | (12,938,250)         |
| net value adjustments on discontinued operations, net of the tax effect (+/-)                                                                | -                    | (27,274,989)         |
| Other adjustments (+/-)                                                                                                                      | 33,630,174           | 10,059,590           |
| <b>2. Cash flow generated/absorbed by financial assets</b>                                                                                   | <b>716,026,665</b>   | <b>(948,926,904)</b> |
| Financial assets held for trading                                                                                                            | 27,270,511           | (11,931,459)         |
| Financial assets designated at fair value                                                                                                    | -                    | -                    |
| Other financial assets mandatorily measured at fair value                                                                                    | (50,798,737)         | (183,207,666)        |
| Financial assets measured at fair value through other comprehensive income                                                                   | 203,985,791          | (265,831,957)        |
| Financial assets measured at amortised cost                                                                                                  | 490,966,913          | (491,518,955)        |
| Other assets                                                                                                                                 | 44,602,187           | 3,563,133            |
| <b>3. Cash flow generated/absorbed by financial liabilities</b>                                                                              | <b>(916,343,685)</b> | <b>851,342,468</b>   |
| Financial liabilities measured at amortised cost                                                                                             | (838,178,073)        | 882,968,706          |
| Financial liabilities held for trading                                                                                                       | (32,364,568)         | 25,630,880           |
| Financial liabilities designated at fair value                                                                                               | -                    | -                    |
| Other liabilities                                                                                                                            | (45,801,044)         | (57,257,118)         |
| <b>Net cash generated/absorbed by operating activities</b>                                                                                   | <b>(166,629,747)</b> | <b>(55,700,823)</b>  |

| B. INVESTING ACTIVITIES                                    | Amount               |                      |
|------------------------------------------------------------|----------------------|----------------------|
|                                                            | 31/12/2025           | 31/12/2024           |
| <b>1. Cash flows from</b>                                  | <b>11,343,968</b>    | <b>48,024,000</b>    |
| Sales of equity investments                                | -                    | 48,024,000           |
| Dividends received on equity investments                   | 11,343,968           | -                    |
| Sales of property and equipment                            | -                    | -                    |
| Sales of intangible assets                                 | -                    | -                    |
| Sales of business units                                    | -                    | -                    |
| <b>2. Cash flows used in</b>                               | <b>(12,849,827)</b>  | <b>(18,904,305)</b>  |
| Purchases of equity investments                            | (12,849,827)         | (45,100)             |
| Purchases of property and equipment                        | -                    | (826,348)            |
| Purchases of intangible assets                             | -                    | (18,032,257)         |
| Purchases of business units                                | -                    | -                    |
| <b>Net cash generated/absorbed by investing activities</b> | <b>1,505,860</b>     | <b>29,119,695</b>    |
|                                                            |                      |                      |
| C. FINANCING ACTIVITIES                                    | Amount               |                      |
|                                                            | 31/12/2025           | 31/12/2024           |
| Issues/Purchases of treasury shares                        | -                    | (4,896,690)          |
| Issues/purchases of equity instruments                     | -                    | -                    |
| Distribution of dividends and other purposes               | -                    | (20,856,378)         |
| <b>Net cash generated/absorbed by financing activities</b> | <b>-</b>             | <b>(15,048,555)</b>  |
| <b>NET CASH GENERATED/ABSORBED IN THE YEAR</b>             | <b>(168,135,606)</b> | <b>(283,587,674)</b> |

## RECONCILIATION

| FINANCIAL STATEMENT ITEMS                                     | Amount             |                    |
|---------------------------------------------------------------|--------------------|--------------------|
|                                                               | 31/12/2025         | 31/12/2024         |
| <b>Cash and cash equivalents at the beginning of the year</b> | <b>340,587,214</b> | <b>392,921,409</b> |
| Total net cash generated/absorbed in the year                 | (168,135,606)      | (52,334,196)       |
| Cash and cash equivalents: foreign exchange effect            | -                  | -                  |
| <b>Cash and cash equivalents at the end of the year</b>       | <b>172,451,608</b> | <b>340,587,213</b> |

Key:

(+) generated

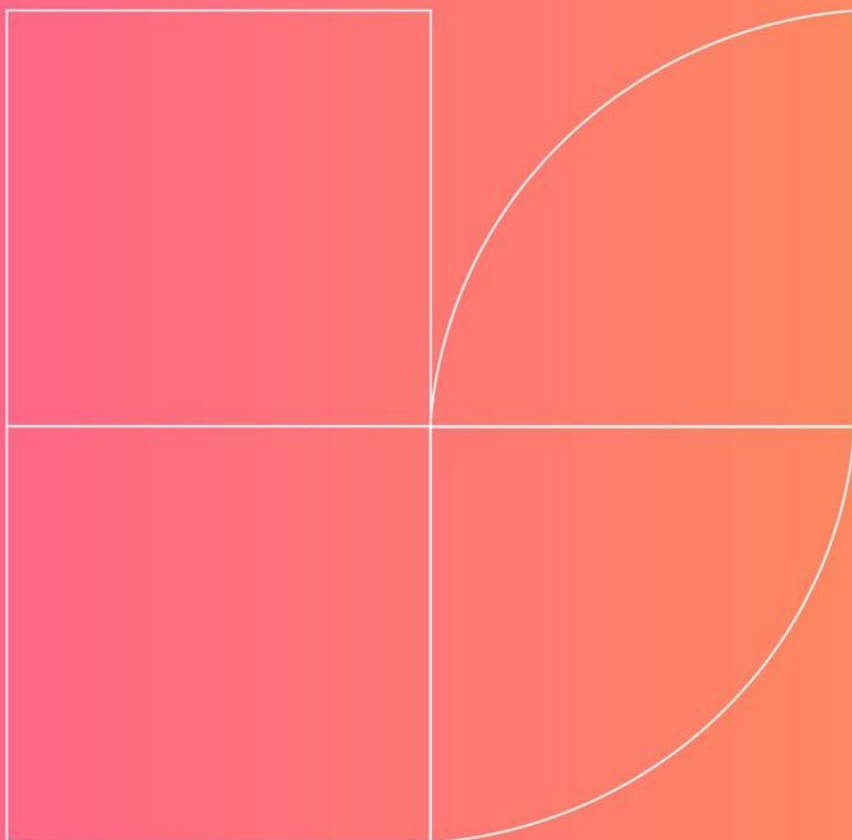
(-) absorbed

The information required by IAS 7 paragraph 44 A and B is highlighted below.

| DISCLOSURE IAS 7<br>paragraphs 44 A and B<br>(in euro units)                        | 31/12/2024    | Cash flows    | Non-monetary changes |            | 31/12/2025    |
|-------------------------------------------------------------------------------------|---------------|---------------|----------------------|------------|---------------|
|                                                                                     |               |               | Change in fair value | Other      |               |
| Liabilities arising from<br>financing activities (items<br>10-20-30 of liabilities) | 7,193,175,595 | (870,542,641) | 2,307,315            | 22,021,205 | 6,346,961,474 |

# Explanatory Notes

as of 31 December 2025



# PART A – Accounting policies

## A.1 General information

### Section 1 - Statement of compliance with International Accounting Standards

These Consolidated Financial Statements have been prepared in accordance with the IAS/IFRS international accounting standards issued by the International Accounting Standards Board (IASB) approved by the European Union and the relative interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as established by Community Regulation no. 1606 of 19 July 2002.

In preparing these annual Financial Statements, the IAS/IFRS in force as of 31 December 2025 were applied, including the SIC and IFRIC interpretations as endorsed by the European Commission. There were no derogations from the IAS/IFRS.

With reference to the financial statements of banks and financial companies subject to supervision, the Bank of Italy has established, by Circular 262 of 22 December 2005, as amended, the financial statements and Explanatory Notes formats used for the drafting of these Financial Statements. When preparing the annual financial statements, the provisions of Circular 262 - 8th update, issued on 17 November 2022, were applied.

The communications of the Supervisory Bodies (Bank of Italy, ECB, Consob and ESMA) were also considered, to the extent applicable, the recommendations of which were provided on the disclosure to be reported in the annual Financial Statements, regarding certain aspects of greater relevance in the accounting field or on the accounting treatment of particular transactions.

For an overview of the accounting standards and related interpretations approved by the European Commission, whose application is scheduled for 2025 or for future years, please refer to that which is subsequently illustrated.

The annual Financial Statements are subject to the certification, provided for by the appointed management bodies and by the Financial Reporting Officer, envisaged by Article 154 bis, paragraph 5 of Italian Legislative Decree No. 58 of 24 February 1998.

### Section 2 - Basis of preparation

The annual Financial Statements comprise the Balance Sheet, the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Shareholders' Equity, the Cash Flow Statement (prepared applying the "indirect" method) and the Explanatory Notes. The annual Financial Statements are also accompanied by the Directors' report on operations, on the financial performance achieved and on the Bank's financial position and cash flow.

In accordance with Delegated Regulation (EU) 2019/815 on "Regulatory technical standards on the specification of a single electronic reporting format", illimity, as an issuer whose securities are traded on a regulated market of the European Union, is publishing this annual financial report in digital format, i.e. using iXBRL tagging.

In accordance with Article 5 of Italian Legislative Decree no. 38/2005, the financial statements have been drafted using the Euro as the reporting currency. The amounts presented in the financial statements and in the Explanatory Notes are stated in thousands of Euro, unless otherwise indicated. Any discrepancy between the figures shown is due exclusively to rounding.

The annual Financial Statements have been prepared assuming that the Bank will continue as a going concern, since there are no significant uncertainties regarding events or conditions that may lead to doubts as to the Group's ability to continue to operate as a going concern. The valuation criteria adopted are therefore consistent with the assumption of a going concern and comply with the principles of accrual,

relevance and materiality of accounting information and the precedence of economic substance over legal form. These criteria remained unchanged from the previous year.

The financial statements are prepared in accordance with IAS 1 and the specific accounting standards approved by the European Commission as illustrated in the “Section on the main financial statement items” of these Explanatory Notes.

The Financial Statements have been drafted with clarity and provide a true and fair view of the financial situation and economic result of illimity Bank S.p.A. as of 31 December 2025.

The general principles used in the preparation of the financial statements are outlined below:

- going concern basis: the valuations are made on a going-concern basis;
- accruals principle: costs and revenues are recognised in the period in which they accrue in relation to the services received and supplied, regardless of the date of cash settlement;
- consistency of representation: to guarantee the comparability of the data and information in the financial statements and related formats, the representation and classification methods are kept the same over time, unless they need be changed to comply with international accounting standards or interpretations, or unless necessary to make the presentation of data more significant and reliable;
- materiality and aggregation: each major class of items with a similar nature or function is shown separately in the balance sheet and income statement; items with different functions or of different types, if material, are represented separately;
- no offsetting: a no offsetting principle is applied unless provided for or permitted under the international accounting standards or interpretations, or by the Bank of Italy Circular 262 of 22 December 2005 as amended;
- comparability with the previous year: the financial statements and formats show the amounts from the previous year, which may be adapted to ensure comparability;
- the financial statements are prepared on the basis of substance over form and in accordance with the principle of relevance and materiality of information.

The annual Financial Statements as of 31 December 2025, which were approved by the Board of Directors on 9 March 2026, were audited by the auditors PricewaterhouseCoopers S.p.A..

## ***Content of the financial statements***

### **1. Balance sheet and income statement**

The balance sheet and income statement formats consist of items, sub-items and additional details. In the income statement, revenues have been presented without plus sign, whereas costs have been stated in parentheses.

### **2. STATEMENT OF COMPREHENSIVE INCOME**

In addition to the profit (loss) for the year, the statement of comprehensive income indicates income components taken to valuation reserves, net of the relevant tax effect, in accordance with international accounting standards.

Comprehensive income is represented by breaking down the income components that will not be reinstated in the income statement in future and those which, conversely, may be subsequently reclassified under profit (loss) for the year when certain conditions are met. Negative amounts have been stated in parentheses.

The Balance Sheet, Income Statement and Statement of Comprehensive Income do not include accounts not showing amounts for the year to which the financial statements refer or for the previous year.

### 3. Statement of changes in shareholders' equity

The statement shows the composition of and changes in shareholders' equity during the reference financial year, broken down into share capital (ordinary and savings shares), capital reserves, earnings reserves and reserves from the measurement of assets or liabilities and net profit. The own shares in portfolio are deducted from shareholders' equity.

### 4. Cash flow statement

The statement of cash flows during the reporting year was prepared on the basis of the indirect method, according to which the cash flows from operating activities are represented by the results for the financial year, adjusted by the effects of non-monetary transactions. The cash flows are divided between those generated by operating activities, those generated by investment activities and those generated by financing activities.

In the statement, the cash flows generated during the year are indicated without plus sign, while those absorbed are indicated in parentheses.

### Content of the Explanatory Notes

The Explanatory Notes include the information required by the international accounting standards and by the Circular of the Bank of Italy no. 262 issued on 22 December 2005, as amended and supplemented, applicable to the drafting of these financial statements.

### Section 3 - Subsequent events

As reported in the Post-balance sheet events section, with reference to significant events occurring in the period between the reporting date and the date of approval of the draft Financial Statements by the Board of Directors, the following is reported:

- On 28 January 2026, the Bank of Italy authorised the acquisition by Banca Sella of 50% of Hype's capital held by illimity Bank and the remaining 50% stake held by the parent company Banca Sella Holding. The transaction, which had been announced last November 3, was then completed on February 6, 2026.
- on 28 January 2026, illimity Bank completed a sale of credit loans recognised among assets held for sale for a value of EUR 41 million, in line with the carrying amount in the Financial Statements as at 31 December 2025.
- the Board of Directors of illimity Bank, which met in Milan on Monday 9 February 2026, approved the appointment of Raffaele Zingone as the new Chief Executive Officer of the company. Mr. Zingone, who will also retain his role as Co-General Manager and Chief Commercial Officer of Banca Ifis, takes over from Frederik Geertman, current Chief Executive Officer of Banca Ifis and head of illimity Bank since last September.

No significant events occurred between the reporting date (31 December 2025) and the date of approval of the draft financial statements by the Board of Directors (9 March 2026) that could be classified as "adjusting events" within the meaning of IAS 10, i.e. events that require an adjustment to the financial and economic information as at the date of the financial statements.

## Section 4 – Other matters

### 4.1 - Allocation of Group assets to the item “non-current assets held for sale and discontinued operations”

During 2025, certain assets of the Bank were classified under “non-current assets held for sale and discontinued operations”. Specifically, as at 31 December 2025, this item refers

- to the ownership interest in Hype S.p.A., a company subject to joint control, for EUR 85 million. With regard to this equity investment, on 3 November 2025, the offer of EUR 85 million received from the Banca Sella Group was accepted and, following the attainment of regulatory authorisations at the beginning of 2026, on 6 February 2026, it was sold at the agreed price (for further details, please refer to the specific paragraphs included in the sections “Significant events during the year” and “Subsequent events at the reporting date of the consolidated financial statements” in the Group’s Report on Operations);
- for EUR 63 million, to loan portfolios scheduled for sale.

These assets were measured at cost or fair value less costs to sell, whichever is the lower, in accordance with IFRS 5.

### 4.2 – Extraordinary contribution Italian Law No. 199 of 2025

Italian Law No. 199 of 30 December 2025 (“2026 Budget Law”) amended, with paragraph 68 of Article 1, Article 26 of Italian Decree Law No. 104 dated 10 August 2023, converted, with amendments, by Italian Law No. 136 of 9 October 2023. The new regime introduced envisages 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’ meeting resolution, the reserve referred to in paragraph 5 *bis* shall be distributed as a priority, i.e. the reserve established, upon approval of the financial statements for the 2023 financial year, using the option envisaged by the law as a means of satisfying the obligation envisaged as an alternative to the payment of the extraordinary tax then introduced on banks (the so-called “2023 Reserve”). Paragraph 69 of Article 1 of the 2026 Budget Law, on the other hand, introduced the provision that, until the financial year ending 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 related methods of establishment”. The following paragraph 70 envisages that the extraordinary contribution shall be determined as 27.5% of the reserve existing at the end of the financial year ending 31 December 2025 or 33% of the reserve existing at the end of the following financial year; paragraph 72 also lays down that, in the event of payment of the contribution, the provisions of Article 26, paragraph 5 *bis*, last sentence, of Italian Decree Law No. 104 of 10 August 2023 on the non-distributability of the reserve shall not apply.

For illimity Bank, this contribution is EUR 7,521,384 (27.5% of EUR 27,350,489, i.e. the “2023 reserve” allocated to shareholders’ equity).

From a strictly accounting standpoint, following in-depth studies and analyses carried out at banking system level, considering the specific nature of the legislation in question, it was deemed that the matching balance to the liability relating to the extraordinary contribution should be identified in a shareholders’ equity item and that the liability relating to the extraordinary contribution should be recognised in these Consolidated Financial Statements as of 31 December 2025. As a result, the liability arising from the extraordinary contribution was considered to already exist in 2025 and, consequently, was recognised in the consolidated financial statements as of 31 December 2025 in light of the decision to be made by the Board of Directors to proceed with the payment of the contribution in 2026 to the extent of 27.5% of the 2023 Reserve allocated by each bank.

The amount in question was recognised in the balance sheet item “Other liabilities” as a matching balance to the item “Reserves” (sub-item “other reserves”) leaving it up to the Shareholders’ Meeting called to approve the related 2025 Financial Statements of illimity Bank S.p.A. to identify the shareholders’ equity reserve to be drawn from to pay the extraordinary contribution.

### 4.3 – National tax consolidation – Hype tax transparency

for the 2025 tax period, illimity Bank has opted to be a part of the national tax consolidation scheme for Corporate Income Tax (IRES), as provided for in Articles 117-129 of the Consolidated Income Tax Act (TUIR). The scheme is effective, not only for illimity Bank S.p.A., but also for the companies 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.

As these are so-called “intercompany” receivables/payables within the meaning of consolidated accounting, they are eliminated within the consolidation entries and are therefore not included in the items “Other assets” and “Other liabilities” in the illimity Group’s consolidated balance sheet.

illimity Bank also has a tax transparency agreement with Banca Sella Holding S.p.A. for the pro-rata booking to illimity Bank of the taxable income and tax losses of the company subject to joint control Hype S.p.A. The receivables/payables relating to the “Hype” tax transparency are recorded under the items “Other assets” and “Other liabilities” in the balance sheet.

### Significant aspects for the 2025 financial statements assessments

On 14 October 2025, ESMA published a call for information (“European common enforcement priorities for 2025 corporate reading”) containing certain topics and recommendations with reference to:

- the preparation of financial reporting for 2025, relating to:
  - geopolitical risks and uncertainties;
  - sector disclosure (so-called Segment reporting);
- the preparation of the Sustainability statement for the year 2025, with regard to:
  - materiality considerations in reporting according to the ESRS;
  - the scope and structure of the Sustainability statement;
- the priorities related to ESEF (European Single Electronic Format) reporting, regarding common errors detected in the cash flow statement;
- some general considerations, of which the connectivity between financial and sustainability reporting is particularly important.

The following section provides an illustration of the aspects considered as priorities for the evaluations carried out for the purposes of the preparation of the financial information contained in the 2025 Financial Statements and for the related disclosure, in line with the recommendations provided by ESMA by means of a communication dated 14 October 2025 entitled “European common enforcement priorities for 2025 corporate reading”. With regard to the recommendations within the sphere of the Sustainability statement, please refer to the “Sustainability statement” section of the Group Directors’ Report.

#### **Notes on geopolitical risks and uncertainties**

In this regard, ESMA highlights how the Russia-Ukraine conflict, tensions in the Middle East and international trade relations continued to generate high volatility in energy and raw material prices, supply chain disruptions, and shifts in global trade balances in 2025. In light of these dynamics, ESMA believes that geopolitical risks and uncertainties represent an element of significant relevance for the 2025 Financial Statements, given the potential impacts on business performance, the economic and financial position, and the disclosure to be provided in the financial statements. According to ESMA, such risks may have material implications for several measurement areas.

In order to ensure transparency and consistency of disclosure, ESMA shall invite issuers to:

- provide clear, specific and detailed disclosure on the effects that geopolitical uncertainties may have on the financial situation and company performance;
- update sensitivity analyses, explaining how reasonably possible changes in the main valuation assumptions could affect accounting values;



- assess, using judgement, the inclusion of additional information, beyond that required by IFRS, where useful to improve the understanding of the effects on the financial position, cash flows and performance.

In light of the above, the uncertainties attributable to the geopolitical context and, more generally, the evolution of the macroeconomic scenario have been duly taken into account in the relevant estimation processes as well as in risk monitoring activities. In particular, the Group carries out careful monitoring of country risk for the nations involved in the conflicts. This ongoing monitoring has highlighted a limited number of counterparties located in the areas affected by current international tensions, with corresponding modest direct credit exposures. Similarly, no specific critical issues were identified with reference to the trade receivables portfolio.

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

Given the need to appropriately factor in these elements of uncertainty into the main estimation processes, the maximum possible consistency has been ensured between the hypotheses used and the related underlying assumptions applied across the various models.

### **Notes on segment disclosure**

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 company's management (Chief Operating Decision Maker - CODM).

ESMA also highlights that paragraph 80 of IAS 36 provides that the Cash Generating Units (CGUs) to which goodwill is allocated for impairment testing purposes cannot be larger in scope than the individual operating segments identified pursuant to IFRS 8.

Furthermore, it is noted that the aggregation criteria provided for in paragraph 12 of IFRS 8 may only be applied to operating segments that exhibit similar economic characteristics. Issuers are therefore required to provide adequate disclosure regarding the judgements made in applying the aforementioned criteria, including a description of the aggregated segments and, where relevant, the indicators supporting the existence of the same economic characteristics.

ESMA also emphasises the need to provide timely disclosure on the revenues and costs of the operating segments, to the extent that these are highlighted in the management reporting used by the company's management, highlighting any unusual or non-recurring components.

Finally, ESMA draws attention to the disclosure requirements contained in paragraphs 33 and 34 of IFRS 8, relating to the breakdown of revenues by geographical area and by major customers.

Specifically, in identifying the illimity Group's operating segments, appropriate consideration was given to the methods adopted by illimity's Management for making operational decisions and the procedures for preparing internal reporting, used for the purpose of allocating resources to the various segments and analysing their respective performance.

The allocation of income statement and balance sheet figures to the Segments is carried out based on consistent allocation criteria, in order to take into account both the specific nature of the various segments and the need to ensure effective monitoring of corporate performance over time.

In particular, during 2025, a change occurred in the representation of operating segments following a reorganisation that also impacted the manner in which operating results are periodically reviewed at the Bank's highest decision-making and operational level.

Indeed, it should be noted that on 19 January 2025, the Bank announced the approval of a new internal organizational structure, appointing a Deputy CEO responsible for all business areas of the Bank and the illimity Group, and a Deputy CEO to oversee and coordinate the Group's central functions.

Consequently, the illimity Group's segment reporting has been redefined by identifying the two operating segments described in the introduction.

With reference to ESMA's emphasis on the relevance – in the current context of geopolitical uncertainty and trade barriers – of the disclosure on geographical areas and major customers required by paragraphs 33 and 34 of IFRS 8, it is specified that for the Bank revenues from abroad are very limited. It should also be noted that for the Bank there are no instances falling within the definition of "revenues from major customers" pursuant to paragraph 34 of IFRS 8, i.e. revenues from individual external customers accounting for more than 10% of total revenues.

For further details on segment reporting, the rationale for identifying the segments and the allocation of balance sheet and income statement data, please refer to the section "Contribution of business segments to Group results" of the Group Management Report and to "Part L - Segment disclosure" of these consolidated Explanatory Notes.

### **Use of estimates and assumptions in preparing the financial statements**

In compliance with the requirements of the IFRS framework, the preparation of the Report requires the use of estimates and assumptions that may influence the values recognised in the balance sheet and income statement and the disclosures regarding contingent assets and liabilities presented in the annual Financial Statements.

The estimates and related assumptions are based on the use of available management information and subjective assessments, as well as on historical experience. The use of reasonable estimates is, thus, an essential part of the preparation of the financial statements. The components in which the use of estimates and assumptions is substantially inherent in determining the carrying values are indicated below:

- determination of the fair value relating to receivables and financial instruments not listed on active markets;
- measurement of the Expected Credit Loss of receivables;
- estimate of the provision for risks and charges;
- assessment of the recoverability of deferred tax assets (DTA).

An estimate may also be adjusted due to changes in the circumstances on which it was based, new information or greater experience. By their nature, the estimates and assumptions used may change from one period to the next. Accordingly, the values presented in the financial statements may differ, also to a significant degree, from current estimates. Any changes in the estimates are applied prospectively and therefore result in an impact on the income statement in the year which the change occurs as well as that for future years.

For the cases listed above, the following paragraphs present the main topics of risks and uncertainties related to estimates.

#### ***Determination of the fair value relating to receivables and financial instruments not listed on 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 appropriate measurement processes characterised by a certain component of judgement regarding the choice of valuation models and the relevant input parameters, which may sometimes not be observable in the market. Margins of subjectivity exist in the assessment of the observability or otherwise of certain parameters and in the subsequent classification within the fair value hierarchy levels. For qualitative and quantitative disclosure on the methods for determining the fair value of instruments measured at fair value, please refer to paragraph "A.2 - Part relating to the main financial statement items" of the Explanatory Notes of these Financial Statements.

#### ***Measurement of the Expected Credit Loss of receivables***

In accordance with IFRS 9, the following assets are subject to impairment provisions:

- financial assets measured at amortised cost;

- financial assets measured at fair value through other comprehensive income other than equity instruments;
- commitments to disburse funds and guarantees issued that are not measured at fair value through profit or loss;
- contractual activities resulting from operations covered by the scope of application of IFRS 15.

The quantification of “Expected Credit Losses” (ECL), which are expected losses to be recorded as write-downs/write-backs on the income statement, is determined according to whether or not there is a significant increase in the credit risk of a financial instrument compared to the risk determined on the date of initial recognition.

For that purpose, instruments subject to impairment regulations are usually associated to different stages, which have different criteria to quantify write-downs/write-backs:

- if there is no significant increase in the credit risk compared to the initial recognition, the financial instrument is kept in stage 1 and is adjusted by the amount of the loss expected over 12 months (or the expected loss resulting from a default on the financial assets considered possible within 12 months from the date of the reference period);
- if there is a significant increase in the credit risk compared to the initial recognition, the financial instrument is classified in stage 2 or in stage 3 if the instrument is non-performing, and an adjustment | loss is recorded equal to the amount of the expected lifetime loss (or the expected loss resulting from a default on the financial assets considered possible during its life cycle).

An exception to this are the “Purchased or originated credit impaired financial assets”, known as POCI, dealt with in the next point of this paragraph.

Any significant increase in credit risk is identified on a case by case basis, using quali-quantitative criteria.

The criteria adopted by the Bank to understand the significant increase in credit risk are shown below.

#### Quantitative criteria

- Negative change in the rating class (known as delta notch).

#### Qualitative criteria

- Rebuttable presumption - 30 days past due;
- Forbearance;
- Watchlist.

For more detailed information on the criteria adopted by the Bank to understand the significant increase in credit risk, reference is made to Part E of the Explanatory Notes to the Consolidated Financial Statements.

Once the financial assets have been classified in the different Stages, for each exposure, the relevant write-downs/write-backs must be determined following the logic of Expected Credit Loss (“ECL”), using appropriate calculation models. The principle on which the ECL is based is to create a connection between improvement or worsening of the risk profile of the exposure compared to the date of initial recognition in the financial statements, respectively with the increase or decrease in the provision funds.

For more detailed information on the criteria adopted by the Bank for the calculation of expected losses on loans classified in stage 1 and stage 2, refer to Part E of the Explanatory Notes to these Financial Statements.

#### Estimate of expected losses on non-performing positions (stage 3)

Non-performing positions are usually evaluated using analytical techniques. The criteria for estimating the adjustments to be made to non-performing receivables are based on the discounting of expected cash flows taking into account any supporting guarantees, and any advances received. The fundamental elements in determining the current value of the cash flows are the identification of the estimated receipts, the related due dates, and the discounting rate to be applied. The amount of the adjustment | loss is equal

to the difference between the carrying value of the asset and the current value of the expected future cash flows, discounted at the original effective interest rate, which is updated as necessary in the case of a variable-rate instrument or, for positions classified as non performing, at the effective interest rate in force on the date of transition to bad loan status.

Depending on the seriousness of the impairment and the materiality of the exposure, estimates of the collection value will be based on a going concern approach which assumes that the counterparty's business will continue and will continue to generate cash flows, or alternatively on a gone-concern approach. The gone-concern approach is based on the assumption that the business that leads to the only source of cash available to recover the debt, will cease trading and that the underlying guarantees will be called on.

With particular regard to non-performing positions, the analytical assessment rules include forward-looking elements:

- in estimating the percentage of reduction in value of the property given as collateral (estimated on the basis of the updated valuation reports or the report of the Court-appointed Expert);
- by introducing recovery scenarios for specific exposures, considering that they are expected to be sold within a reasonable period of time to a third party in order to maximise the cash flow and also based on a specific strategy for managing non-performing loans. Therefore, the estimated expected losses of such positions reflects not only collection through ordinary management of the receivable but also the presence of a suitably adjusted sale scenario and therefore, of the cash flows arising from this operation.

For more information on the criteria adopted by the Bank for the calculation of expected losses on positions classified in stage 3, refer to the contents of Part E of the Explanatory Notes.

#### Purchased or originated credit impaired financial assets (POCI)

Under IFRS 9, loans considered to be non-performing right from initial recognition due to the high level of associated credit risk, are termed Purchased or Originated Credit Impaired Assets (POCI). POCI also include receivables acquired as part of sale operations (individual or portfolio sales) and business combinations.

Such receivables, when included in the impairment perimeter for the purposes of IFRS 9, are valued by allocating, from the initial recognition date, provisions to cover the losses along the entire lifetime of the receivable (Expected Credit Loss lifetime). As these are non-performing receivables, the initial recognition takes place at Stage 3. A subsequent improvement in the counterparty's credit rating, which may be reflected in the current value of cash flows, may involve the classification within Stage 2. The expected credit loss must always be calculated considering a time horizon of the residual duration (i.e. "lifetime").

These assets are not identified under a specific financial statement item but are classified according to the business model in which the asset is managed, under the following headings:

- "Financial assets measured at fair value through other comprehensive income";
- "Financial assets measured at amortised cost".

In terms of the initial recognition, measurement and derecognition criteria, please refer to the criteria mentioned in the respective items.

Interest income must be calculated by applying the effective interest rate on the net value of the instrument (therefore also considering expected losses on loans) for POCI.

As for POCI, in some cases the financial asset is considered to be non-performing at the time of initial recognition because the credit risk is very high and in the case of acquisition, it has been acquired at a significant discount. In this case it is necessary to include in the cash flow estimates the expected losses on initial receivables for the purpose of calculating the credit-adjusted effective interest rate (also called credit adjusted") for financial assets that are considered non-performing financial assets purchased or originated at the time of initial recognition.

For further information regarding the methods and models for determining the ECL, reference is made to the disclosure in the paragraph “Methods for measuring expected losses” contained in the ‘Credit Risk’ section of “Part E”.

### ***Estimates of provisions for risks and charges***

The companies belonging to the Group are defendants in certain types of litigation and are also exposed to numerous instances of contingent liabilities. The complexity of the specific situations underlying the outstanding litigation, together with potential interpretative issues, requires significant elements of judgement in some circumstances when estimating the liabilities that may arise upon the settlement of pending disputes. The difficulties in assessment concern both the an (whether a liability exists) and the quantum (the amount), and are particularly evident when the proceedings are in their early stages. These circumstances make it difficult to assess contingent liabilities; as a result, the classification of contingent liabilities and the subsequent assessment of the necessary provisions are sometimes based on non-objective elements of judgement, requiring the use of complex estimation procedures.

Specifically, the Group recognises a liability when:

- there is a present obligation (legal or constructive) as a result of a past event;
- it is likely that an outlay of resources embodying economic benefits will be required to settle the obligation;
- a reliable estimate of the amount of the obligation can be made.

If all these conditions are not met, no liabilities are recognised.

The amount recognised as a provision represents the best estimate of the expenditure required to settle the obligation and reflects the risks and uncertainties that relate to the facts and circumstances under review.

Where the effect of the time value of money is material, the amount of the provision is determined as the present value of the best estimate of the cost required to settle the obligation. In such cases, a discount rate is used that reflects current market assessments.

The provisions are periodically reviewed and, where necessary, adjusted to reflect the current best estimate. When, following a review, the expenditure is no longer probable, the provision is reversed.

Funds for risks and charges for commitments and guarantees given include the credit risk provisions recognised for commitments to disburse funds and for guarantees given that fall within the scope of the impairment rules pursuant to IFRS 9. For these cases, in principle, the same allocation methods are adopted between the three stages (credit risk stages) as well as the same calculation methods of the expected losses shown with reference to financial assets measured at amortised cost or the fair value through other comprehensive income.

### ***Assessment of the recoverability of deferred tax assets (DTA)***

The overall total of DTAs as at 31 December 2025 amounts to EUR 63.6 million, including the portion attributable to Law 214/2011 amounting to EUR 0.4 million, which will reverse by 2029 by express statutory provision. It should be noted that such deferred tax assets meeting the requirements of the aforementioned Law are convertible into tax credits in the event of a “statutory loss”, a “tax loss” for IRES purposes, and a “negative net production value” for IRAP purposes; their recovery is therefore certain, as it is independent of the ability to generate future profitability. The maintenance of convertibility into tax credits is subject to the exercise of the option provided for by Italian Decree Law no. 59 of 3 May 2016, converted with amendments by Italian Law no. 119 of 30 June 2016, of which the Group decided to avail itself within the terms and in the manner provided.

Based on the assessment carried out by the parent company Banca IFIS on the residual amount, its recovery was assessed as probable, albeit over a medium-to-long-term time horizon. The portio of past tax losses and ACE surpluses at Group level is anticipated to be fully recovered for a significant share (greater than 85%) by 2033. The remaining portion mainly refers 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 about the recoverability of the DTAs on tax losses over the time horizon in question, no deferred tax assets of EUR 76.8 million were recognised with regard to illimity Bank.

For further details on the assessments made in the preparation of the Financial Statements as at 31 December 2025, please refer to what is described in "Section 11 - Tax assets and tax liabilities - Item 110 of Assets and Item 60 of Liabilities" of Part B of these Explanatory Notes.

### **Deadline for approval and publication of Financial Statements**

Article 154-ter of Italian Legislative Decree No. 59/98 (TUF - Italian Consolidated Law on Finance) envisages that within 120 days of the end of the accounting period, the Parent Company's annual financial statements must be approved and the Annual financial report must be published, including the draft annual Financial Statements, the Directors' Report and the certification required by Article 154-bis, paragraph 5. The draft annual financial statements of the Parent Company and the consolidated financial statements were approved by the Board of Directors on 9 March 2026; the annual financial statements of the Parent Company will be submitted for approval to the Shareholders' Meeting called for 14 April 2026, in first calling.

### **Entry into force of new accounting standards**

The financial statements as at 31 December 2025 have been drawn up in compliance with the recognition and measurement criteria of the International Accounting Standards in force at the reporting date. For further details, please refer to the matters reported below.

Below are the new IAS/IFRS accounting standards or amendments to existing accounting standards issued by the IASB, as well as the new interpretations or amendments of existing ones, published by IFRRIC, with separate evidence of those whose mandatory application starts on the reporting date of these Financial Statements or later.

### **New documents issued by the IASB and endorsed by the EU applicable as of the reference date of these Financial Statements**

*Lack of Exchangeability - Amendments to IAS 21, "The Effects of Changes in Foreign Exchange Rates" (issued in August 2023)*

In August 2023, the IASB published amendments to IAS 21 aimed at introducing additional criteria to support entities in assessing whether a currency is exchangeable into another and in determining the exchange rate to be applied when such exchangeability is lacking. Prior to the IASB's intervention, IAS 21 governed the accounting treatment in cases of temporary lack of exchangeability, without, however, providing 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 starting from January 1, 2025; however, based on the analysis performed, the Group has assessed that the amendments to IAS 21 have not had a significant 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 periods beginning after January 1, 2025**

#### **A - Documents endorsed by the EU**

*"Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7"*

In May 2024, the IASB published certain amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures", with the aim of clarifying several issues that emerged in application practice. The main changes introduced by the amendment are as follows:



- clarification of the recognition and derecognition dates of financial assets and liabilities, also providing a new exception for financial liabilities settled through electronic payment systems;
- introduction of guidance on how to assess the contractual cash flows of instruments with ESG indicators, to determine whether or not they meet the SPPI (Solely Payments of Principal and Interest) criterion;
- additional guidelines on the assessment of contingent features (e.g., clauses that modify cash flows based on ESG targets);
- new disclosure requirements for financial instruments with contractual terms that allow for the modification of financial cash flows, including instruments linked to the achievement of environmental, social, or governance (ESG) objectives;
- updated disclosures regarding equity instruments measured at fair value through other comprehensive income (FVOCI).

The expected impacts for the Group are predominantly organizational in nature (e.g., definition of policies, product mapping, procedural implementations for the required disclosures), while no significant impacts on the Group's financial position, performance, or cash flows are anticipated.

*"Contracts Referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7"*

On December 18, 2024, the IASB published certain amendments aimed at improving the representation of the effects of electricity supply contracts dependent on natural sources, often structured as Power Purchase Agreements (PPAs). The amount of electricity generated under these contracts can vary based on uncontrollable factors, such as weather conditions. Indeed, current accounting requirements may not adequately capture how these contracts influence a company's performance. The amendments include:

- clarifications on the application of the "own use" requirements;
- the possibility of using hedge accounting when such 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.

With regard to the aforementioned amendments, no specific areas of concern have emerged from an accounting perspective at this stage, as such operations are not present within the Group.

*"Annual Improvements Volume 11"*

On July 18, 2024, the IASB issued the customary annual amendments to IFRS, titled "Annual Improvements to IFRS Accounting Standards - Volume 11". The document contains clarifications, simplifications, corrections, and amendments aimed at improving the effectiveness of existing standards. Specifically, these refinements concern IFRS 1, IFRS 7, IFRS 9, IFRS 10, and IAS 7. The amendments will be effective for financial statements as of January 1, 2026, with early application permitted. No significant impacts on the Group's financial position, performance, or cash flows are expected from these changes, given their limited scope.

*"IFRS 18 – Presentation and Disclosure in Financial Statements"*

On April 9, 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". Initial application of the new standard is expected starting from January 1, 2027, with the requirement to present comparative information for the previous year. Early application is permitted, provided that this fact is disclosed.

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 the aggregation and disaggregation of financial information.

In particular, IFRS 18:

- introduces new mandatory categories for the classification of income and expenses (operating, investing, and financing), providing for new mandatory subtotals, including operating profit;
- requires greater transparency regarding the use of Management Performance Measures (MPMs), through reconciliation with IFRS subtotals and an explanation of the underlying reasons;
- strengthens the criteria for the aggregation and disaggregation of information in the primary financial statements and in the notes, in order to ensure a clearer and more consistent representation.

IFRS 18, like IAS 1, does not introduce mandatory financial statement templates, nor does it provide a predefined structure for the Notes; however, it defines a minimum set of information to be presented, leaving the preparer of the financial statements an adequate margin of discretion to ensure the best representation of the entity's financial position, performance, and cash flows.

The changes introduced will mainly concern the presentation of the income statement and the structure of the disclosures; therefore, coordination with Bank of Italy Circular no. 262/2005 will be necessary, the updates of which will be published during 2026 to align the financial statement templates with the new requirements of the standard. Given that the new standard will primarily affect presentation methods rather than measurement criteria, no impacts on the Group's financial position, performance, or cash flows are expected.

## **B - Standards and documents issued but not yet endorsed**

The following section reports the new international accounting standards or amendments thereto that have not yet been endorsed by the European Commission and whose mandatory application begins after the reference date of these Financial Statements. The Group does not expect significant impacts from the adoption of the following interpretations and amendments to existing international accounting standards.

### *IFRS 19 "Subsidiaries without Public Accountability: Disclosures"*

On May 9, 2024, the IASB published the new accounting standard IFRS 19 "Subsidiaries without Public Accountability: Disclosures", which will be applicable for reporting periods beginning on or after January 1, 2027, with the option for early adoption.

IFRS 19 allows entities that meet specific requirements to elect to provide a reduced set of disclosures, while continuing to apply the full recognition, measurement, and presentation criteria required by other international accounting standards.

To apply IFRS 19, at the reporting date, the entity must:

- be a subsidiary, as defined by IFRS 10;
- have no public accountability;
- have a parent company (ultimate or intermediate) that prepares consolidated financial statements, available for public use, drawn up in accordance with IFRS accounting standards.

The new standard will be applicable to:

- subsidiaries that use IFRS for Small and Medium-sized Entities (SMEs) or national accounting standards (local GAAP) for their financial statements and are often required to maintain a dual reporting system, given the differences between the provisions of such standards and those of IFRS accounting standards;
- 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 simplified approach is applicable only to subsidiaries that do not have 'public accountability'.

A subsidiary has public accountability if:



- its debt or equity instruments are traded in a public market or it is in the process of issuing such instruments for trading in a public market (a domestic or foreign stock exchange or an over-the-counter (OTC) market, including local and regional markets); or
- one of its primary activities is holding assets in a fiduciary capacity for a broad group of outsiders (for example, banks, credit unions, insurance companies, securities brokers/dealers, mutual funds, and investment banks).

Entities meeting the aforementioned characteristics may, but are not required to, apply IFRS 19 in their consolidated, separate, or individual financial statements, also 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, illimity Bank, as the Parent Company, prepares both its separate Financial Statements and the Group's Consolidated Financial Statements. Consequently, the Bank does not meet the eligibility requirements set out in IFRS 19 to apply the reduced disclosure regime. Therefore, neither the separate Financial Statements nor the illimity Bank Consolidated Financial Statements will be able to avail themselves 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 August 21, 2025, introduce the possibility for eligible subsidiaries not to disclose certain information relating to standards issued between February 2021 and May 2024. In relation to the operations carried out by the Group and its composition, no impacts are expected from the introduction of the standard in question.

#### *Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency'*

The amendments in question, published on November 13, 2025, and effective as of January 1, 2027, clarify the procedures for translating financial statements from a non-hyperinflationary currency to a hyperinflationary one. No impacts are expected for the Group, as it does not carry out any operations in hyperinflationary contexts.

#### **Disclosure on public funds pursuant to Article 1, paragraph 125 of Italian Law No. 124 of 4 August 2017 ("Annual Market and Competition Law")**

Italian Law No. 124 of 4 August 2017, the "Annual Market and Competition Law" (hereinafter also referred to as Italian Law No. 124/2017), introduced, in Article 1, paragraphs 125 to 129, certain measures aimed at ensuring transparency within the public funds system. More specifically, it provides for companies to include in their Explanatory Notes information about "subsidies, grants, paid positions and any economic benefit of any kind" (hereinafter referred to for short as "public funds") received from public bodies and from any parties specified by said law.

Failure to comply with the obligation to publish said information will result in an administrative fine equal to 1% of the amounts received, with a minimum payable of EUR 2,000. Only at a later stage does the rule provide for the reimbursement of the grant itself. In order to avoid the publication of irrelevant information, the disclosure obligation does not apply if the amount of public funds received by a single party is below the threshold of EUR 10,000.

August 2017 saw the creation of the National Register of State Aid, which was established within the Directorate-General for Incentives to Companies of the Ministry of Economic Development, in which the parties that grant or manage the aid in question must publish all state aid and de minimis aid given to each company. For the individual aid granted to illimity, please refer to the "Transparency of the Register" section, which can be accessed by the public.

In light of the above, in compliance with the provisions of Article 1, paragraph 125, of Law No. 124 of 4 August 2017, during 2025, the Bank received approximately EUR 32 million mainly attributable to exemptions from social security contributions for new hires/conversions to permanent contracts in the two-

year period 2021-2022 or for the hiring of young workers and financing by interprofessional Funds for continuing education through state aid.

For information regarding grants, contributions, paid assignments, and any other economic benefits received by Group companies, please refer to the National Registry of State Aid (*Registro Nazionale degli Aiuti di Stato*), under the 'Transparency' section.

## A.2 Section on the main financial statement items

This section presents the accounting standards used to prepare the financial statements as of 31 December 2025 with reference to the classification, recognition, measurement and derecognition of the various asset and liability items, and for the methods used for the recognition of costs and revenues.

### Financial assets measured at fair value through profit or loss

#### *Classification criteria*

Financial assets other than those classified under financial assets measured at fair value through other comprehensive income and financial assets measured at amortised cost are classified in this category. In particular, the item includes:

- financial assets held for trading, substantially represented by debt and equity securities and by the positive value of derivative contracts held for trading purposes;
- financial assets designated at fair value, i.e. non-derivative financial assets so defined upon initial recognition and provided that the relevant requirements are met. An entity can irrevocably designate, on recognition, a financial assets as being measured at fair value through profit or loss if, and only if, by so doing it would remove or significantly reduce an inconsistency in measurement;
- financial assets mandatorily measured at fair value, represented by financial assets that do not meet the conditions, in terms of cash flow characteristics, for measurement at amortised cost or at fair value through other comprehensive income. In particular this category includes:
  - debt instruments, securities and loans which do not contain cash flows consisting only of repayment of capital and interest consistent with an “basic lending arrangement”, (known as an “SPPI test” that has not been passed);
  - debt instruments, securities, and loans whose business model is neither ‘Held to Collect’ (the objective of which is the holding of assets aimed at collecting contractual cash flows) nor ‘Held to Collect and Sell’ (the objective of which is achieved by both collecting contractual cash flows and selling financial assets);
  - units of UCIs;
  - equity instruments for which the Group does not apply the option granted by the principle of measuring these instruments at fair value through other comprehensive income (so-called “OCI Option”).

Derivative contracts also include those embedded in hybrid financial instruments, where the host contract is not a financial asset within the scope of IFRS 9, which are subject to separate recognition 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;
- hybrid instrument to which they belong is not measured at fair value, with the resulting changes in value recognised in the income statement.

Reclassifications to other categories of financial assets are only permitted if the entity changes its business model with regard to the management of financial assets. In such cases the financial assets may be reclassified from the category measured at fair value through profit or loss to one of the other two categories permitted by IFRS 9 (Financial assets measured at amortised cost or Financial assets measured at fair value through other comprehensive income). The transfer value is represented by the fair value at the time of reclassification and the effects of reclassification operate on a forward-looking basis, from the date of reclassification. In this case, the effective interest rate of the reclassified financial assets is determined on the basis of its fair value on the reclassification date. That date is taken to be the date of first recognition for stage allocation for impairment purposes.

*Recognition criteria*

The initial recognition of financial assets takes place on the date of settlement for debt securities and equity instruments, on the date of disbursement for loans, and on the date of subscription, for derivatives. Upon initial recognition, these financial assets are recognised at fair value, normally equal to the consideration paid, without considering transaction costs or income directly attributable to the instrument, which are recognised in the income statement.

*Measurement criteria*

Even after initial recognition, financial assets are measured at fair value and the effects of applying this criterion are recognised in the income statement.

The determination of the fair value of financial instruments classified in this portfolio is based on prices recorded on active markets, on prices provided by market operators or on internal measurement models, generally used by financial practice, which take into account all the risk factors related to the instruments and which are based on market-observable data.

For the financial assets not listed in active markets, the cost criterion is used to estimate the fair value only on a secondary basis and limited to a small number of circumstances, namely if none of the above valuation methods can be applied or if there is

Interest is recognised under item "10. Interest income and similar income".

Profits and losses from trading and gains and losses from the valuation of the trading book, including derivatives related to financial assets/liabilities designated at fair value, are recognised in the income statement under item "80. Net profit (loss) on trading". The same economic effects relating to financial assets designated at fair value and those mandatorily measured at fair value are recognised under item "110. Net profit (loss) on other financial assets and liabilities measured at fair value through profit or loss, respectively under the sub-items "a) financial assets and liabilities designated at fair value" and "b) other financial assets mandatorily measured at fair value.

*Derecognition criteria*

Financial assets are derecognised only when the contractual rights to the cash flows expire, or when the assets are sold if the sale has resulted in the substantial transfer of all the risks and benefits associated with the assets. If part of the risks and benefits of the sold assets has been maintained, the assets will still be recognised in the financial statements, even if legally, ownership of them has been effectively transferred.

If it is not possible to ascertain the material transfer of the risks and benefits, the financial assets will be derecognised from the financial statements if no type of control has been retained. Otherwise, even if partial control has been retained, the assets will be maintained to an extent equal to the residual involvement, which is measured by the exposure to changes in value of the sold assets and to changes in their cash flows.

Finally, with regard to the transfer of rights to collection, sold financial assets are derecognised from the financial statements even when the contractual rights to receive the cash flows of the asset are retained, but an obligation is assumed to pay those flows to one or more entities.

**Financial assets measured at fair value through other comprehensive income***Classification criteria*

This category includes the financial assets that meet both of the following conditions:

- the financial asset is owned within a business model whose target is to hold financial assets in order to collect contractual cash flows ("HTC&S - Held to Collect and Sell" business model), and
- the contractual terms of the financial asset provide, on certain dates, cash flows consisting only of the repayment of capital and interest consistent with a "basic lending arrangement", in

which the remuneration of the time value of money and credit risk represent the most significant elements (known as the “SPPI test” passed).

This item also includes equity instruments not held for trading for which, at the time of first recognition, the option for designation at fair value through other comprehensive income without subsequent recognition in the income statement (the so-called “OCI Option”) has been exercised.

Reclassifications to other categories of financial assets are only permitted if the entity changes its business model with regard to the management of financial assets. In such cases, the financial assets may be reclassified from the category of assets measured at fair value through other comprehensive income to one of the other two categories permitted by IFRS 9 (Financial assets measured at amortised cost or Financial assets measured at fair value through profit or loss). The transfer value is represented by the fair value at the time of reclassification and the effects of reclassification operate on a forward-looking basis, from the date of reclassification. In the case of reclassification from this category to the amortised cost category, the cumulative profit (loss) recognised in the revaluation reserve is carried as an adjustment | loss to the fair value of the financial assets on the date of reclassification. In the case of reclassification into the category of fair value through profit or loss, the profit or loss that was previously recognised in the revaluation reserve is reclassified from shareholders' equity to profit (loss) for the year.

#### *Recognition criteria*

The initial recognition of financial assets takes place on the date of settlement for debt instruments and equity instruments, and on the date of disbursement for loans. These assets are initially recorded at fair value, including any transaction costs directly attributable to the instrument.

#### *Measurement criteria*

After initial recognition, assets classified at fair value through other comprehensive income other than equity instruments are measured at fair value and the impacts from application of amortised cost are recognised on the income statement together with the effects of impairment and any foreign exchange effect. Profits and losses arising from changes in fair value are recognised in a specific equity reserve until the financial asset is sold, at which point the cumulative profits and losses are reclassified to the income statement.

Equity instruments that were classified in this category are measured at fair value and the amounts recognised as a contra-entry of shareholders' equity (Statement of comprehensive income) are subsequently transferred to the income statement, not even in the case of disposal. The only item relating to the equity instruments in question that is recorded on the income statement is the relevant dividends.

The fair value is determined on the basis of the principles already illustrated, for the Financial assets measured at fair value through profit or loss.

At the end of each financial year or interim reporting period, financial assets measured at fair value through other comprehensive income in the form of both debt instruments and credits, are subject to verification of the significant increase in credit risk (impairment) provided for in IFRS 9, and therefore a value adjustment is recognised in the income statement to cover the expected losses.

Equity instruments, on the other hand, are not subject to the impairment process.

#### *Derecognition criteria*

Financial assets measured at fair value through other comprehensive income are derecognised when the contractual rights to the cash flows expire, or in the event they are sold, but only if the sale has resulted in the substantial transfer of all the risks and benefits associated with the assets. If part of the risks and benefits of the sold assets has been maintained, the assets will still be recognised in the financial statements, even if legally, ownership of them has been effectively transferred.

If it is not possible to ascertain the material transfer of the risks and benefits, the financial assets will be derecognised from the financial statements if no type of control has been retained. Otherwise, even if partial control has been retained, the assets in the financial statements will be maintained to an extent

equal to the residual involvement, which is measured by the exposure to changes in value of the sold assets and to changes in their cash flows.

Finally, with regard to the transfer of rights to collection, sold financial assets are derecognised from the financial statements even when the contractual rights to receive the cash flows of the asset are retained, but an obligation is assumed to pay those flows to one or more entities.

### **Financial assets measured at amortised cost**

#### *Classification criteria*

This category includes financial assets (in particular, loans and debt instruments) that meet both the following conditions:

- the financial asset is owned according to a business model whose target is to hold assets in order to collect contractual cash flows (“HTC - Held to Collect” business model), and
- the contractual terms of the financial asset provide, on certain dates, cash flows consisting only of the repayment of capital and interest consistent with a “basic lending arrangement”, in which the remuneration of the time value of money and credit risk represent the most significant elements (known as the “SPPI test” passed).

In particular, the following entries are included in this item, provided they meet the previously illustrated technical requirements:

- loans to banks, with the exception of those on demand (which are classified under the item “Cash and cash equivalents”);
- loans to customers, mainly consisting of:
  - receivables arising from factoring activities in respect of a portfolio of receivables acquired with recourse, which continue to be recognised in the balance sheet of the transferring counterparty, or from receivables acquired without recourse, for which it has been established that there are no contractual clauses that would invalidate the conditions for their recognition;
  - customer loans arising from the granting of mortgages or loans as part of the Group’s business activities;
  - repurchase agreements (PCT);
  - receivables originating from financial lease transactions;
  - from portfolios of Purchased or Originated Credit-Impaired (POCI) receivables;
- debt instruments through subscription or private placement with determinate or determinable payments, which are not listed on active markets.

Reclassifications to other categories of financial assets are only permitted if the entity changes its business model with regard to the management of financial assets. In such cases, which are expected to be extremely infrequent, the financial assets may be reclassified from the category measured at amortised cost in one of the other two IFRS 9 categories (Financial assets measured at fair value through other comprehensive income or Financial assets measured at fair value through profit or loss). The transfer value is represented by the fair value at the time of reclassification and the effects of reclassification operate on a forward-looking basis, from the date of reclassification. The profits or losses resulting from the difference between the amortised cost of the financial asset and its relevant fair value are recognised on the income statement in the case of reclassification among Financial assets measured at fair value through profit or loss and Shareholders’ equity, in the relevant revaluation reserve, in the case of reclassification among Financial assets measured at fair value through other comprehensive income.

#### *Recognition criteria*

These financial assets are first recognised on the date of settlement for debt instruments and on the date of disbursement for loans. At the time of first recognition, the assets are posted at fair value inclusive of the transaction costs or income directly attributable to the same asset. This excludes costs that, despite

meeting the above conditions, are the subject of reimbursement by the borrower or can be classified under normal internal administration costs.

Repurchase agreements (PCT) with repurchase or resale obligation are recorded in the financial statements as funding or lending transactions. In particular, spot sales and reverse repurchase agreements are recognised in the financial statements as liabilities for the amount received at the spot date, whilst spot purchases and forward sales are recognised as assets for the amount paid at the spot date.

#### *Measurement criteria*

After initial recognition, loans are measured at amortised cost, equal to the value of first recognition, reduced/increased by repayments of capital, write-downs/write-backs and amortisation calculated using the effective interest rate method. The effective interest rate is identified by calculating the rate that equals the present value of the future flows of the receivable, by capital and interest, to the amount lent, including the costs/income traced to the financial asset itself. This accounting method, which uses a financial approach, allows the economic impact of costs and income to be distributed along the expected residual life of the loan.

The amortised cost method is not usually adopted for loans the short term of which makes it possible to consider the effect negligible. These receivables are measured at purchase cost. The same measurement principle is used for loans with no definite maturity date, or revolving credit.

At each reporting or interim closing date, the estimated impairment losses of these assets are calculated, determined in compliance with the impairment rules of IFRS 9.

These assets are in fact assessed with a view to estimating the expected credit losses (ECL) related to credit risk. These losses are recognised in the income statement under item "130. Net value adjustments/recoveries for credit risk". If there are no reasonable expectations of recovery, gross exposure is eliminated (write-off): in such cases, the gross exposure is reduced by the amount deemed irrecoverable, with a corresponding entry in the income statement to reverse the expected losses and impairment losses, for the portion not covered by the provision.

In more detail, the impairment model provides for the classification of assets into three separate "Stages" (Stages 1, Stage 2, Stage 3), according to the evolution of the borrower's credit rating, to which different criteria for measuring expected losses correspond:

- Stage 1: performing financial assets for which no significant deterioration in credit risk has been observed with respect to the initial recognition date, or whose credit risk is considered low. The impairment is based on the estimate of expected loss with a time horizon of one year;
- Stage 2: performing financial assets that suffered a significant deterioration in credit risk compared to the initial recognition ("Significant Increase in Credit Risk"). Impairment is proportional to the estimated expected loss over the entire remaining life of the financial asset;
- Stage 3: non-performing financial assets for which objective evidence of impairment was found and valued on the basis of an estimate of the expected loss throughout the life of the instrument.

For performing assets, expected losses are determined through a collective process based on certain risk parameters, namely the probability of default (PD), the loss given default (LGD) and the exposure at default (EAD).

For non-performing assets, impairment losses are quantified using an analytical valuation process based on homogeneous risk categories, designed to determine the present value of expected future recoverable cash flows, discounted using the original effective interest rate.

Non-performing assets include exposures that have been given the status of bad loan, unlikely to pay or overrun/past-due for more than 90 days according to the definitions established by current supervisory regulations (Bank of Italy's Circular no. 272 "Matrice dei Conti") and referred to in Bank of Italy's Circular no. 262, as they are considered consistent with the accounting regulations provided for by IFRS 9 in terms of objective evidence of impairment.



The expected cash flows also take into account the expectations in terms of collection times and the presumed net realisation value of any guarantees.

The original carrying amount of financial assets is restored in subsequent financial years where the credit quality of the exposure has improved compared with the level that had led to the previous write-down. The write-back is recorded in the income statement under the same item ("130. Net value adjustments/recoveries for credit risk") and, in any case, 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 financial assets (POCI)" are defined as exposures that are non-performing at the date of purchase or at the date in which they originate.

POCI also include receivables acquired as part of sale operations (individual or portfolio sales) and business combinations.

As previously stated, interest recognised for accounting purposes is determined by applying an effective interest rate adjusted for the loan, i.e. the rate which, at the time of initial recognition, discounts all estimated future cash inflows to the amortised cost of the asset, taking into account in the estimate the expected losses over the entire remaining life of the financial instrument ("ECL lifetime").

These expected credit losses are periodically reviewed by determining the recognition in the income statement of adjustments or write-backs. Favourable changes in lifetime ECLs are recognised as reversals, even if those lifetime ECLs are lower than those included in the cash flow estimates at the time of initial recognition.

"Purchased or originated credit impaired financial assets" have traditionally been presented at the initial registration under Stage 3.

A subsequent improvement in the counterparty's credit rating, which may be reflected in the current value of cash flows, involves the classification within Stage 2.

These assets are never classified under Stage 1 since the expected credit loss must always be calculated considering a time horizon of the residual duration (i.e., "lifetime"), while IFRS 9 requires an ECL for assets in Stage 1 estimated over a time horizon of 12 months.

#### *Derecognition criteria*

Financial assets measured at amortised cost are derecognised when the contractual rights to the cash flows expire, or in the event they are sold, but only if the sale has resulted in the substantial transfer of all the risks and benefits associated with the assets. If part of the risks and benefits of the sold assets has been maintained, the assets will still be recognised in the financial statements, even if legally, ownership of them has been effectively transferred.

If it is not possible to ascertain the material transfer of the risks and benefits, the financial assets will be derecognised from the financial statements if no type of control has been retained. Otherwise, even if partial control has been retained, the assets will be maintained to an extent equal to the residual involvement, which is measured by the exposure to changes in value of the sold assets and to changes in their cash flows.

Finally, with regard to the transfer of collection rights, the sold receivables are written off from the financial statements even when the contractual rights to receive the cash flows of the asset are retained, but an obligation is assumed to pay those flows to one or more entities.

With specific reference to non-performing exposures, they are derecognised when the debt is deemed irrecoverable and the Group waives its legal right to recover the debt. By way of example, but not limited to these cases, this occurs in the event of the closure of an insolvency procedure, the death of the debtor without heirs, a final judgment finding the claim to be unfounded, etc.



With regard to total or partial derecognitions, this is to ensure that receivables are not retained on the balance sheet; although these continue to be managed by the debt recovery departments, the likelihood of their recovery is very slim.

Derecognition is charged directly to the item “Net credit risk adjustments/reversals” for the residual amount not yet adjusted and are recognised as a reduction in the principal amount of the receivable. Recoveries of part or entire amounts previously written down are recorded as a reduction of the same item “Net value adjustments/recoveries for credit risk”.

In some cases, during the life of the financial assets in question and of the loans in particular, the original contractual terms are then amended by the parties to the contract. If the contractual terms are amended during the life of an instrument, there is a need to check whether the original asset is still to be recognised in the Financial Statements or needs to be derecognised from the Financial Statements, and a new financial instrument recognised in its place.

In general, changes to a financial assets lead to its de-recognition and the entry of a new asset, if the changes are substantial. Considerations about the materiality of the amendment are based on qualitative and quantitative factors. In some cases it may be clear, without using complex analyses, that the changes have substantially modified the characteristics and/or cash flows of a certain asset while in other cases, additional quantitative analysis has to be done to assess the effects of the changes, and to check whether or not to de-recognise the asset and enter a new one.

The quali-quantitative analyses intended to define the substance of the contractual amendments made to a financial assets must therefore consider:

- the reasons why the amendments were made: for example, renegotiations for commercial reasons and concessions due to financial difficulties of the counterparty;
- the presence of objective elements that affect the characteristics and/or contractual flows of the financial instrument (such as, by way of example, the change of type of counterparty risk the Bank is exposed to), which the derecognition is expected to involve considering their impact (expected to be significant) on the original contractual flows.

## **Hedging transactions**

### *Classification criteria*

With regard to hedging transactions, the Bank has decided to exercise the option, provided for upon the introduction of IFRS 9, to apply the hedge accounting rules set out in IAS 39, in the version approved by the European Commission (the so-called “carved-out” version).

Risk hedging transactions are aimed at neutralising, from an accounting point of view, potential losses recognisable on a given financial instrument or on a group of financial instruments, attributable to a specific risk, through the profits recognisable on a different financial instrument or group of financial instruments if that particular risk should arise.

Only instruments involving a counterparty that is external to the Group can be designated as hedging instruments.

The only type of hedge used by the Bank as at 31 December 2025 is a fair value hedge, which is intended to hedge exposure to changes in the fair value of a balance sheet asset or liability attributable to a particular risk. With regard to fair value hedging, the Group adopts both specific hedges (“micro fair value hedges”) and general hedges (“macro fair value hedges”).

A derivative instrument may be regarded as a hedge if there is formal documentation of the unambiguous relationship with the hedged item and if this documentation is effective at the time the hedge commences and, going forward, throughout 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 its hedging strategy. This documentation includes the identification of the hedging instrument, the hedged element or hedged

transaction, the nature of the hedged risk and how to assess the effectiveness of the hedging instrument in offsetting the exposure to changes in the fair value of the hedged element.

#### *Recognition criteria*

Derivative financial instruments used for hedging are recognised at fair value on the date the relevant contracts are entered into and are classified under the asset heading "50. Hedging derivatives" or in the balance sheet liabilities 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. In particular, for fair value hedges, the change in the fair value of the hedged element is offset with the change in the fair value of the hedging instrument. This offsetting is accounted for through the recognition in the income statement (or an equity reserve in the case of fair value hedging on equity securities measured at fair value through other comprehensive income) of the changes in value relating to both the hedged element (specifically with regard to the changes generated by the underlying risk factor) and the hedging instrument. Any difference that may arise, which represents the partial ineffectiveness of the hedge, is recognised as the net effect thereof with regard to profits.

For macro fair value hedges, the changes in fair value with regard to the hedged risk of the hedged assets and liabilities are recognised in the balance sheet, under item "Fair value change of financial assets in generic hedged portfolios" or "Fair value change of financial liabilities in generic hedged portfolio".

The effectiveness of the hedge depends on the extent to which the changes in the fair value of the hedged instrument are offset by those of the hedging instrument. The effectiveness is therefore measured by comparing the aforementioned changes, taking into account the company's intention when putting the hedge in place. It is effective when the changes in the fair value of the hedging financial instrument neutralise almost completely the changes in the hedged instrument for the hedged element of risk.

Effectiveness is assessed at the end of each financial year or interim reporting date using forward-looking tests, which justify the application of hedge accounting as they demonstrate the expected effectiveness based on limits defined internally by the Group.

If the checks do not confirm the effectiveness of the hedge, from that moment the accounting of the hedging operations is suspended: the hedging derivative is reclassified under trading instruments and the hedged financial instrument reassumes the measurement criteria corresponding to its classification in the financial statements. If the hedged asset or liability is measured at amortised cost, the greater or lesser value deriving from the measurement thereof at fair value as a result of the hedge that has become ineffective is recognised in the income statement using the effective interest rate method.

Furthermore, the recognition of existing fair value hedges ceases prospectively in the following cases:

- the hedging instrument reaches maturity, is closed out or exercised;
- the hedged item is sold, expires or is refunded;
- it is decided to revoke the designation.

### **Equity investments**

#### *Classification criteria*

This item includes interest held in associates or joint ventures, which are recorded according to the equity method.

Non-subsidiaries in which significant influence is exercised are considered to be associated. The company is presumed to exercise significant influence in all cases where it holds 20% or more of the voting rights (including "potential" voting rights) and, regardless of the percentage held, where it has the power to participate in the management and financial decisions of the investee companies, by virtue of specific legal ties, such as shareholders' agreements, the purpose of which is to ensure that the parties to the agreement

are represented on the management bodies and to safeguard the unity of management policy, without, however, exercising control.

Companies are considered joint ventures if, on a contractual basis, control is shared between the Group and one or more other parties or when the unanimous consent of all the controlling parties is necessary for decisions concerning significant activities.

#### *Recognition criteria*

The initial recognition of financial assets classified in this category takes place at the settlement date at cost, including any goodwill paid at the time of acquisition, which is therefore not subject to independent and separate recognition (so-called "implied goodwill").

#### *Measurement criteria*

Equity investments are measured using the equity method. Under this method, the initial carrying amount is subsequently increased or decreased to recognise the Group's share of the investees' profits and losses arising after the acquisition date. Dividends received from an investee company are recognised as a reduction in the carrying amount of the investment.

Where it is necessary to recognise value adjustments arising from changes in the investee's equity that the investee has not recognised in its income statement (e.g. changes arising from the fair value measurement of "Financial assets measured at fair value through other comprehensive income", or from the measurement of actuarial gains/losses on defined benefit plans), the Group's share of such changes is recognised directly in the equity item "Valuation reserves".

In applying the equity method, the most recent available financial statements of the associated/jointly controlled company, appropriately adjusted to take into account any significant events or transactions, occurring between the last available financial statements of the investee company and the reporting date of the consolidated financial statements, are used. If the investee applies accounting standards that differ from those used by the Group, adjustments are made to the investee's financial statements.

If there is evidence that the value of an equity investment may have decreased, the recoverable value of the equity investment is estimated, taking into account the discounted value of the future cash flows that the equity investment could generate, including the final disposal value. If the recovery value is lower than the carrying amount, the related difference is recognised in the income statement.

If the reasons for the impairment are removed following a subsequent event occurring after the recognition of the impairment, write-backs are made and allocated to the income statement.

#### *Derecognition criteria*

Equity investments are derecognised if there is a sale that substantially transfers all the related risks and benefits.

In the presence of a situation that determines the loss of significant influence or joint control, any residual investment is reclassified in the portfolios of financial assets under IFRS 9.

### **Property and equipment**

#### *Classification criteria*

This item includes property and equipment held for investment in accordance with IAS 40, those held for functional use in accordance with IAS 16 and inventories of property and equipment in accordance with IAS 2.

Properties held (either outright or under a finance lease) with a view to generating rental income and/or achieving a return on the capital invested are classified as investment property, i.e. as property and equipment held for investment purposes.

Property and equipment held for functional use include, in particular:

- properties;
- furniture and furnishings;
- electronic office machines;
- miscellaneous machines and equipment;
- vehicles;
- leasehold improvements.

These are tangible assets held for use in the production or supply of goods and services, or for administrative purposes, and which are expected to be used for more than one financial year.

This item also includes rights of use acquired through lease agreements relating to the use of property and equipment.

Pursuant to IFRS 16, the lease is a contract, or part of a contract, that, in exchange for consideration, transfers the right to use an asset (the underlying asset) for a period of time.

Finally, the item includes improvements on third-party assets and incremental expenses related to identifiable and separable property and equipment. In general, these investments are incurred to make the properties leased from third parties suitable for expected use.

Property and equipment constitute inventories (IAS2) where they are held for sale in the normal course of business.

#### *Recognition criteria*

Property and equipment are initially recorded at cost, including all costs directly attributable to the purchase and commissioning of the asset.

Expenses incurred subsequently are added to the carrying amount of the asset or recognised as separate assets if it is probable that future economic benefits will be enjoyed exceeding those initially estimated and the cost can be reliably recognised; otherwise, they are recognised in the income statement.

For property and equipment in the form of rights of use ("Right of Use" or "RoU") within the meaning of IFRS 16, the initial carrying amount corresponds to the sum of the lease liability (present value of future lease payments due over the contract term), lease payments made previously or at the commencement date of the lease, initial direct costs, and any costs associated with the dismantling or restoration of the asset underlying the lease.

#### *Measurement criteria*

Property and equipment held for functional use or for investment are measured at cost, less any depreciation and impairment losses. Inventories of property and equipment, as defined by IAS 2, are measured at the lower of cost and net realisable value.

Fixed assets with a finite useful life are systematically depreciated over their useful life using the straight-line method, except as described below.

On the other hand, inventories of property and equipment in accordance with IAS 2 as well as tangible fixed assets with an unlimited useful life or whose residual value is equal to or greater than the carrying amount of the asset are not amortised.

Land and buildings are treated separately for accounting purposes, even when they are acquired together. Land is not depreciated as it has an indefinite useful life. Where their value is included in the value of the building, in accordance with the component approach, they are treated as assets separable from the building; the breakdown between the value of the land and the value of the building is based on valuations carried out by independent experts, but only for properties owned outright (including both the land and the building).

The useful lives, residual values and depreciation methods of property and equipment are reviewed at each financial year-end and, if expectations differ from previous estimates, the depreciation charge for the current financial year and subsequent years is adjusted.

If there is objective evidence that a single asset may have suffered a reduction in value, the comparison is made between the carrying amount of the asset with its recoverable value, equal to the greater of the fair value, less costs of sale, and the related value in use, understood as the current value of future cash flows that are expected to originate from the asset. Any value adjustments are recognised in the income statement.

If the amount of an asset previously written down is restored, the new carrying amount can not exceed the net book value that would have been determined if no impairment loss had been recognised in the previous years.

The estimated useful lives are normally as follows:

- Buildings: not exceeding 14 years;
- Furniture and fixtures: not exceeding 7 years;
- Electronic systems: not exceeding 5 years;
- Other: not exceeding 7 years;
- Leasehold improvements: not exceeding 15 years.

With regard to the right-of-use asset, which is accounted for in accordance with 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 and is subject to an impairment test should any indicators of impairment arise.

#### *Derecognition criteria*

Property and equipment are eliminated from the balance sheet at the time of disposal or when no future economic benefits are envisaged for it from its use or disposal. Profit/loss that arises at the time of derecognition of the asset (calculated as the difference between the net carrying amount of the asset and the consideration received) is recognised in the income statement when the element is derecognised.

The right of use resulting from lease contracts is eliminated from the balance sheet at the end of the lease term.

### **Intangible assets**

#### *Classification criteria*

Intangible assets are non-monetary assets that are identifiable, even though they have no physical form, and that meet the criteria of identifiability, control over the asset in question, and the expectation of future economic benefits. They mainly include goodwill and software.

#### *Recognition criteria*

Intangible assets are initially recorded at cost, given by the purchase price and any direct costs incurred to prepare the asset for use.

In particular, internal costs incurred for the development of software projects constitute intangible assets and are recognised as assets only if all 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 capability to make the asset available for use or sale;
- it can be demonstrated that the asset is capable of producing future economic benefits. Capitalised software development costs include only expenses incurred that may be directly attributed to the development process.

*Measurement criteria*

After initial recognition, intangible fixed assets with a finite useful life are recognised at cost net of amortisation determined on the basis of their estimated useful life.

The estimated useful life for intangible assets normally corresponds to a period not exceeding 7 years. However, with regard to software, it is specified that the useful life of certain items has been revised, aligning it with the estimates that take into account the planned integration of the Bank into the IFIS Group.

If there is objective evidence that a single asset may have suffered a reduction in value, a comparison is made between the carrying amount of the asset and its recoverable value, equal to the greater of the fair value, less costs of sale, and the related value in use, understood as the current value of future cash flows that are expected to originate from the asset. Any value adjustments are recognised in the income statement.

Intangible assets whose useful life is indefinite, including goodwill, are recorded at cost net of any impairment losses that may have occurred. For these assets, not the amortisation is carried out, but only the periodic verification of the adequacy of the book value in the financial statements.

At each financial year-end or interim reporting date, where there is evidence of impairment, the recoverable amount of the asset is estimated. The amount of the loss, recognised in the income statement is equal to the difference between the asset's carrying amount and its recoverable value.

With reference to goodwill, a periodic check is carried out on the adequacy of the book value. Whenever there is evidence of an impairment loss, and in any case at least once a year, a check is carried out to ensure there are no long-term value impairments. For this purpose the Cash Generating Unit (CGU) to which the goodwill should be allocated is identified. The CGU is the minimum level at which the goodwill is monitored for internal operational purposes and must not be greater than the operating segment determined in accordance with IFRS 8.

Any impairment is determined on the basis of the difference between the recognition value of the goodwill and its recovery value, if lower. The recovery value is equal to the higher of the fair value of the CGU, net of any costs of sale, and the related value in use. The value in use is the current value of the future cash flows expected from the CGU to which the goodwill was attributed. The resulting value adjustments are recognised in the income statement under the item "Goodwill impairment". Any subsequent recoveries are not permitted.

*Derecognition criteria*

An intangible asset is eliminated from the balance sheet at the time of disposal or when no future economic benefits are expected from its use or disposal. Any profit or loss arising from the derecognition of the asset (calculated as the difference between the net consideration for disposal and the asset's carrying amount) is included in the income statement.

**Non-current assets held for sale and discontinued operations**

"Non-current assets held for sale and discontinued operations" are classified under the item assets, while "Liabilities associated with non-current assets held for sale and discontinued operations", non-current assets or asset/liability groups for which a sale process has been initiated and whose sale is considered highly probable, are classified under liabilities. Such assets/liabilities are measured at the lower of carrying amount and fair value net of disposal costs, with the exception of certain kinds of asset (e.g. financial assets falling within the scope of application of IFRS 9), for which IFRS 5 specifies that the valuation criteria of the attributable accounting standard must be applied.

Valuation reserves relating to non-current assets held for disposal, recognised as a contra entry to the relevant changes in value, are shown separately in the statement of comprehensive income.

The positive or negative balance of income (dividends, interest, etc.) and charges (interest expense, etc.) related to discontinued operations, net of the related current and deferred taxation, is recognised under



the item "profit (loss) from discontinued operations after tax" in the income statement. Profits 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 line item in the income statement, such as "profit (loss) from disposal of investments".

### **Current and deferred taxes**

#### *Classification criteria*

The items include current and prepaid tax assets and current and deferred tax liabilities relating to income taxes, respectively.

Current and deferred taxes, calculated in compliance with national tax laws, are recognised in the income statement with the exception of those relating to items debited or credited directly to shareholders' equity.

Current tax liabilities are shown in the balance sheet gross of any advance payments made.

Deferred tax assets and liabilities are recognised in the balance sheet as separate items without offsetting; the former are classified under "Tax assets" and the latter under "Tax liabilities", unless there is a legal right to offset current tax assets against current tax liabilities, and the deferred tax assets and liabilities relate to income taxes payable to the same tax authority by the same taxpayer or by different taxpayers who intend to settle the current tax assets and liabilities on a net basis or to realise the asset and settle the liability simultaneously, with reference to any future period in which the deferred tax assets and liabilities are expected to be settled or recovered.

As a result of the tax consolidation agreements in place between the Group companies, current taxes relating to IRES for the financial year, which are transferred to the tax consolidation scheme, are recognised under Other assets or Other liabilities as receivables from or payables to the consolidating entity in accordance with tax legislation.

#### *Recognition and measurement criteria*

Deferred tax assets and liabilities are determined on the basis of temporary differences – without any time limits – between the value attributed to an asset or liability under statutory accounting standards and the corresponding values adopted for tax purposes, applying the tax rates expected to be applicable in the financial year in which the tax asset is realised or the tax liability is settled, based on the theoretical tax legislation in force at the date of realisation.

Deferred taxes are recognised on all taxable temporary differences, with the following exceptions:

- deferred tax liabilities arise from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, does not affect either the economic result or the tax result;
- the recognition of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures can be managed, and it is unlikely that they will arise in the foreseeable future.

Deferred tax assets are recognised in the financial statements in respect of all deductible temporary differences, tax credits and unused tax losses carried forward, to the extent that it is probable they will be recovered, assessed on the basis of the ability of the company concerned or the Parent Company, as a result of exercising the option relating to 'tax consolidation', to generate positive taxable income on a continuous basis, except in cases where:

- deferred tax relating to deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that does not constitute a business combination and, at the time of the transaction, affects neither the profit or loss nor the tax liability;
- in the case of deductible temporary differences associated with equity investments in subsidiaries, associates and joint ventures, deferred tax assets are recognised only to the extent that it is probable that they will be reversed in the foreseeable future, and that there will be sufficient taxable income to allow the recovery of these temporary differences.

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 income will be available in the future to allow all or part of the use of such receivable. Unrecognised deferred tax assets are reviewed at each reporting date and are recognised to the extent that it becomes probable that sufficient taxable income will be available to allow for the recovery of those deferred tax assets.

## Provisions for risks and charges

### *Classification criteria*

Funds for risks and charges against commitments and guarantees given

This sub-item of funds for risks and charges includes credit risk funds recognised in respect of commitments to disburse funds and guarantees issued that fall within the scope of the impairment rules under IFRS 9. For these cases, in principle, the same allocation methods are adopted between the three stages (credit risk stages) as well as the same calculation methods of the expected losses shown with reference to financial assets measured at amortised cost or the fair value through other comprehensive income.

Moreover, the aggregate also includes funds for risks and charges established against other types of commitments and guarantees issued that, due to their own peculiarities, do not fall within the aforementioned impairment scope under IFRS 9.

### *Post-employment benefits and similar obligations*

Post-employment benefits are set up to reflect company agreements and are classified as defined benefit plans under IAS 19. The liabilities relating to these plans and the welfare cost of current workers are determined according to actuarial assumptions, applying the "Unit Credit Projection" method, which projects the future expenditure based on historical statistical analysis, the demographic curve, and the financial discounting of these cash flows based on the market interest rate. The contributions paid in each financial year are considered as separate units and are identified and valued individually for the purposes of determining the final obligation. The discounting rate used is determined according to the market returns recognised on the measurement date, for the obligations of leading companies taking into account the liability's average residual life. The current value of the obligation on the reporting date is also adjusted by the fair value of any assets servicing the plan.

Actuarial gains and losses (which are changes in the current value of the obligation arising from changes in the actuarial assumptions and adjustments based on past experience) are recognised as counterpart to shareholders' equity under the item "Valuation reserves" and shown on the statement of comprehensive income.

### *Other Provisions*

Other funds for risks and charges include provisions for legal obligations and those relating to employment relations or disputes, including tax disputes, originating from a past event, for which an outlay of financial resources is probable in order to fulfil the obligations, but for which a reliable estimate of the amount cannot be made.

### *Criteria for the registration, measurement and recognition of income components*

Funds for risks and charges consist of liabilities of uncertain amount or maturity and are recognised in the financial statements if:

- there is a present obligation (legal or constructive) as a result of a past event;
- it is likely that the use of resources embodying economic benefits will be required to settle the obligation;
- a reliable estimate of the probable future outlay can be made.

The amount recognised in the provision represents the best estimate of the financial outlay required to settle the obligation existing 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 effect of discounting are recognised in the Income Statement under the item “Net 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 best current estimate. When it becomes unlikely that resources will be used to generate economic benefits in order to settle the liability, the provision is reversed.

Furthermore, each provision is used solely to cover the expenditure for which it was originally established.

If the outlay of financial resources is not deemed probable to meet the obligation, no provision in the financial statements is required; in this case, it is necessary to provide adequate disclosure in the Explanatory Notes on the possible risk of losing, unless the probability of using resources is deemed remote or the phenomenon is significant.

### **Financial liabilities measured at amortised cost**

#### *Classification criteria*

The item includes payables due to banks, payables due to customers and securities issued, and comprises various forms of funding from banks and customers, as well as funds raised through outstanding bonds, net of any amounts repurchased.

This also includes liabilities recognised by the lessee in connection with finance leases, as well as funding repurchase agreements and securities lending transactions where collateral in the form of cash is received and remains at the lender's full disposal. Finally, operational payables related to the provision of financial services as defined in the Italian Consolidated Law on Banking and the Italian Consolidated Law on Finance are included.

#### *Recognition criteria*

These liabilities are initially recognised upon receipt of the funds raised or settlement of the debt securities issued, and are measured at their fair value, which is normally equal to the amount received or the issue price, plus any additional costs or gains directly attributable to the individual funding or issuance transaction and not reimbursed by the borrower.

Repurchase agreements (PCT) with repurchase obligation are recorded in the financial statements as funding transaction for the amount collected in cash.

Lease liabilities are recognised on the basis of the present value of future lease payments still to be made over the term of the lease, discounted using the interest rate implicit in the transaction or, if this cannot be determined, the marginal borrowing rate.

#### *Measurement criteria*

After initial recognition at fair value, these instruments are subsequently measured at amortised cost, using the effective interest method.

The amortised cost method is not used for liabilities the short term of which makes the discounting effect negligible.

Lease liabilities are revalued when there is a lease modification (i.e. a change to the scope of the contract) that is not accounted for or treated as a separate contract.

#### *Derecognition criteria*

Financial liabilities are derecognised when they are derecognised, past due, discharged or fulfilled. The difference between the carrying amount of the liability and the amount paid to purchase it is registered in the income statement.

They are also derecognised if there is a repurchase of previously issued securities, even if these instruments are intended for subsequent resale. Gains or losses arising from the recognition of the

repurchase as a settlement are recognised in the income statement if the repurchase price of the bond is higher or lower than its carrying amount.

The subsequent sale of the company's own bonds on the market is treated as the issuance of new debt.

### **Financial liabilities held for trading**

#### *Classification criteria*

This item includes:

- financial liabilities issued with the intention of repurchasing them in the short term;
- liabilities forming part of a portfolio of financial instruments that are managed jointly and for which there is a proven strategy aimed at generating short-term profits;
- 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 on the settlement date for cash liabilities and on the trade date for derivative contracts.

The first recognition is made on the basis of the fair value of the liability, normally equal to the amount received, without considering the transaction costs or income directly attributable to the instrument itself, which are recognised directly in the income statement.

#### *Measurement criteria*

Even after initial recognition, financial liabilities held for trading are measured at fair value at the end of the reporting year and the effects of applying this criterion are recognised in the income statement. The fair value is determined on the basis of the same criteria illustrated for the financial assets held for trading.

#### *Derecognition criteria*

Financial liabilities held for trading are removed from the financial statements when the contractual rights relating to the relevant cash flows expire, or when the financial liabilities are sold, with the essential transfer of all risks and benefits derived from the ownership thereof.

### **Financial liabilities designated at fair value**

The Group does not hold such financial liabilities measured at fair value on the reporting date.

### **Foreign currency transactions**

#### *Initial recognition*

Foreign currency transactions are recorded in the functional currency at the time of initial recognition, by applying the exchange rate prevailing on the transaction date to the foreign currency amount.

#### *Subsequent recognitions*

At the end of each financial year, monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate prevailing on that date.

Non-monetary assets and liabilities, recognised at historical cost, are converted using the historical exchange rate, while those measured at fair value are converted using the year-end exchange rate. Foreign exchange differences arising from the settlement of monetary elements or from the conversion of monetary elements at rates other than those of initial conversion, or of conversion of the previous Financial Statements, are recognised in the income statement in the year in which they arise, except for those relating to financial assets measured at fair value through other comprehensive income as they are recognised in contrast to an equity reserve.

## Other information

### *Cash and cash equivalents*

This item comprises legal tender, including foreign banknotes and coins, current accounts and demand deposits with central banks (excluding reserve requirements), as well as demand deposits with banks. This definition covers funds that can be withdrawn at any time without notice, or with 24 hours' notice or one working day's notice.

This item is recorded for face value. For foreign currencies, the face value is converted into euro at the exchange rate at the end of the year.

### *Other assets*

This item includes assets that cannot be classified under any other asset heading in the balance sheet. This entry may include, by way of example:

- gold, silver and precious metals;
- prepaid expenses other than those that are to be capitalised in the related financial assets, including those arising from contracts with customers in accordance with IFRS 15;
- receivables related to the provision of non-financial goods or services;
- tax credits connected with the "Cura Italia" and "Rilancio" Decree Laws
- tax payables other than those recognised in the item "Tax assets".

Any outstanding balances ("debit balances") from transitory and suspended items that have not been allocated to the relevant accounts may also be included, provided that the total amount is immaterial.

### *Other liabilities*

This item includes liabilities that cannot be classified under other liability items in the balance sheet.

This item includes, by way of example:

- payment agreements required to be classified as payables in accordance with IFRS 2;
- payables related to the payment of supplies of non-financial goods and services;
- accrued liabilities other than those to be capitalised on the relevant financial liabilities, including those arising from contracts with customers in accordance with IFRS 15;
- various tax receivables other than those recognised in the item "Tax liabilities" related, for example, to activities as a withholding agent.

### *Employee severance pay (TFR) and other employee benefits*

In accordance with IAS 19, employee benefits include all forms of compensation provided in exchange for service rendered by employees or for the termination of employment, which are specifically divided into:

- short-term benefits (other than termination benefits) expected to be settled within 12 months of the end of the reporting period in which the employees rendered the related service;
- post-employment benefits such as, for example, employee severance pay (TFR);
- termination benefits due to employees as a result of the company's decision to terminate an employee's employment before the normal retirement date;
- long-term benefits (other than termination benefits) expected to be settled more than 12 months after the end of the reporting period in which the employees rendered the related service.

In accordance with IAS 19 "Employee Benefits", the Employee severance pay (TFR) payable to employees of the Group's Italian companies was, until 31 December 2006, treated as a "post-employment benefit" classified as a "defined benefit plan". Therefore, it had to be recognised in the financial statements on the basis of the actuarial value determined using the "Projected Unit Credit" method.

Following the entry into force of the 2007 Finance Act, which anticipated the supplementary pension reform of Legislative Decree No. 252 of December 5, 2005, to January 1, 2007, the shares of employee severance

pay of employees accruing from January 1, 2007, must, at the employee's choice, be allocated to supplementary pension schemes or be retained by the company and be transferred by the latter to a specific fund managed by INPS.

The entry into force of the aforementioned reform resulted in a change in the accounting treatment of the severance pay (TFR), both with regard to the portions accrued up to 31 December 2006 and those accruing as from 1 January 2007.

In particular:

- the accrual of employee severance pay from 1 January 2007 constitutes a “defined contribution scheme” both where the employee opts for a supplementary pension scheme and where the payments are allocated to the INPS treasury fund. the amount of the portions must, therefore, be determined on the basis of the contributions due without the application of actuarial calculation methodologies;
- the employee severance pay (TFR) accrued as at 31 December 2006 continues to be considered a ‘defined benefit plan’, with the consequent need to continue performing an actuarial valuation which, however, compared to the calculation methodology applied until 31 December 2006, no longer involves the proportional attribution of the benefit to the period of service performed. This is because the service to be valued is considered to be fully vested as a result of the change in the accounting nature of the portions accruing as from 1 January 2007.

Actuarial gains/losses must be included in the calculation of net employee liabilities against a net equity item, to be presented in the statement of other comprehensive income for the period.

#### *Share-based payments*

These are payments to employees or other similar persons, as consideration for services, settled in shares representing capital.

The relevant international accounting standard is IFRS 2 “Share-based payments”; in particular, as the Group’s obligation in respect of the receipt of services is to be settled in shares (“to the value of”, i.e. a specific amount is converted into a variable number of shares, based on the fair value at the grant date), the applicable accounting treatment is that of “equity-settled share-based payments”. The cost of transactions settled with equity instruments is determined by the fair value at the date on which the assignment is carried out using an appropriate valuation method.

This cost, together with the corresponding increase in shareholders’ equity, is recognised under personnel costs over the vesting period in which the conditions relating to the achievement of targets and/or the provision of the service are met. The cumulative costs recognised in respect of these transactions at the end of each financial year until the maturity date are proportionate to the expiry of the vesting period and the best estimate of the number of equity instruments that will actually vest. The cost or revenue recognised in the income statement refers to the change in cumulative expense recognised at the beginning and end of the year. Any reduction in the number of financial instruments allocated shall be accounted for as derecognition of part of them.

#### *Own shares*

Under current Italian law, the purchase of own shares is subject to a specific resolution by the shareholders’ meeting and the corresponding allocation of a specific equity reserve. Treasury shares held in portfolio are recognised in a specific item as a deduction from shareholders’ equity and are measured at cost determined using the “weighted average cost” methodology. Any differences between the purchase and sale price arising from trading activities carried out during the reference financial year on such shares are recorded in shareholders’ equity reserves.

## *Recognition of costs and revenues*

### *Revenue*

Revenue represents the gross inflows of economic benefits that flow to the entity as consideration for the obligation to transfer a wide range of goods and services to the customer, arising in the course of ordinary activities.

Pursuant to IFRS 15, the entity must recognise the revenue on the basis of the compensation expected to be received for the goods and services provided in the context of the ordinary activities. In detail, the recognition of revenues must take place on the basis of the following five steps:

- identification of the contract, defined as an agreement having commercial substance between two or more parties capable of generating rights and obligations;
- the identification of the individual performance obligations provided for in the contract;
- determination of the transaction price, i.e. the expected consideration for the transfer of the goods or services to the customer;
- allocation of the transaction price to each “performance obligation”, on the basis of the sales prices of the individual obligation (“stand-alone selling price”);
- recognition of the revenues allocated to the individual obligation when it is regulated, i.e. when the customer obtains the control of goods and services. That recognition takes into account the fact that certain services can be provided at a specific time or during a time period.

Revenues from contractual obligations with customers are recognised in the income statement if it is likely 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 set out in the contract and must be recognised as revenue in the income statement in accordance with the timing of the fulfilment of the obligation. In detail, revenues can be recognised in the income statement:

- at a point in time, when the entity fulfills its obligations to make by transferring the promised good or service to the customer, or
- over time, as the entity fulfills its obligation to make by transferring the promised good or service to the customer.

A performance obligation is considered satisfied when the customer obtains control of the transferred good or service.

The consideration provided for in the contract with the customer may include fixed amounts, variable amounts, or both. In detail, the contract consideration may vary as a result of reductions, discounts, repayments, incentives, performance bonuses or other similar elements. The variability of consideration may also depend on the occurrence or not of a future event. In the presence of variable consideration, revenue recognition in the income statement is carried out if it is possible to reliably estimate the revenue and only if it is highly probable that this consideration should not subsequently be derecognised from the income statement, in whole or in a significant part.

Where an entity receives consideration from a customer that it intends 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 on the basis of the expected future refunds (“refund liability”). The estimate of this liability is updated at each annual or interim reporting date and is carried out on the basis of the portion of the consideration to which the entity does not expect to be entitled.

### *Costs*

Costs incurred in securing and fulfilling contracts with customers are recognised in the income statement in the periods in which the corresponding revenue is recognised; costs that are not directly attributable to revenue are charged immediately to the income statement.

### *Dividends*

Dividends are recognised in the income statement in the year in which their distribution is resolved.

*Setting off financial instruments*

In accordance with IAS 32, paragraph 42, financial assets and financial liabilities are offset and the net amount reported when, and only when, the entity:

- has a currently enforceable legal right to set off the recognised amounts in all circumstances, whether in the normal course of business or in the event of default, insolvency or bankruptcy of the parties;
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously (gross settlement) whose substantive effects are equivalent to net settlement.

*Business combinations*

The accounting standard applicable to business combinations is IFRS 3.

The transfer of control of a company (or of a group of integrated assets and goods, which are managed as a single unit) constitutes a business combination.

Control is considered to have been transferred when the investor is exposed to variable returns or holds rights to such returns due to its relations with the investee company, and can simultaneously affect the returns by exercising its power over the investee.

IFRS 3 requires that for all business combinations an acquirer is identified. The latter must be identified as the party that obtains control over another entity or group of activities. In cases where it is not possible to identify an acquirer following the definition of control described above, such as in the case of exchange of equity interests, the identification of the acquirer must be based on other factors such as: the entity whose fair value is significantly greater, the entity that potentially pays cash consideration, or the entity that issues the new shares.

The acquisition, and therefore the first-time consolidation of the acquired entity, must be accounted for on the date on which the acquirer effectively obtains control over the acquired business or activities. When the transaction occurs through a single exchange transaction, the exchange date normally coincides with the acquisition date. However, it is always necessary to verify the possible presence of agreements between the parties that may result in a transfer of control prior to the exchange date.

The price transferred in a business combination operation must be determined as a sum of the fair value, on the date of the exchange, of the assets transferred, the liabilities incurred or accepted and the equity instruments issued by the acquirer in exchange for control.

In transactions involving payment in cash (or where payment is provided through financial instruments equivalent to cash), the price is the agreed consideration, discounted where instalment payments are provided for over a period exceeding the short term; where payment is made through an instrument other than cash, i.e. through the issuance of equity instruments, the price is equal to the fair value of the means of payment, net of costs directly attributable to the capital issuance transaction. For the methods of determining the fair value of financial instruments, reference should be made to the section "A.4 - Fair value disclosure", noting that, for shares listed on active markets, the fair value is represented by the stock exchange price at the acquisition date or, failing that, the last available price.

Contingent consideration – namely adjustments conditional on future events – is included in the consideration for the business combination at the acquisition date, if provided for in the agreements and only where it is probable, can be reliably determined, and is realised within twelve months of the date of acquisition of control. On the other hand, indemnification assets for the reduction in value of the assets used are not considered, as they are already reflected either in the fair value of the equity instruments or as a reduction in the premium or an increase in the discount on the initial issuance in the case of debt instruments.

Acquisition-related costs are the expenses the acquirer incurs to effect the business combination; by way of example, these include professional fees paid to auditors, appraisers, legal consultants, costs for appraisals and auditing of accounts, the preparation of information documents required by regulations, as



well as consultancy expenses incurred to identify potential targets for acquisition if it is contractually established that payment is made only in the event of a successful outcome of the combination, as well as the costs of registering and issuing debt or equity securities.

The acquirer must account for acquisition-related costs as expenses in the periods in which the costs are incurred and the services are received, with the exception of the costs to issue debt or equity securities, which must be recognised in accordance with IAS 32.

Business combinations are accounted for according to the "acquisition method", according to which the identifiable assets acquired (including any intangible assets previously not recognised by the acquired company) and the identifiable liabilities assumed (including contingent liabilities) must be recognised at their respective fair values at the acquisition date.

Furthermore, as expressly provided for by IFRS 3, for each business combination, any non-controlling interests in the acquiree may be recognised at fair value (with a consequent increase in the consideration transferred) or in proportion to the non-controlling interest's share of the acquiree's identifiable net assets.

If control is achieved through successive purchases, the acquirer must remeasure its previously held equity interest in the acquiree at its acquisition-date fair value and recognise any resulting gain or loss compared to the previous carrying amount in the income statement.

The excess of the consideration transferred (represented by the fair value of the assets transferred, the liabilities incurred, or the equity instruments issued by the acquirer), potentially adjusted by the value of non-controlling interests (determined as set out above) and the fair value of any interests previously held by the acquirer, over the fair value of the assets and liabilities acquired must be recognised as goodwill; if the latter, instead, exceed the sum of the consideration, non-controlling interests, and the fair value of any interests already held, the difference must be recognised in the income statement.

The accounting of the combination transaction may take place provisionally by the end of the reference year in which the combination is carried out and must be completed within 12 months from the acquisition date.

The accounting of additional equity investments in already controlled companies is considered, pursuant to IFRS 10, as a capital transaction, i.e. transactions with shareholders acting in their capacity as shareholders. Consequently, the differences between the acquisition costs and the carrying amount of the acquired minority interests are recognised in the Group's equity; similarly, disposals of minority interests without a loss of control do not give rise to gains or losses in the income statement but to changes in the Group's equity.

Transactions aimed at controlling one or more companies that do not constitute a business activity or at control on a transitional basis or, finally, if the business combination is carried out for reorganising purposes, therefore between two or more companies or business activities already forming part of the Group, and which does not entail changes in the control structure regardless of the percentage of minority interest rights before and after the transaction ("business combinations of companies subject to common control") are not considered business combinations. These transactions are considered not to have economic significance. Therefore, in the absence of specific indications required by IAS/IFRS standards and in compliance with IAS 8 assumptions, which requires that, in the absence of a specific standard, the company must use its judgement in applying an accounting standard that provides material, reliable and prudent disclosure that reflects the transaction's economic significance, they are accounted for by safeguarding the continuity of values in the acquirer's financial statements.

Mergers fall within transactions aimed at concentration of undertakings, representing the most complete form of business combination, since they involve both the legal and the economic unification of the parties involved.

Mergers, whether on their own right, i.e. with the establishment of a new legal entity, or "by incorporation", with the merger of one company into another already existing company, are recognised according to the criteria described above, in particular:

- if the transaction involves the transfer of control of a company, it is treated as an aggregation transaction pursuant to IFRS 3;
- if the transaction does not involve the transfer of control, it is accounted for by giving priority to the continuity of values.

### A.3 Disclosure on transfers between portfolios of financial assets

There were no such transfers in 2025.

### A.4 Disclosure on fair value

#### Qualitative disclosure

The fair value is the price that would be received for the sale of an asset or that would be paid for the transfer of a liability in a regular transaction on the main (or most advantageous) market on the valuation date, at current market conditions (i.e. at closing price), regardless of whether that price is directly observable or is estimated using another valuation method.

The fair value of an asset or liability is assessed by adopting the assumptions that the market operators would use when determining the price of the asset or liability, assuming that the market operators act to satisfy their own economic interests in the best possible way.

IFRS 13 establishes a fair value hierarchy based on the degree of observability of inputs from valuation techniques adopted for the measurements of underlying assets/liabilities; in particular, the hierarchy consists of three Levels.

- Level 1: the fair value of the instrument is determined on the basis of listing prices (not adjusted) observed on active markets;
- Level 2: the fair value of the instrument is determined on the basis of measurement models that use observable inputs on active markets, such as:
  - listed prices for similar assets or liabilities;
  - listed prices for identical or similar assets or liabilities on inactive markets;
  - observable parameters such as interest rates or yield curves, implied volatility, default rates and illiquidity factors;
  - parameters that are not observable but supported and confirmed by market data;
- Level 3: the fair value of the instrument is determined on the basis of measurement models that mainly use inputs not observable on active markets.

Each Group financial asset or liability is alternatively traced back to one of the previous Levels, whose assessments may be recurring or non-recurring (see IFRS 13, paragraph 93, letter a). The fair value valuation is classified entirely at the same level of the fair value hierarchy in which the lowest input level is classified.

The choice of evaluation techniques is not optional, the following are applied in hierarchical order: in fact, the fair value hierarchy gives the highest priority to (unadjusted) listed prices on active markets for identical assets or liabilities (Level 1 data) and the minimum priority to non-observable inputs (Level 3 data).

The measurement techniques used to measure fair value are applied uniformly and continuously over time, as described below.

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

In the absence of a listing on an active market, the measurement of the fair value of a financial instrument takes place using measurement techniques that maximise the use of observable market inputs.



The use of a valuation technique aims to estimate the price at which a regular transaction would take place for the sale of an asset or the transfer of a liability between market operators at the valuation date, under current market conditions. In this case, the measurement of the fair value may be Level 2 or Level 3 depending on the degree of observability of the input parameters considered in the pricing model.

In the absence of observable prices on active markets for the financial asset or liability to be measured, the fair value of the financial instruments is determined through the “comparable approach” (Level 2), which assumes the use of valuation models relying on market parameters.

In this case the measurement is not based on prices of the same financial instrument being measured (identical asset), but on prices, credit spreads or other factors deriving from the official prices of substantially similar instruments, in terms of risk factors and durability/return characteristics, using a given calculation methodology (pricing model).

In cases where the listing of a similar instrument on an active market or the characteristics of the instrument to be assessed are not available, it is necessary to use valuation models that presuppose the use of parameters that are not directly observable on the market and which, therefore, involve estimates and assumptions by the evaluator (non-observable input - Level 3). In these cases, the valuation of the financial instrument is carried out using a given calculation methodology based on specific assumptions concerning:

- the development of future cash flows, possibly conditioned by future events to which probabilities may be attributed which derive from historical experience or on the basis of conduct assumptions;
- the Level of certain input parameters not listed on active markets, for whose estimation the information acquired from prices and spreads observed on the market is still preferred. If these are not available, historical data for the specific risk factor underlying them or specialised research in the field is used (e.g. rating agencies or leading market players reports).

In the cases described, the opportunity to use valuation adjustments that take into account the risk premium that operators typically evaluate when pricing instruments is always taken into account. Valuation adjustment, if not explicitly considered in the valuation model, may include:

- model adjustment: adjustments that take into account any weaknesses in the valuation models highlighted during the calibration phases;
- liquidity adjustment: adjustments to take into account the bid-ask spread if the model estimates a mid price;
- credit risk adjustment: adjustments related to counterparty risk or its own issuer risk;
- other risk adjustment: adjustments related to a market-based risk premium (e.g. related to the complexity of assessing the instrument).

With regard to fair value measurement, the Group adopts various methods tailored to the specific characteristics of the products being valued.

For the valuation of receivables mandatorily measured at fair value, the method used is mainly the Discounted Cash Flow Model (DCF Model), expressed by discounting the expected cash flows of each loan at a market rate established taking into account elements such as the risk free rate for equal maturities and the counterparty credit risk. This technique is supplemented with the enterprise value measurement method of the debtor (e.g. multiples and comparable transactions) when the loan characteristics mean that its value depends on the value of the company. This dependence is normally due to the convertibility of the loans into equity or from their degree of subordination.

For the valuation of structured loan products, these are attributable to two groups. The first concerns the subordinated tranches of securitisations of NPL portfolios, while the second concerns securitisations of performing underlyings structured by illimity and held with the eventual intention to sell, in line with an HTCS business model. In the first case the exposures are part of an investment strategy that involves the subscription of the senior quota by the bank and, as promoter, also the subscription of part of the subordinate (mezzanine or junior) tranches. The starting point for the valuation is the purchase transaction,

in which the price is determined by analysing the debtor's capacity to repay firstly the senior portion and thereafter the subordinate tranches, according to a waterfall mechanism. This capacity is therefore monitored during payments in order to confirm expectations of recovery predicted during the origination stage. In the second case, as these are floating-rate senior securitisation notes, the performance of the collateral is periodically assessed and the strength of the structure checked to confirm the initial recognition price or applying a write down where necessary. The measurement includes prudent assumptions on the capacity of the underlying to generate cash flows, preferring an inclusion of expected cash flows when there is a high probability of their occurrence.

For the valuation of non-listed equity instruments, the "comparable transactions method" is mainly used. This method applies to transactions that have economic and equity characteristics similar to that subject to valuation and adjustment for the income statement and equity figures of the asset assessed.

With specific reference to the measurement of UCI units, these instruments are periodically measured at fair value in accordance with the rules expressed in IFRS 13, based on specific methodologies that take into account the nature and type of the assets underlying assets the Funds.

The valuation may also include a dedicated liquidity discount, depending primarily on the characteristics of the assets invested by the fund itself, in order to align the fair value of the instruments recognised in the financial statements with the price at which a potential third-party investor would be prepared to buy units of the fund (i.e. the "exit price").

Over The Counter (OTC) derivatives, whose value cannot be directly observed on the market, are valued using specific models and inputs pursuant to the asset class and the characteristics of the specific financial product. The valuation of OTC derivatives takes into consideration, as well as the market variables to which the instruments are sensitive, the specific risks pertaining to the counterparties with which they are traded, in particular:

- for transactions negotiated within a netting and margining agreement (CSA), the counterparty risk is considered non-material and the valuation of the instruments is based exclusively on the underlying risk factors, in accordance with the principle of non-arbitrage;
- for transactions negotiated without a netting and margining agreement, the valuation is carried out by adding the valuation of the instrument, as if it were subject to netting and margining, to the adjustments associated with the counterparty risk (i.e., Credit Valuation Adjustment and Debt Valuation Adjustment).

Derivatives in place at the end of the financial year are primarily allocated, on the underlying basis, to the interest rate and foreign exchange rate classes. For both classes, the prevalent model adopted is the discounting cash flow model, with the addition of the Black & Scholes model for the valuation of caps and floors.

With regard to the measurement of financial assets and liabilities measured at fair value on a non-recurring basis, and in particular the loan portfolio, fair value is conventionally taken to be equal to the carrying amount for all exposures classified as impaired and for exposures with a remaining maturity of less than one year, as it is considered that fair value can be regarded as equivalent to the carrying amount.

For the fair value measurement of performing loans, given the absence of prices directly observable on active and liquid markets, measurement techniques are used based on a theoretical model that meets the IAS/IFRS requirements (Level 3). The approach used to determine the fair value of performing receivables is the DCF Model applied to receivables with a residual life exceeding one year, while for other receivables with short-term maturity or without maturity, the nominal value is considered. Future cash flows are composed of the sum of the principal and interest portions, discounted at a market rate that reflects the characteristics of the underlying.

With regard to financial liabilities at amortised cost, the fair value calculated for reporting purposes is determined by applying the following methodologies:

- for medium- and long-term liabilities, the measurement is carried out considering the values of the prices of liabilities issued on active markets or by discounting future cash flows using an interest rate that incorporates the component relating to own credit risk for unlisted issues;
- for on-demand liabilities with short-term or indefinite maturities, the carrying amount is a good approximation of the fair value.

#### A.4.2 Processes and sensitivity of valuations

As required by IFRS 13, the Group carries out sensitivity tests for financial assets and financial liabilities measured at ILevel 3 fair value with reference to the change in one or more of the non-observable parameters used in the valuation techniques used to determine the fair value, such as, but not limited to, the elements that make up the cash flow discount curve or expected cash flows.

The table below shows the sensitivity of assets and liabilities valued at level 3 fair value with regard to one or more non-observable parameters. Data are reported for instruments measured using models that allow for analysis.

| Financial assets | Non-observable parameters | Sensitivity (Thousands of euros) | Change in non-observable parameter |
|------------------|---------------------------|----------------------------------|------------------------------------|
| FVTPL securities | Credit spread             | (87)                             | 1 bp                               |
| FVTPL securities | Recovery rate             | (2,689)                          | (1%)                               |

#### A.4.3 Fair value hierarchy

The Bank reclassifies financial assets and liabilities measured at fair value on a recurring basis in accordance with the following guidelines:

- for debt securities and loans:
  - the transition from Level 3 to Level 2 takes place if the relevant parameters used as input in the measurement technique are, at the reference date, observable on the market;
  - the transition from Level 3 to Level 1 takes place when, on the reporting date, the presence of an active market has been successfully verified;
  - the transition from Level 2 to Level 3 occurs when, on the reporting date, some of the significant parameters in determining the fair value are not directly observable on the market;
- for equity instruments, the Level transfer takes place:
  - when observable market inputs were made available during the period (e.g. prices defined in comparable transactions on the same instrument between independent and knowledgeable counterparties). In this case, the reclassification is carried out from Level 3 to Level 2;
  - when the directly or indirectly observable elements taken as the basis for the valuation no longer exist or are no longer updated (for example, comparable transactions that are no longer recent or multiples that are no longer applicable). In this case, valuation techniques are used that use non-observable inputs.

#### A.4.4 Other information

As of the reporting date there is no information to be given in relation to IFRS 13, paragraphs 51, 93 (i), 96 as:

- there are no assets measured at fair value on the basis of “highest and best use”;
- there was no measurement of fair value at the level of total portfolio exposure to take into account the set-off of credit risk and market risk for a certain group of financial assets or liabilities (an exception ex IFRS 13, para. 48).

### Quantitative disclosure

### A.4.5 Fair value hierarchy

Below is the disclosure required by IFRS 7, for portfolios of financial assets and liabilities measured at fair value based on the three-level hierarchy illustrated above.

#### A.4.5.1 Assets and liabilities measured at fair value on a recurring basis: breakdown by levels of fair value

| Financial assets / liabilities measured at fair value                         | 31/12/2025     |                |                | 31/12/2024     |                |                |
|-------------------------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
|                                                                               | L1             | L2             | L3             | L1             | L2             | L3             |
| 1. Financial assets measured at fair value through profit or loss             | -              | 12,494         | 920,072        | -              | 44,004         | 928,465        |
| a) financial assets held for trading                                          | -              | 12,494         | 25             | -              | 44,004         | 25             |
| b) financial assets designated at fair value                                  | -              | -              | -              | -              | -              | -              |
| c) other financial assets mandatorily measured at fair value                  | -              | -              | 920,047        | -              | -              | 928,440        |
| 2. Financial assets measured at fair value through other comprehensive income | 374,513        | 164,186        | 5,468          | 581,840        | 159,929        | 6,258          |
| 3. Hedging derivatives                                                        | -              | 37,482         | -              | -              | 29,385         | -              |
| 4. Property and equipment                                                     | -              | -              | -              | -              | -              | -              |
| 5. Intangible assets                                                          | -              | -              | -              | -              | -              | -              |
| <b>Total</b>                                                                  | <b>374,513</b> | <b>214,162</b> | <b>925,540</b> | <b>581,840</b> | <b>233,318</b> | <b>934,723</b> |
| 1. Financial liabilities held for trading                                     | -              | 12,742         | -              | -              | 45,107         | -              |
| 2. Financial liabilities designated at fair value                             | -              | -              | -              | -              | -              | -              |
| 3. Hedging derivatives                                                        | -              | 16,556         | -              | -              | 43             | -              |
| <b>Total</b>                                                                  | <b>-</b>       | <b>29,298</b>  | <b>-</b>       | <b>-</b>       | <b>45,150</b>  | <b>-</b>       |

Key:

L1 = Level 1

L2 = Level 2

L3 = Level 3

Instruments that are measured to a significant extent on the basis of unobservable parameters (Level 3) amount to 61% of the total financial assets measured at fair value, and on the reporting data are mainly represented by investments classified in the portfolio of “Financial assets mandatorily measured at FV”.

**A.4.5.2 Annual changes in assets measured at fair value on a recurring basis (level 3)**

|                                  | Financial assets measured at fair value through profit or loss |                                                |                                                        |                                                                        | Financial assets measured at fair value through other comprehensive income | Hedging derivatives | Property and equipment | Intangible assets |
|----------------------------------|----------------------------------------------------------------|------------------------------------------------|--------------------------------------------------------|------------------------------------------------------------------------|----------------------------------------------------------------------------|---------------------|------------------------|-------------------|
|                                  | Total                                                          | of which: a) financial assets held for trading | of which: b) financial assets designated at fair value | of which: c) other financial assets mandatorily measured at fair value |                                                                            |                     |                        |                   |
| <b>1. Opening balance</b>        | <b>928,465</b>                                                 | <b>25</b>                                      | <b>-</b>                                               | <b>928,440</b>                                                         | <b>6,258</b>                                                               | <b>-</b>            | <b>-</b>               | <b>-</b>          |
| <b>2. Increases</b>              | <b>179,575</b>                                                 | <b>-</b>                                       | <b>-</b>                                               | <b>179,575</b>                                                         | <b>1</b>                                                                   | <b>-</b>            | <b>-</b>               | <b>-</b>          |
| 2.1 Purchases                    |                                                                |                                                |                                                        |                                                                        |                                                                            |                     |                        |                   |
| Purchases                        | 153,585                                                        | -                                              | -                                                      | 153,585                                                                | -                                                                          | -                   | -                      | -                 |
| 2.2. Gains recognised in:        | 22,863                                                         | -                                              | -                                                      | 22,863                                                                 | -                                                                          | -                   | -                      | -                 |
| 2.2.1. Income Statement          | 22,863                                                         | -                                              | -                                                      | 22,863                                                                 | -                                                                          | -                   | -                      | -                 |
| - of which capital gains         | 6,045                                                          | -                                              | -                                                      | 6,045                                                                  | -                                                                          | -                   | -                      | -                 |
| 2.2.2. Shareholders' equity      | -                                                              | X                                              | X                                                      | X                                                                      | -                                                                          | -                   | -                      | -                 |
| 2.3 Transfers from other levels  | -                                                              | -                                              | -                                                      | -                                                                      | -                                                                          | -                   | -                      | -                 |
| 2.4. Other increases             | 3,127                                                          | -                                              | -                                                      | 3,127                                                                  | 1                                                                          | -                   | -                      | -                 |
| <b>3. Decreases</b>              | <b>187,968</b>                                                 | <b>-</b>                                       | <b>-</b>                                               | <b>187,968</b>                                                         | <b>791</b>                                                                 | <b>-</b>            | <b>-</b>               | <b>-</b>          |
| 3.1. Sales                       | 31,684                                                         | -                                              | -                                                      | 31,684                                                                 | -                                                                          | -                   | -                      | -                 |
| 3.2. Repayments                  | 107,921                                                        | -                                              | -                                                      | 107,921                                                                | -                                                                          | -                   | -                      | -                 |
| 3.3. Losses recognised in:       | 49,135                                                         | -                                              | -                                                      | 48,344                                                                 | 791                                                                        | -                   | -                      | -                 |
| 3.3.1. Income Statement          | 48,344                                                         | -                                              | -                                                      | 48,344                                                                 | -                                                                          | -                   | -                      | -                 |
| - of which capital losses        | 48,344                                                         | -                                              | -                                                      | 48,344                                                                 | -                                                                          | -                   | -                      | -                 |
| 3.3.2. Shareholders' equity      | -                                                              | X                                              | X                                                      | X                                                                      | 791                                                                        | -                   | -                      | -                 |
| 3.4. Transfers from other levels | -                                                              | -                                              | -                                                      | -                                                                      | -                                                                          | -                   | -                      | -                 |
| 3.5. Other decreases             | 19                                                             | -                                              | -                                                      | 19                                                                     | -                                                                          | -                   | -                      | -                 |
| <b>4. Closing inventories</b>    | <b>920,072</b>                                                 | <b>25</b>                                      | <b>-</b>                                               | <b>920,047</b>                                                         | <b>5,468</b>                                                               | <b>-</b>            | <b>-</b>               | <b>-</b>          |

**A.4.5.3 Annual changes in liabilities measured at fair value on a recurring basis (level 3)**

There are no liabilities measured at fair value on a recurring basis (level 3).

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

| Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis | 31/12/2025       |                  |               |                  | 31/12/2024       |                |               |                  |
|------------------------------------------------------------------------------------------------------|------------------|------------------|---------------|------------------|------------------|----------------|---------------|------------------|
|                                                                                                      | BV               | L1               | L2            | L3               | BV               | L1             | L2            | L3               |
| 1. Financial assets measured at amortised cost                                                       | 4,847,603        | 1,004,068        | 22,334        | 3,855,386        | 5,537,025        | 987,528        | 41,114        | 4,525,148        |
| 2. Property and equipment held for investment                                                        |                  |                  |               |                  |                  |                |               |                  |
| 3. Non-current assets held for sale and discontinued operations                                      | 148,000          |                  |               | 146,996          |                  |                |               |                  |
| <b>Total</b>                                                                                         | <b>4,995,603</b> | <b>1,004,068</b> | <b>22,334</b> | <b>4,002,382</b> | <b>5,537,025</b> | <b>987,528</b> | <b>41,114</b> | <b>4,525,148</b> |
| 1. Financial liabilities measured at amortised cost                                                  | 6,334,219        | 573,734          |               | 5,793,435        | 7,148,069        | 851,185        |               | 6,280,710        |
| 2. Liabilities associated with assets held for sale                                                  |                  |                  |               |                  |                  |                |               |                  |
| <b>Total</b>                                                                                         | <b>6,334,219</b> | <b>573,734</b>   | <b>-</b>      | <b>5,793,435</b> | <b>7,148,069</b> | <b>851,185</b> | <b>-</b>      | <b>6,280,710</b> |

Key:

BV = Book Value

L1 = Level 1

L2 = Level 2

L3 = Level 3

For the other financial instruments recognised at amortised cost and mainly classified among credits to banks or customers and among the financial liabilities, a fair value has been determined for the purposes of disclosure in the Explanatory Notes, as required by the reference accounting standard, IFRS 7.

#### A.5 Disclosure on “day one profit/loss”

According to paragraph 28 of IFRS 7, it is necessary to provide evidence of the “day one profit or loss” to be recognised in the income statement at year end, together with a reconciliation compared to the opening balance. “Day one profit or loss” refers to the difference between the fair value of a financial instrument acquired or issued at the time of initial recognition (transaction price) and the amount determined on that date using a valuation technique.

There are no cases that require disclosure in this section.

# PART B – INFORMATION ON THE BALANCE SHEET

## Assets

### Section 1 - Cash and cash equivalents – Item 10

#### 1.1 Cash and cash equivalents: breakdown

|                                                               | Total<br>31/12/2025 | Total<br>31/12/2024 |
|---------------------------------------------------------------|---------------------|---------------------|
| a) Cash and cash equivalents                                  | 1                   | 1                   |
| b) Current accounts and on-demand deposits with Central Banks | 153,514             | 294,835             |
| c) Current accounts and on-demand deposits with banks         | 18,937              | 45,752              |
| <b>Total</b>                                                  | <b>172,452</b>      | <b>340,587</b>      |

The sub-item "b) On-demand deposits with Central Banks" records the liquidity deposited with the Bank of Italy.

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

### 2.1 Financial assets held for trading: breakdown by product type

| Items/Values                           | Total<br>31/12/2025 |               |           | Total<br>31/12/2024 |               |           |
|----------------------------------------|---------------------|---------------|-----------|---------------------|---------------|-----------|
|                                        | L1                  | L2            | L3        | L1                  | L2            | L3        |
| <b>A. Cash assets</b>                  |                     |               |           |                     |               |           |
| 1. Debt securities                     | -                   | -             | -         | -                   | -             | -         |
| 1.1 Structured securities              | -                   | -             | -         | -                   | -             | -         |
| 1.2 Other debt securities              | -                   | -             | -         | -                   | -             | -         |
| 2. Equity securities                   | -                   | -             | -         | -                   | -             | -         |
| 3. Units of UCIs                       | -                   | -             | 25        | -                   | -             | 25        |
| 4. Loans                               | -                   | -             | -         | -                   | -             | -         |
| 4.1 Repurchase agreements              | -                   | -             | -         | -                   | -             | -         |
| 4.2 Others                             | -                   | -             | -         | -                   | -             | -         |
| <b>Total (A)</b>                       | -                   | -             | <b>25</b> | -                   | -             | <b>25</b> |
| <b>B. Derivatives</b>                  |                     |               |           |                     |               |           |
| 1. Financial derivatives               | -                   | 12,494        | -         | -                   | 44,004        | -         |
| 1.1 held for trading                   | -                   | 12,494        | -         | -                   | 44,004        | -         |
| 1.2 connected to the fair value option | -                   | -             | -         | -                   | -             | -         |
| 1.3 other                              | -                   | -             | -         | -                   | -             | -         |
| 2. Credit derivatives                  | -                   | -             | -         | -                   | -             | -         |
| 2.1 held for trading                   | -                   | -             | -         | -                   | -             | -         |
| 2.2 connected to the fair value option | -                   | -             | -         | -                   | -             | -         |
| 2.3 others                             | -                   | -             | -         | -                   | -             | -         |
| <b>Total (B)</b>                       | -                   | <b>12,494</b> | -         | -                   | <b>44,004</b> | -         |
| <b>Total (A+B)</b>                     | -                   | <b>12,494</b> | <b>25</b> | -                   | <b>44,004</b> | <b>25</b> |

**Key:**

L1 = Level 1

L2 = Level 2

L3 = Level 3



## 2.2 Financial assets held for trading: borrower/issuer/counterparty breakdown

| Items/Values                  | Total<br>31/12/2025 | Total<br>31/12/2024 |
|-------------------------------|---------------------|---------------------|
| <b>A. CASH ASSETS</b>         |                     |                     |
| 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          | -                   | -                   |
| a) Banks                      | -                   | -                   |
| b) Other financial companies  | -                   | -                   |
| of which: insurance companies | -                   | -                   |
| c) Non-financial companies    | -                   | -                   |
| d) Other issuers              | -                   | -                   |
| 3. Units of UCIs              | 25                  | 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                 | -                   | -                   |
| <b>Total (A)</b>              | <b>25</b>           | <b>25</b>           |
| <b>B. DERIVATIVES</b>         |                     |                     |
| a) Central Counterparties     | -                   | -                   |
| b) Other                      | 12,494              | 44,004              |
| <b>Total (B)</b>              | <b>12,494</b>       | <b>44,004</b>       |
| <b>Total (A+B)</b>            | <b>12,519</b>       | <b>44,029</b>       |

## 2.3 Financial assets designated at fair value: breakdown by product type

The Bank does not hold financial assets designated at fair value.

## 2.4 Financial assets designated at fair value: borrower/issuer breakdown

The Bank does not hold financial assets designated at fair value.

## 2.5 Other financial assets mandatorily measured at fair value: breakdown by product type

| Items/Values                | Total<br>31/12/2025 |    |                | Total<br>31/12/2024 |    |                |
|-----------------------------|---------------------|----|----------------|---------------------|----|----------------|
|                             | L1                  | L2 | L3             | L1                  | L2 | L3             |
| <b>1. Debt securities</b>   | -                   | -  | <b>238,516</b> | -                   | -  | <b>241,592</b> |
| 1.1 Structured securities   | -                   | -  | -              | -                   | -  | -              |
| 1.2 Other debt securities   | -                   | -  | 238,516        | -                   | -  | 241,592        |
| <b>2. Equity securities</b> | -                   | -  | <b>10,221</b>  | -                   | -  | <b>12,189</b>  |
| <b>3. Units of UCIs</b>     | -                   | -  | <b>635,674</b> | -                   | -  | <b>627,780</b> |
| <b>4. Loans</b>             | -                   | -  | <b>35,636</b>  | -                   | -  | <b>46,878</b>  |
| 4.1 Repurchase agreements   | -                   | -  | -              | -                   | -  | -              |
| 4.2 Others                  | -                   | -  | 35,636         | -                   | -  | 46,878         |
| <b>Total</b>                | -                   | -  | <b>920,047</b> | -                   | -  | <b>928,440</b> |

**Key:**

L1 = Level 1

L2 = Level 2

L3 = Level 3

Financial instruments mandatorily measured at fair value through profit or loss as of 31 December 2025 with fair value level 3 amounted to EUR 920 million, down by EUR 8 million. These financial assets consist mainly of Units of UCIs for EUR 636 million, referring mainly to the Specialised Credit division for EUR 359 million, to the Corporate Banking division for EUR 51 million, to the B-ilty division for EUR 221 million and to the Investment Banking division for EUR 5 million.

Loans measured at fair value refer to transactions of the Corporate Banking division for EUR 36 million.

**2.6 Other financial assets mandatorily measured at fair value: borrower/issuer breakdown**

|                                     | Total<br>31/12/2025 | Total<br>31/12/2024 |
|-------------------------------------|---------------------|---------------------|
| <b>1. Equity securities</b>         | <b>10,221</b>       | <b>12,190</b>       |
| of which: banks                     | -                   | -                   |
| of which: other financial companies | -                   | -                   |
| of which: non-financial companies   | 10,221              | 12,190              |
| <b>2. Debt securities</b>           | <b>238,516</b>      | <b>241,592</b>      |
| a) Central banks                    | -                   | -                   |
| b) Public administrations           | -                   | -                   |
| c) Banks                            | -                   | -                   |
| d) Other financial companies        | 238,516             | 241,592             |
| of which: insurance companies       | -                   | -                   |
| e) Non-financial companies          | -                   | -                   |
| <b>3. Units of UCIs</b>             | <b>635,674</b>      | <b>627,780</b>      |
| <b>4. Loans</b>                     | <b>35,636</b>       | <b>46,878</b>       |
| a) Central banks                    | -                   | -                   |
| b) Public administrations           | -                   | -                   |
| c) Banks                            | -                   | -                   |
| d) Other financial companies        | -                   | -                   |
| of which: insurance companies       | -                   | -                   |
| e) Non-financial companies          | 35,636              | 46,878              |
| f) Households                       | -                   | -                   |
| <b>Total</b>                        | <b>920,047</b>      | <b>928,440</b>      |

The item "OICR units", amounting to a total of EUR 636 million as of 31 December 2025, increased by approximately EUR 8 million. The UCI units subscribed by the Bank mainly refer to instruments using performing and non-performing loans as their underlying.

As of December 31, 2025, the illimity Group does not hold any equity instruments with evident poor credit quality. **Section 3 - Financial assets measured at fair value through other comprehensive income – Item 30**

**3.1 Financial assets measured at fair value through other comprehensive income: breakdown by product type**

| Items/Values                | Total<br>31/12/2025 |                |              | Total<br>31/12/2024 |                |              |
|-----------------------------|---------------------|----------------|--------------|---------------------|----------------|--------------|
|                             | L1                  | L2             | L3           | L1                  | L2             | L3           |
| <b>1. Debt securities</b>   | <b>374,513</b>      | <b>164,185</b> | <b>-</b>     | <b>581,839</b>      | <b>159,929</b> | <b>-</b>     |
| 1.1 Structured securities   | 90                  | -              | -            | 2,953               | -              | -            |
| 1.2 Other debt securities   | 374,423             | 164,185        | -            | 578,886             | 159,929        | -            |
| <b>2. Equity securities</b> | <b>-</b>            | <b>-</b>       | <b>5,468</b> | <b>-</b>            | <b>-</b>       | <b>6,259</b> |
| <b>3. Loans</b>             | <b>-</b>            | <b>-</b>       | <b>-</b>     | <b>-</b>            | <b>-</b>       | <b>-</b>     |
| <b>Total</b>                | <b>374,513</b>      | <b>164,185</b> | <b>5,468</b> | <b>581,839</b>      | <b>159,929</b> | <b>6,259</b> |

**Key:**

L1 = Level 1

L2 = Level 2

L3 = Level 3

The debt securities in the financial statements item were issued by governments (EUR 373 million), financial companies (EUR 164.5 million) and non-financial companies (EUR 1.2 million).

Equity instruments classified as “Financial assets measured at fair value through other comprehensive income (IAS)” are represented by equity holdings not qualifying as investments in subsidiaries, associates or joint ventures.

The reduction observed in the item is mainly attributable to the RWA optimisation strategy implemented in consultation with the parent company Banca Ifis as from the second half of 2025.

### 3.2 Financial assets measured at fair value through other comprehensive income: borrower/issuer breakdown

| Items/Values                  | Total<br>31/12/2025 | Total<br>31/12/2024 |
|-------------------------------|---------------------|---------------------|
| <b>1. Debt securities</b>     | <b>538,698</b>      | <b>741,768</b>      |
| a) Central banks              | -                   | -                   |
| b) Public administrations     | 373,010             | 441,903             |
| c) Banks                      | -                   | 95,213              |
| d) Other financial companies  | 164,459             | 169,688             |
| of which: insurance companies | -                   | -                   |
| e) Non-financial companies    | 1,229               | 34,964              |
| <b>2. Equity securities</b>   | <b>5,468</b>        | <b>6,259</b>        |
| a) Banks                      | -                   | -                   |
| b) Other issuers:             | 5,468               | 6,259               |
| - other financial companies   | 11                  | 12                  |
| of which: insurance companies | -                   | -                   |
| - non-financial companies     | 5,457               | 6,247               |
| - other                       | -                   | -                   |
| <b>3. Loans</b>               | <b>-</b>            | <b>-</b>            |
| a) Central banks              | -                   | -                   |
| b) Public administrations     | -                   | -                   |
| c) Banks                      | -                   | -                   |
| d) Other financial companies  | -                   | -                   |
| of which: insurance companies | -                   | -                   |
| e) Non-financial companies    | -                   | -                   |
| f) Households                 | -                   | -                   |
| <b>Total</b>                  | <b>544,166</b>      | <b>748,027</b>      |

### 3.3 Financial assets measured at fair value through other comprehensive income gross value and total value adjustments

| Total value adjustments |            |              |                                            |           |             |                                         |           |           |             |                                         | Total partial write-offs |
|-------------------------|------------|--------------|--------------------------------------------|-----------|-------------|-----------------------------------------|-----------|-----------|-------------|-----------------------------------------|--------------------------|
|                         |            | Gross amount |                                            |           |             | Total value adjustments                 |           |           |             |                                         |                          |
|                         |            | Stage one    | of which: Instruments with low credit risk | Stage two | Stage three | Purchased or originated credit impaired | Stage one | Stage two | Stage three | Purchased or originated credit impaired |                          |
| Debt securities         |            | 538,662      | 373,466                                    | 100       | 3,202       | -                                       | 659       | 66        | 2,541       | -                                       | -                        |
| Loans                   |            | -            | -                                          | -         | -           | -                                       | -         | -         | -           | -                                       | -                        |
| Total                   | 31/12/2025 | 538,662      | 373,466                                    | 100       | 3,202       | -                                       | 659       | 66        | 2,541       | -                                       | -                        |
| Total                   | 31/12/2024 | 742,347      | 437,168                                    | 1,053     | 427         | -                                       | 1,726     | 313       | 20          | -                                       | -                        |

With regard to the approach used in the representation of the gross amount and total value adjustments of impaired financial assets, refer to Part A - Accounting policies.

## Section 4 – Financial assets measured at amortised cost – Item 40

### 4.1 Financial assets measured at amortised cost: breakdown by product of loans to banks

| Type of operations/Values        | Total<br>31/12/2025     |             |                                         |            |    |               | Total<br>31/12/2024     |             |                                         |            |               |                |
|----------------------------------|-------------------------|-------------|-----------------------------------------|------------|----|---------------|-------------------------|-------------|-----------------------------------------|------------|---------------|----------------|
|                                  | Book value              |             |                                         | Fair value |    |               | Book value              |             |                                         | Fair value |               |                |
|                                  | Stage one and Stage two | Stage three | Purchased or originated credit impaired | L1         | L2 | L3            | Stage one and Stage two | Stage three | Purchased or originated credit impaired | L1         | L2            | L3             |
| <b>A. Loans to Central Banks</b> | -                       | -           | -                                       | -          | -  | -             | -                       | -           | -                                       | -          | -             | -              |
| 1. Time deposits                 | -                       | -           | -                                       | X          | X  | X             | -                       | -           | -                                       | X          | X             | X              |
| 2. Reserve requirements          | -                       | -           | -                                       | X          | X  | X             | -                       | -           | -                                       | X          | X             | X              |
| 3. Repurchase agreements         | -                       | -           | -                                       | X          | X  | X             | -                       | -           | -                                       | X          | X             | X              |
| 4. Other                         | -                       | -           | -                                       | X          | X  | X             | -                       | -           | -                                       | X          | X             | X              |
| <b>B. Loans to banks</b>         | <b>98,023</b>           | -           | -                                       | -          | -  | <b>98,023</b> | <b>269,813</b>          | -           | -                                       | -          | <b>26,014</b> | <b>244,254</b> |
| 1. Loans                         | 98,023                  | -           | -                                       | -          | -  | 98,023        | 244,254                 | -           | -                                       | -          | -             | 244,254        |
| 1.1 Current accounts             | -                       | -           | -                                       | X          | X  | X             | -                       | -           | -                                       | X          | X             | X              |
| 1.2. Time deposits               | 64,303                  | -           | -                                       | X          | X  | X             | 98,051                  | -           | -                                       | X          | X             | X              |
| 1.3. Other loans:                | 33,720                  | -           | -                                       | X          | X  | X             | 146,203                 | -           | -                                       | X          | X             | X              |
| - Reverse repurchase agreements  | -                       | -           | -                                       | X          | X  | X             | -                       | -           | -                                       | X          | X             | X              |
| - Loans for leasing              | -                       | -           | -                                       | X          | X  | X             | -                       | -           | -                                       | X          | X             | X              |
| - Other                          | 33,720                  | -           | -                                       | X          | X  | X             | 146,203                 | -           | -                                       | X          | X             | X              |
| 2. Debt securities               | -                       | -           | -                                       | -          | -  | -             | 25,559                  | -           | -                                       | -          | 26,014        | -              |
| 2.1 Structured securities        | -                       | -           | -                                       | -          | -  | -             | -                       | -           | -                                       | -          | -             | -              |
| 2.2 Other debt securities        | -                       | -           | -                                       | -          | -  | -             | 25,559                  | -           | -                                       | -          | 26,014        | -              |
| <b>Total</b>                     | <b>98,023</b>           | -           | -                                       | -          | -  | <b>98,023</b> | <b>269,813</b>          | -           | -                                       | -          | <b>26,014</b> | <b>244,254</b> |

**Key:**

L1 = Level 1

L2 = Level 2

L3 = Level 3

The obligations to maintain the Compulsory reserve are fulfilled indirectly through BFF Bank S.p.A., with the balance recognised in the sub item "Time deposits".

## 4.2 Financial assets measured at amortised cost breakdown by product of loans to customers

| Type of operations/Values                                             | Total                   |                |                                         |                  |               |                  |                         | Total          |                                         |                  |               |                  |  |
|-----------------------------------------------------------------------|-------------------------|----------------|-----------------------------------------|------------------|---------------|------------------|-------------------------|----------------|-----------------------------------------|------------------|---------------|------------------|--|
|                                                                       | 31/12/2025              |                |                                         |                  |               |                  |                         | 31/12/2024     |                                         |                  |               |                  |  |
|                                                                       | Book value              |                |                                         |                  | Fair value    |                  |                         | Book value     |                                         |                  |               | Fair value       |  |
|                                                                       | Stage one and Stage two | Stage three    | Purchased or originated credit impaired | L1               | L2            | L3               | Stage one and Stage two | Stage three    | Purchased or originated credit impaired | L1               | L2            | L3               |  |
| <b>1. Loans</b>                                                       | <b>1,967,372</b>        | <b>235,378</b> | <b>209,286</b>                          | -                | -             | <b>2,420,656</b> | <b>2,282,986</b>        | <b>215,984</b> | <b>344,666</b>                          | -                | -             | <b>2,851,118</b> |  |
| 1.1. Current accounts                                                 | 5,681                   | 5,075          | 12,635                                  | X                | X             | X                | 15,667                  | 4,354          | 16,589                                  | X                | X             | X                |  |
| 1.2. Reverse Repurchase Agreements                                    | 23,586                  | -              | -                                       | -                | -             | -                | 39,923                  | -              | -                                       | -                | -             | -                |  |
| 1.3. Mortgages                                                        | 184,840                 | 60,631         | 191,680                                 | X                | X             | X                | 341,095                 | 36,396         | 299,600                                 | X                | X             | X                |  |
| 1.4. Credit cards and personal loans, including wage assignment loans | 696                     | 497            | -                                       | X                | X             | X                | 996                     | 588            | -                                       | X                | X             | X                |  |
| 1.5. Loans for leasing                                                | -                       | -              | -                                       | X                | X             | X                | -                       | -              | -                                       | X                | X             | X                |  |
| 1.6. Factoring                                                        | 585,970                 | 11,468         | -                                       | X                | X             | X                | 683,695                 | 11,200         | -                                       | X                | X             | X                |  |
| 1.7. Other loans                                                      | 1,166,599               | 157,707        | 4,971                                   | X                | X             | X                | 1,201,610               | 163,446        | 28,476                                  | X                | X             | X                |  |
| <b>2. Debt securities</b>                                             | <b>1,698,890</b>        | <b>471,622</b> | <b>167,031</b>                          | <b>1,004,068</b> | <b>22,334</b> | <b>1,336,707</b> | <b>2,096,163</b>        | <b>15,011</b>  | <b>312,403</b>                          | <b>9,875,288</b> | <b>15,100</b> | <b>1,429,776</b> |  |
| 1. Structured securities                                              | -                       | 2,460          | -                                       | 2,460            | -             | -                | -                       | 2,580          | -                                       | -                | 2,580         | -                |  |
| 2. Other debt securities                                              | 1,698,890               | 469,162        | 167,031                                 | 1,001,608        | 22,334        | 1,336,707        | 2,096,163               | 12,431         | 312,403                                 | 9,875,288        | 12,520        | 1,429,776        |  |
| <b>Total</b>                                                          | <b>3,666,262</b>        | <b>707,000</b> | <b>376,317</b>                          | <b>1,004,068</b> | <b>22,334</b> | <b>3,757,363</b> | <b>4,379,149</b>        | <b>230,995</b> | <b>657,068</b>                          | <b>9,875,288</b> | <b>15,100</b> | <b>4,280,894</b> |  |

**Key:**

L1 = Level 1  
L2 = Level 2  
L3 = Level 3

The sub-item “Other performing debt securities” primarily includes government bonds for EUR 990 million, as well as securities connected to securitisation operations relating to the B-ilty division and relating to the Investment Banking Division.

The “Purchased or originated impaired (*POCI*) financial assets” item under “Debt securities” also includes EUR 2 million relating to the Corporate Banking division and EUR 80 million of securities relating to the Specialised Credit division and EUR 86 million relating to the Asset-Based Financing division.

**4.3 Financial assets measured at amortised cost: breakdown by borrower/issuer of loans to customers**

| Type of operations/Values        | Total<br>31/12/2025           |                |                                                     | Total<br>31/12/2024           |                |                                                     |
|----------------------------------|-------------------------------|----------------|-----------------------------------------------------|-------------------------------|----------------|-----------------------------------------------------|
|                                  | Stage one<br>and Stage<br>two | Stage<br>three | Purchased<br>or<br>originated<br>assets<br>impaired | Stage one<br>and Stage<br>two | Stage<br>three | Purchased<br>or<br>originated<br>assets<br>impaired |
| <b>1. Debt securities</b>        | <b>1,698,891</b>              | <b>471,622</b> | <b>167,031</b>                                      | <b>2,096,163</b>              | <b>15,011</b>  | <b>312,403</b>                                      |
| a) Public administrations        | 989,398                       | -              | -                                                   | 942,249                       | -              | -                                                   |
| b) Other financial companies     | 703,742                       | 469,162        | 167,031                                             | 1,127,197                     | 10,765         | 301,775                                             |
| of which: insurance<br>companies | -                             | -              | -                                                   | -                             | -              | -                                                   |
| c) Non-financial companies       | 5,751                         | 2,460          | -                                                   | 26,717                        | 4,246          | 10,628                                              |
| <b>2. Loans to:</b>              | <b>1,967,372</b>              | <b>235,378</b> | <b>209,286</b>                                      | <b>2,282,986</b>              | <b>215,984</b> | <b>344,665</b>                                      |
| a) Public administrations        | 9,788                         | 3,392          | -                                                   | 7,570                         | 3,543          | -                                                   |
| b) Other financial companies     | 291,821                       | 23,400         | 441                                                 | 361,143                       | 20,322         | 2,791                                               |
| of which: insurance<br>companies | 532                           | -              | -                                                   | 2,873                         | -              | -                                                   |
| c) Non-financial companies       | 1,618,678                     | 206,502        | 199,101                                             | 1,854,929                     | 189,112        | 335,043                                             |
| d) Households                    | 47,085                        | 2,084          | 9,744                                               | 59,344                        | 3,007          | 6,831                                               |
| <b>Total</b>                     | <b>3,666,263</b>              | <b>707,000</b> | <b>376,317</b>                                      | <b>4,379,149</b>              | <b>230,995</b> | <b>657,068</b>                                      |

**4.4 Financial assets measured at amortised cost: gross value and total value adjustments**

|                 | Gross amount      |                                                      |                  |                |                                                       | Total value adjustments |               |                |                                                     |               | Total partial write-offs |
|-----------------|-------------------|------------------------------------------------------|------------------|----------------|-------------------------------------------------------|-------------------------|---------------|----------------|-----------------------------------------------------|---------------|--------------------------|
|                 | Stage one         | of which:<br>Instrument<br>s with low<br>credit risk | Stage two        | Stage three    | Purcha<br>sed or<br>originat<br>ed credit<br>impaired | Stage one               | Stage two     | Stage three    | Purchased<br>or<br>originated<br>credit<br>impaired |               |                          |
|                 |                   |                                                      |                  |                |                                                       |                         |               |                |                                                     |               |                          |
| Debt securities | 1,680,627         | 990,540                                              | 22,048           | 684,562        | 199,423                                               | 3,115                   | 670           | 212,940        | 32,392                                              | -             |                          |
| Loans           | 1,877,908         | 432,797                                              | 220,475          | 306,549        | 209,286                                               | 26,720                  | 6,267         | 71,171         | -                                                   | -             |                          |
| <b>Total</b>    | <b>31/12/2025</b> | <b>3,558,535</b>                                     | <b>1,423,337</b> | <b>242,523</b> | <b>991,111</b>                                        | <b>408,709</b>          | <b>29,835</b> | <b>6,937</b>   | <b>284,111</b>                                      | <b>32,392</b> | <b>-</b>                 |
| <b>Total</b>    | <b>31/12/2024</b> | <b>3,844,878</b>                                     | <b>1,514,222</b> | <b>941,432</b> | <b>276,809</b>                                        | <b>678,945</b>          | <b>29,093</b> | <b>108,254</b> | <b>45,814</b>                                       | <b>21,878</b> | <b>-</b>                 |

With regard to the approach used in the representation of the gross amount and total value adjustments of impaired financial assets, refer to Part A - Accounting policies.



## Section 5 - Hedging derivatives - Item 50

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

|                          | Fair Value |        |    | NV         | Fair Value |        |    | NV         |
|--------------------------|------------|--------|----|------------|------------|--------|----|------------|
|                          | 31/12/2025 |        |    |            | 31/12/2024 |        |    |            |
|                          | L1         | L2     | L3 | 31/12/2025 | L1         | L2     | L3 | 31/12/2024 |
| A. Financial derivatives |            |        |    |            |            |        |    |            |
| 1) Fair value            | -          | 37,482 | -  | 660,000    | -          | 29,385 | -  | 691,405    |
| 2) Cash flows            | -          | -      | -  | -          | -          | -      | -  | -          |
| 3) Foreign investments   | -          | -      | -  | -          | -          | -      | -  | -          |
| B. Credit derivatives    |            |        |    |            |            |        |    |            |
| 1) Fair value            | -          | -      | -  | -          | -          | -      | -  | -          |
| 2) Cash flows            | -          | -      | -  | -          | -          | -      | -  | -          |
| Total                    | -          | 37,482 | -  | 660,000    | -          | 29,385 | -  | 691,405    |

### 5.2 Hedging derivatives: breakdown by hedged portfolios and by type of hedge

| Operations/Hedge type                                                         | Fair Value                         |                                     |                     |        |       |       |         | Cash flows |         | Foreign investments |
|-------------------------------------------------------------------------------|------------------------------------|-------------------------------------|---------------------|--------|-------|-------|---------|------------|---------|---------------------|
|                                                                               | Specific                           |                                     |                     |        |       |       | Generic | Specific   | Generic |                     |
|                                                                               | debt securities and interest rates | equity securities and share indices | currencies and gold | credit | goods | Other |         |            |         |                     |
| 1. Financial assets measured at fair value through other comprehensive income | 14,450                             | -                                   | -                   | -      | X     | X     | X       | -          | X       | X                   |
| 2. Financial assets measured at amortised cost                                | 15,231                             | X                                   | -                   | -      | X     | X     | X       | -          | X       | X                   |
| 3. Portfolio                                                                  | X                                  | X                                   | X                   | X      | X     | X     | -       | X          | -       | X                   |
| 4. Other transactions                                                         | -                                  | -                                   | -                   | -      | -     | -     | X       | -          | X       | -                   |
| <b>Total assets</b>                                                           | <b>29,681</b>                      | -                                   | -                   | -      | -     | -     | -       | -          | -       | -                   |
| 1. Financial liabilities                                                      | 7,801                              | X                                   | -                   | -      | -     | -     | X       | -          | X       | X                   |
| 2. Portfolio                                                                  | X                                  | X                                   | X                   | X      | X     | X     | -       | X          | -       | X                   |
| <b>Total liabilities</b>                                                      | <b>7,801</b>                       | -                                   | -                   | -      | -     | -     | -       | -          | -       | -                   |
| 1. Expected transactions                                                      | X                                  | X                                   | X                   | X      | X     | X     | X       | -          | X       | X                   |
| 2. Portfolio of financial assets and liabilities                              | X                                  | X                                   | X                   | X      | X     | X     | -       | X          | -       | -                   |

## Section 6 - Fair value change of financial assets in hedged portfolios – Item 60

The Bank has no generic hedging operations on financial assets.

## Section 7 - Equity investments – Item 70

### 7.1 Equity investments: information on shareholding relationships

| Name                                                            | Registered office | Operational headquarters | Quota di ownership interest % | Votes % |
|-----------------------------------------------------------------|-------------------|--------------------------|-------------------------------|---------|
| <b>A. Wholly-owned subsidiaries</b>                             |                   |                          |                               |         |
| 1. Soperga RE S.r.l.                                            | Milan             | Milan                    | 100%                          | 100%    |
| 2. Friuli LeaseCo S.r.l.                                        | Milan             | Milan                    | 100%                          | 100%    |
| 3. Doria LeaseCo S.r.l.                                         | Milan             | Milan                    | 100%                          | 100%    |
| 4. River LeaseCo S.r.l.                                         | Milan             | Milan                    | 100%                          | 100%    |
| 5. Arecneprix S.p.A.                                            | Milan             | Milan                    | 100%                          | 100%    |
| 6. Fürstenberg SGR S.p.A.                                       | Milan             | Milan                    | 100%                          | 100%    |
| 7. Pitti LeaseCo S.r.l.                                         | Milan             | Milan                    | 100%                          | 100%    |
| 8. River Immobiliare S.r.l.                                     | Milan             | Milan                    | 100%                          | 100%    |
| 9. Aporti S.r.l.                                                | Milan             | Milan                    | 66.7%                         | 66.7%   |
| 10. Pitti SPV S.r.l.                                            | Milan             | Milan                    | 100%                          | 100%    |
| 11. Friuli SPV S.r.l.                                           | Milan             | Milan                    | 100%                          | 100%    |
| 12. Doria SPV S.r.l.                                            | Milan             | Milan                    | 100%                          | 100%    |
| 13. River SPV S.r.l.                                            | Milan             | Milan                    | 100%                          | 100%    |
| 14. SpicyCo S.r.l.                                              | Milan             | Milan                    | 100%                          | 100%    |
| 15. SpicyCo 2 S.r.l.                                            | Milan             | Milan                    | 100%                          | 100%    |
| 16. Abilio S.p.A.                                               | Faenza            | Faenza                   | 82%                           | 82%     |
| 17. Dagobah SPV S.r.l.                                          | Milan             | Milan                    | 100%                          | 100%    |
| 18. Dagobah LeaseCo S.r.l.                                      | Milan             | Milan                    | 100%                          | 100%    |
| 19. Mida RE S.r.l.                                              | Milan             | Milan                    | 100%                          | 100%    |
| 20. Sileno SPV S.r.l.                                           | Milan             | Milan                    | 100%                          | 100%    |
| 21. Montes SPV S.r.l.                                           | Milan             | Milan                    | 100%                          | 100%    |
| 22. Montes LeaseCo S.r.l.                                       | Milan             | Milan                    | 100%                          | 100%    |
| 23. Mia SPV S.r.l.                                              | Milan             | Milan                    | 100%                          | 100%    |
| 24. Vela 2023 LeaseCo S.r.l.                                    | Milan             | Milan                    | 100%                          | 100%    |
| 25. Eolo Leaseco S.r.l.                                         |                   |                          |                               |         |
| 26. iREC LeaseCo S.r.l.                                         | Milan             | Milan                    | 100%                          | 100%    |
| <b>B. Jointly-owned subsidiaries</b>                            |                   |                          |                               |         |
| (*) <sup>43</sup>                                               | -                 | -                        | -                             | -       |
| <b>C. Companies in which significant influence is exercised</b> |                   |                          |                               |         |
| 27. AltermAInd S.r.l.                                           | Milan             | Milan                    | 48%                           | 48%     |

#### Companies under significant influence

On 8 November 2024, illimity finalised the terms of a binding agreement with the Finwave/OCS Group, through the company Fibonacci BidCo S.p.A., which is controlled by funds managed by Apax Partners LLP.

Following the fulfilment of the conditions precedent underlying the effectiveness of the transaction, on 24 December 2024, the closing of the agreement with the Finwave/OCS Group, through the company Fibonacci Subco S.r.l. wholly owned by Fibonacci BidCo S.p.A., controlled by funds managed by Apax Partners LLP, was completed.

The Transaction structure involved the contribution by illimity of the business unit consisting of its technology assets and highly qualified IT staff of the Digital Competence Line to a newco ("AltermAInd S.r.l.") - initially wholly owned by the Bank - and the sale of a 52% interest to Fibonacci for a consideration of EUR 62.4 million. The remaining 48% of the share capital of AltermAInd remained owned by illimity: this ownership interest was therefore classified as a company subject to significant influence.

<sup>43</sup>(\*) It should be noted that for the purposes of the financial statements as at 31 December 2025, illimity's joint control equity investment in Hype was reclassified under assets held for sale by virtue of the sale transaction contractualised in 2025 and finalised in February 2026

As required by the IAS/IFRS standards, the equity investment was tested for impairment as trigger events were identified that could indicate that its recognition value may not be fully recoverable.

#### Criteria for the determination of recoverable value

The recoverable amount of the equity investment was determined by estimating the fair value of the equity investment.

In particular, the Fair Value was determined using the Discounted Cash Flow Model methodology, which allows the value of a company to be appreciated on the basis of its development plan and its intrinsic characteristics, which are diversified according to the business lines.

#### Estimates of cash flows

For the purposes of the consolidated financial statements as of 31 December 2025, the prospective financial information used to determine the Fair Value is derived from the economic - financial projections for the years 2025 to 2029 relating to the investee with reference to the 3 business lines of the investee:

- *Digital Products:*
- *Banking Servicing*
- *Digital Services*

In order to determine the terminal value, for the two Digital Products and Digital Services business lines, the cash flows for the last year of the analytical forecast were projected in perpetuity based on a growth factor g determined as the average rate of growth of Italy's nominal GDP, which is equal to around 2%.

#### Cash flow discounting rate

In determining the Fair Value, cash flows have to be discounted at a rate that reflects the current market valuations, the current value of money, and the specific risks of the business.

The cost of capital was determined by using the "Capital Asset Pricing Model" (CAPM). According to that model, the cost of capital is determined as the sum of the return on risk-free investments and of a risk premium, which in turn depends on the specific risk of the activity.

Looking in detail at the various components that go towards determining the discounting rate, the following decisions were made:

1. with regard to the risk free rate, the average monthly yield (average of the preceding 3 months) on 10-year Italian government bonds (BTP) was used;
2. with regard to the market risk premium, which represents the premium that an investor would require when investing in the equities market compared to the risk-free rate, the data in the international databases generally used for such valuations, were utilised;
3. with regard to the alpha premium, a market size risk premium linked to the nature of the company's start-up was considered;
4. with regard to the beta coefficient, which measures the specific risk of an individual company, this was determined by identifying a sample of comparable businesses (in terms of business), and the average beta recorded was then utilised by means of observations over a five-year period.

The  $K_e$  discount rate used for the impairment test for the year ended 31 December 2025 was 15%.

#### Results of the impairment test

The results of the impairment test showed that the Fair Value of the investee is lower than the carrying amount. It was therefore necessary to partially write down the investee, for the purposes of the annual financial statements for the year ended 31 December 2025, for a value of around EUR 1 million.

The criteria and information used for the impairment tests are significantly influenced by the macroeconomic scenario and by the trends on the financial markets, which could show changes that are not currently foreseeable. If the macroeconomic scenario does deteriorate compared to the current

forecast, this would impact the estimates of cash flows and the main assumptions, which could lead to results other than those prospected in these Financial Statements, over the coming years.

## 7.2 Significant equity investments: book values, fair values and dividends received

| Name                                                            | Book value    | Dividends received |
|-----------------------------------------------------------------|---------------|--------------------|
| <b>A. Wholly-owned subsidiaries</b>                             |               |                    |
| 1. Soperga RE S.r.l.                                            | 10            | -                  |
| 2. Friuli LeaseCo S.r.l.                                        | 10            | -                  |
| 3. Doria LeaseCo S.r.l.                                         | 10            | -                  |
| 4. River LeaseCo S.r.l.                                         | 10            | -                  |
| 5. ARECneprix S.p.A.                                            | 44,564        | -                  |
| 6. Fürstenberg SGR S.p.A.                                       | 4,055         | -                  |
| 7. Pitti LeaseCo S.r.l.                                         | 10            | -                  |
| 8. River Immobiliare S.r.l.                                     | 10            | -                  |
| 9. Aporti S.r.l.                                                | 11            | -                  |
| 10. Pitti SPV S.r.l.                                            | 14            | -                  |
| 11. Friuli SPV S.r.l.                                           | 14            | -                  |
| 12. Doria SPV S.r.l.                                            | 14            | -                  |
| 13. River SPV S.r.l.                                            | 14            | -                  |
| 14. SpicyCo S.r.l.                                              | 291           | -                  |
| 15. SpicyCo 2 S.r.l.                                            | 30            | -                  |
| 16. Abilio S.p.A.                                               | -             | -                  |
| 17. Dagobah SPV S.r.l.                                          | 10            | -                  |
| 18. Dagobah LeaseCo S.r.l.                                      | 64            | -                  |
| 19. Mida RE S.r.l.                                              | 10            | -                  |
| 20. Sileno SPV S.r.l.                                           | 10            | -                  |
| 21. Montes SPV S.r.l.                                           | 10            | -                  |
| 22. Montes LeaseCo S.r.l.                                       | 42            | -                  |
| 23. Mia SPV S.r.l.                                              | 10            | -                  |
| 24. Vela 2023 LeaseCo S.r.l.                                    | 10            | -                  |
| 25. Eolo LeaseCo S.r.l.                                         | 10            | -                  |
| 26. iREC LeaseCo S.r.l.                                         | 12            | -                  |
| <b>B. Jointly-owned subsidiaries</b>                            |               |                    |
| (*) <sup>44</sup>                                               | -             | -                  |
| <b>C. Companies in which significant influence is exercised</b> |               |                    |
| 27. AltermaInd S.r.l.                                           | 31,927        | -                  |
| <b>Total</b>                                                    | <b>81,182</b> | <b>-</b>           |

In 2022, the Bank entered into a receivable sale agreement with the special-purpose vehicle COLT SPV for the recourse sale, en bloc, of a portfolio of performing loans to corporate counterparties originated by illimity. COLT SPV is a vehicle incorporated pursuant to Law 130/1999, which, on 19 December 2022, issued senior, mezzanine and junior notes for a total value of EUR 570.1 million. All three tranches were fully subscribed by illimity.

In 2023 the Bank subscribed additional notes issued by the vehicle for a total of around EUR 138 million.

In 2024, the Bank entered into another receivable sale agreement with the special-purpose vehicle COLT SPV for the recourse sale, en bloc, of a portfolio of performing loans to corporate counterparties of the b-ility Division originated by illimity. Against this, the COLT SPV is structured in two segments.

These transactions fall under transactions without derecognition ("self-securitisations") typically aimed at expanding the portfolio of assets that can be set aside to constitute a liquidity reserve that can be activated

<sup>44(\*)</sup> It should be noted that for the purposes of the financial statements as at 31 December 2025, illimity's joint control equity investment in Hype was reclassified under assets held for sale by virtue of the sale transaction contractualised in 2025 and finalised in February 2026

through financing transactions, repos or other transactions. For further details, please refer to the information on self-securitisation operations included in Section E of these financial statements.

In 2022, the Bank subscribed several minibond issues of leading industrial companies, to favour the energy transition and improve issuers' sustainability profiles. Mainly for the purpose of mitigating the risk relating to the Bank's exposure, it was agreed to give priority to issues of minibonds that could benefit from guarantees such as those from SACE and the EIF. It was thus verified, through legal assessments, that the minibonds benefiting from those guarantees cannot be transferred to third parties or to any securitisation vehicle established pursuant to Law 130/99 specifically due to the framework agreements of the guarantors.

In February 2023, the Bank thus structured a synthetic securitisation transaction with the vehicle Energia Sostenibile SPV, established pursuant to Law 130/1999, not held by illimity, which issued single tranche notes fully subscribed by illimity. Using the funds deriving from illimity's (the sole noteholder) subscription of the single tranche notes, the SPV disbursed a limited recourse loan, of which illimity is the sole borrower, whose characteristics were exactly replicated from the minibonds at the single closings (in terms of interest, redemptions, economic terms and conditions, etc.).

This transaction falls under transactions without derecognition ("self-securitisations") typically aimed at expanding the portfolio of assets that can be set aside to constitute a liquidity reserve that can be activated through financing transactions, repos or other transactions.

For further details, please refer to the information on self-securitisation operations included in Section E of these financial statements.

### 7.3 Significant equity investments: accounting information

The information in this Paragraph is not provided pursuant to the provisions of Circular 262.

### 7.4 Non-significant equity investments: accounting information

The Bank does not hold non-significant equity investments as at the reporting date.

### 7.5 Equity investments: annual changes

|                                       | Total<br>31/12/2025 | Total<br>31/12/2024 |
|---------------------------------------|---------------------|---------------------|
| <b>A. Opening balances</b>            | <b>166,469</b>      | <b>163,773</b>      |
| <b>B. Increases</b>                   | <b>13,006</b>       | <b>67,977</b>       |
| B.1 Purchases                         | 12,850              | 67,429              |
| - of which from business combinations | -                   | -                   |
| B.2 Recoveries                        | -                   | -                   |
| B.3 Revaluations                      | 156                 | -                   |
| B.4 Other changes                     | -                   | 548                 |
| <b>C. Decreases</b>                   | <b>98,293</b>       | <b>65,281</b>       |
| C.1 Sales                             | -                   | 35,064              |
| - of which from business combinations | -                   | -                   |
| C.2 Value adjustments                 | -                   | -                   |
| C.3 Depreciation                      | 13,189              | 29,894              |
| C.4 Other changes                     | 85,104              | 323                 |
| <b>D. Closing inventories</b>         | <b>81,182</b>       | <b>166,469</b>      |
| <b>E. Total revaluations</b>          | <b>-</b>            | <b>-</b>            |
| <b>F. Total adjustments</b>           | <b>-</b>            | <b>-</b>            |

Sub-item B.1 Purchases includes the share capital increase paid during the year to the joint-controlled subsidiary Hype S.p.A. and the share capital increases paid during the year to certain subsidiaries.

Sub-item C.3 Write-downs includes the effects of the write-down of certain subsidiary equity investments and the write-down of an ownership interest of significant influence.

The item C.4 Other changes includes the reclassification of the 50% ownership interest in Hype S.p.A. under the Assets held for sale.

## Section 8 - Property and equipment – Item 80

### 8.1 Property and equipment with functional use: breakdown of assets measured at cost

| Assets/Values                                            | Total<br>31/12/2025 | Total<br>31/12/2024 |
|----------------------------------------------------------|---------------------|---------------------|
| <b>1. Proprietary assets</b>                             | <b>158</b>          | <b>296</b>          |
| a) land                                                  | -                   | -                   |
| b) buildings                                             | -                   | -                   |
| c) furniture and fittings                                | 95                  | 182                 |
| d) electronic systems                                    | 44                  | 95                  |
| e) others                                                | 19                  | 19                  |
| <b>2. Rights of use acquired through leases</b>          | <b>16,698</b>       | <b>18,482</b>       |
| a) land                                                  | -                   | -                   |
| b) buildings                                             | 15,580              | 17,111              |
| c) furniture and fittings                                | -                   | -                   |
| d) electronic systems                                    | -                   | -                   |
| e) others                                                | 1,118               | 1,371               |
| <b>Total</b>                                             | <b>16,856</b>       | <b>18,778</b>       |
| of which: obtained by enforcement of guarantees received | -                   | -                   |

With regard to Proprietary Assets and other Rights of Use acquired through lease agreements, it should be noted that the decrease is mainly attributable to the amortisation for the year.

Property and equipment related to rights of use acquired through lease agreements mainly refer to the Bank's operating offices (covered in buildings). The category "Other", on the other hand, includes cars and leased equipment.

### 8.2 Property and equipment held for investment: breakdown of assets measured at cost

The Bank does not hold Property and equipment held for investment as of the reporting date.

### 8.3 Property and equipment with functional use: breakdown of revalued assets

The Bank does not hold Property and equipment with functional use as of the reporting date.

### 8.4 Property and equipment held for investment: breakdown of assets measured at fair value

The Bank does not hold Property and Equipment held for investment measured at fair value as of the reporting date.

### 8.5 Inventories of property and equipment governed by IAS 2: breakdown

The Bank does not hold these items as of the reporting date.

## 8.6 Property and equipment with functional use: annual changes

|                                                                 | Land | Buildings | Furnishings | Electronic systems | Others | Total  |
|-----------------------------------------------------------------|------|-----------|-------------|--------------------|--------|--------|
| <b>A. Gross opening balance</b>                                 | -    | 27,385    | 1,409       | 1,499              | 2,521  | 32,815 |
| A.1 Total net write-downs                                       | -    | 10,274    | 1,227       | 1,403              | 1,132  | 14,037 |
| <b>A.2 Net opening balance</b>                                  | -    | 17,111    | 182         | 96                 | 1,389  | 18,778 |
| <b>B. Increases:</b>                                            | -    | 4,458     | -           | -                  | 672    | 5,130  |
| B.1 Purchases                                                   | -    | -         | -           | -                  | -      | -      |
| - of which from business combinations                           | -    | -         | -           | -                  | -      | -      |
| B.2 Capitalised expenditure on improvements                     | -    | -         | -           | -                  | -      | -      |
| B.3 Recoveries                                                  | -    | -         | -           | -                  | -      | -      |
| B.4 Positive changes in fair value charged to                   | -    | -         | -           | -                  | -      | -      |
| a) shareholders' equity                                         | -    | -         | -           | -                  | -      | -      |
| b) income statement                                             | -    | -         | -           | -                  | -      | -      |
| B.5 Positive foreign exchange differences                       | -    | -         | -           | -                  | -      | -      |
| B.6 Transfers from properties held for investment purposes      | -    | -         | X           | X                  | X      | -      |
| B.7 Other changes                                               | -    | 4,458     | -           | -                  | 672    | 5,130  |
| <b>C. Decreases:</b>                                            | -    | 5,989     | 87          | 52                 | 925    | 7,052  |
| C.1 Sales                                                       | -    | -         | -           | -                  | -      | -      |
| - of which from business combinations                           | -    | -         | -           | -                  | -      | -      |
| C.2 Depreciation                                                | -    | 2,271     | 87          | 52                 | 588    | 2,998  |
| C.3 Value adjustments from impairment charged to                | -    | -         | -           | -                  | -      | -      |
| a) shareholders' equity                                         | -    | -         | -           | -                  | -      | -      |
| b) income statement                                             | -    | -         | -           | -                  | -      | -      |
| C.4 Negative changes in fair value charged to                   | -    | -         | -           | -                  | -      | -      |
| a) shareholders' equity                                         | -    | -         | -           | -                  | -      | -      |
| b) income statement                                             | -    | -         | -           | -                  | -      | -      |
| C.5 Negative foreign exchange differences                       | -    | -         | -           | -                  | -      | -      |
| C.6 Transfers to:                                               | -    | -         | -           | -                  | -      | -      |
| a) property and equipment held for investment                   | -    | -         | X           | X                  | X      | -      |
| b) non-current assets held for sale and discontinued operations | -    | -         | -           | -                  | -      | -      |
| C.7 Other changes                                               | -    | 3,718     | -           | -                  | 337    | 4,054  |
| <b>D. Net closing inventories</b>                               | -    | 15,580    | 95          | 44                 | 1,137  | 16,856 |
| D.1 Total net write-downs                                       | -    | 10,148    | 1,315       | 1,454              | 901    | 13,819 |
| <b>D.2 Gross closing inventories</b>                            | -    | 25,728    | 1,410       | 1,499              | 2,038  | 30,675 |
| <b>E. Measurement at cost</b>                                   | -    | -         | -           | -                  | -      | -      |

## 8.7 Property and equipment held for investment: annual changes

The Bank does not hold Property and equipment held for investment as of the reporting date.

## 8.8 Inventories of property and equipment governed by IAS 2: annual changes

The Bank does not hold these items as of the reporting date.

## 8.9 Commitments to purchase property and equipment

The Bank did not hold Commitments to purchase property and equipment as of the reporting date.

## Section 9 - Intangible assets – Item 90

### 9.1 Intangible assets: breakdown by asset type

| Assets/Values                             | Total              |                        | Total              |                        |
|-------------------------------------------|--------------------|------------------------|--------------------|------------------------|
|                                           | 31/12/2025         |                        | 31/12/2024         |                        |
|                                           | Finite useful life | Indefinite useful life | Finite useful life | Indefinite useful life |
| <b>A.1 Goodwill</b>                       | X                  | -                      | X                  | -                      |
| <b>A.2 Other intangible assets</b>        | <b>10,039</b>      | -                      | <b>14,601</b>      | -                      |
| of which: software                        | <b>10,039</b>      | -                      | <b>14,601</b>      | -                      |
| A.2.1 Assets measured at cost:            | 10,039             | -                      | 14,601             | -                      |
| a) Intangible assets generated internally | 854                | -                      | 1,537              | -                      |
| b) Other assets                           | 9,185              | -                      | 13,064             | -                      |
| A.2.2 Assets measured at fair value:      | -                  | -                      | -                  | -                      |
| a) Intangible assets generated internally | -                  | -                      | -                  | -                      |
| b) Other assets                           | -                  | -                      | -                  | -                      |
| <b>Total</b>                              | <b>10,039</b>      | -                      | <b>14,601</b>      | -                      |

**Key**

DEF: finite useful life

INDEF: indefinite useful life

Other intangible assets as at 31 December 2025 relate primarily to the acquisition and development of software, which is amortised on a straight-line basis over an estimated period based on the useful life determined as part of the integration with the parent company, Banca IFIS. The balance at the end of 2025 amounted to EUR 10 million.



**9.2 Intangible assets: annual changes**

|                                                  | Goodwill | Other intangible assets:<br>generated internally |       | Other intangible<br>assets: others |       | Total  |
|--------------------------------------------------|----------|--------------------------------------------------|-------|------------------------------------|-------|--------|
|                                                  |          | DEF                                              | INDEF | DEF                                | INDEF |        |
| <b>A. Opening balance</b>                        | 21,643   | 3,327                                            | -     | 32,176                             | -     | 57,146 |
| A.1 Total net write-downs                        | 21,643   | 1,791                                            | -     | 19,112                             | -     | 42,545 |
| <b>A.2 Net opening balance</b>                   | -        | 1,537                                            | -     | 13,064                             | -     | 14,601 |
| <b>B. Increases</b>                              | -        | 179                                              | -     | 1,502                              | -     | 1,681  |
| B.1 Purchases                                    | -        | 179                                              | -     | 1,502                              | -     |        |
| - of which from business combinations            | -        | -                                                | -     | -                                  | -     | -      |
| B.2 Increases in internal intangible assets      | X        | -                                                | -     | -                                  | -     | 1,681  |
| B.3 Recoveries                                   | X        | -                                                | -     | -                                  | -     | -      |
| B.4 Increases in fair value                      | -        | -                                                | -     | -                                  | -     | -      |
| - to shareholders' equity                        | X        | -                                                | -     | -                                  | -     | -      |
| - to the income statement                        | X        | -                                                | -     | -                                  | -     | -      |
| B.5 Positive foreign exchange differences        | -        | -                                                | -     | -                                  | -     | -      |
| B.6 Other changes                                | -        |                                                  | -     |                                    | -     |        |
| <b>C. Decreases</b>                              |          | 862                                              | -     | 5,380                              | -     | 6,242  |
| C.1 Sales                                        | -        | -                                                | -     | -                                  | -     | -      |
| - of which from business combinations            | -        | -                                                | -     | -                                  | -     | -      |
| C.2 Value adjustments                            |          | 862                                              | -     | 5,312                              | -     | 6,174  |
| - Amortisation                                   | X        | 580                                              | -     | 4,667                              | -     | 5,247  |
| - Write-downs                                    |          | 282                                              | -     | 645                                | -     | 927    |
| + shareholders' equity                           | X        | -                                                | -     | -                                  | -     | -      |
| + income statement                               |          | 282                                              | -     | 645                                | -     | 927    |
| C.3 Negative changes in fair value:              | -        | -                                                | -     | -                                  | -     | -      |
| - to shareholders' equity                        | X        | -                                                | -     | -                                  | -     | -      |
| - to the income statement                        | X        | -                                                | -     | -                                  | -     | -      |
| C.4 Transfer to non-current assets held for sale | -        | -                                                | -     | -                                  | -     | -      |
| C.5 Negative foreign exchange differences        | -        | -                                                | -     | -                                  | -     | -      |
| C.6 Other changes                                | -        |                                                  | -     | 68                                 | -     | 68     |
| <b>D. Net closing inventories</b>                | -        | 854                                              | -     | 9,185                              | -     | 10,039 |
| D.1 Total net write-downs/write-backs            |          | 2,273                                            | -     | 21,356                             | -     | 23,629 |
| <b>E. Gross closing inventories</b>              | -        | 3,127                                            | -     | 30,541                             | -     | 33,668 |
| F. Valuation at cost                             | -        | -                                                | -     | -                                  | -     | -      |

**Key**

DEF: finite useful life

INDEF: indefinite useful life

### 9.3 Intangible assets: other information

The following information is provided in accordance with IAS 38:

- 1) there are no revalued intangible assets nor impediments to the distribution of the related gains to shareholders;
- 2) there are no intangible assets acquired through government concession;
- 3) there are no intangible assets provided as a guarantee to secure own liabilities nor commitments to buy such assets;
- 4) there are no leases pertaining to intangible assets.

## Section 10 - Tax assets and tax liabilities – Item 100 of assets and Item 60 of liabilities

Tax assets amounted to EUR 63.6 million as of 31 December 2025, down from the EUR 75.4 million recognised as of 31 December 2024. Details of the breakdown of tax assets are shown below.

### 10.1 Deferred tax assets: breakdown

|                                             | Total<br>31/12/2025 | Total<br>31/12/2024 |
|---------------------------------------------|---------------------|---------------------|
| – As a contra entry to the income statement | 55,327              | 63,576              |
| – As a contra entry to shareholders' equity | 8,252               | 11,810              |
| <b>Total</b>                                | <b>63,579</b>       | <b>75,386</b>       |

Deferred tax assets refer primarily to the effects of the exercise of the tax relief option on goodwill and other intangible assets recognised in the financial statements following extraordinary transactions and purchases of equity investments, of the write-downs recorded on the securities portfolio measured at fair value through other comprehensive income and of the tax losses recognised during 2024.

| Main deductible temporary differences: IRES        | 31/12/2025    | 31/12/2024    |
|----------------------------------------------------|---------------|---------------|
| Write-down of loans and receivables with customers | 368           | 414           |
| Tax losses                                         | 26,465        | 24,555        |
| Write-down of securities HTCS                      | 6,777         | 9,736         |
| Goodwill                                           | 18,717        | 25,927        |
| Funds for risks and charges                        | 4,547         | 6,931         |
| Others                                             | 518           | 102           |
| <b>Total</b>                                       | <b>57,392</b> | <b>67,035</b> |

| Main deductible temporary differences: IRAP        | 31/12/2025   | 31/12/2024   |
|----------------------------------------------------|--------------|--------------|
| Write-down of loans and receivables with customers | 56           | 51           |
| Write-down of securities HTCS                      | 1,373        | 1,972        |
| Goodwill                                           | 4,587        | 5,124        |
| Funds for risks and charges                        | 147          | 1,180        |
| Others                                             | 24           | 24           |
| <b>Total</b>                                       | <b>6,187</b> | <b>8,351</b> |

In accordance with the provisions of IAS 12, the Group has recognised deferred tax assets (DTAs), having first verified that the amounts recognised are supported by a reasonable expectation that they will be recoverable. In reaching the above conclusion, account has been taken of the applicable tax regulations,

with particular reference to the rules governing the conversion of certain deferred tax assets into tax credits, and the Group's ability to generate future taxable income.

As regards the qualified DTA that can be converted into tax credits, amounting to EUR 0.4 million as at 31 December 2025, the tax rules introduced by Law 214/2011, together with the exercise of the option for the annual instalment scheme, ensure that they are recoverable. This treatment is in line with the regulations contained in the Bank of Italy/Consob/Isvap Document no. 5 of 15 May 2012 "Accounting treatment of deferred tax assets deriving from Law 214/2011".

For the remaining tax assets (non-convertible deferred tax assets), totalling EUR 63.2 million, their recognition and subsequent retention on the balance sheet are strictly dependent on the Group's and/or individual companies' ability to generate future taxable income ("tax capability").

Details of the assumptions used for the probability test and their outcomes are provided below.

### Performance test and sensitivity analysis outcomes

As at 31 December 2025, the valuation was carried out by the parent company, Banca Ifis, taking into account its future taxable income as inferred from the most recent economic projections and on the assumption that the proposed merger of illimity Bank into the parent company would go ahead; this valuation led to the conclusion that the full recovery of the deferred tax assets recognised as at 31 December 2025 is likely.

Given the current lack of economic and financial projections for the new banking group derived from an updated business plan, and the resulting uncertainty surrounding long-term projections, no deferred tax assets totalling EUR 76.8 million relating to tax losses incurred by the bank in the 2025 financial year were recognised in the financial statements as at 31 December 2025.

## 10.2 Deferred tax liabilities: breakdown

Tax liabilities, relating to deferred taxes, as of 31 December 2025 amounted to EUR 1.2 million, compared to EUR 4.2 million as of 31 December 2024.

| Main taxable temporary differences: IRES    | 31/12/2025   | 31/12/2024   |
|---------------------------------------------|--------------|--------------|
| Value adjustment of securities HTCS - FVOCI | 321          | 1,226        |
| Others                                      | 781          | 2,680        |
| <b>Total</b>                                | <b>1,102</b> | <b>3,906</b> |

| Main taxable temporary differences: IRAP    | 31/12/2025 | 31/12/2024 |
|---------------------------------------------|------------|------------|
| Value adjustment of securities HTCS - FVOCI | 65         | 248        |
| Others                                      | -          | -          |
| <b>Total</b>                                | <b>65</b>  | <b>248</b> |

Deferred taxes are recognised to reflect the temporary differences between the book value of an asset or liability, and its fiscal value. This recognition takes place in accordance with current tax laws.

### 10.3 Changes in deferred tax assets (through profit or loss)

|                                                                     | Total<br>31/12/2025 | Total<br>31/12/2024 |
|---------------------------------------------------------------------|---------------------|---------------------|
| <b>1. Initial amount</b>                                            | <b>63,576</b>       | <b>40,863</b>       |
| <b>2. Increases</b>                                                 | <b>10,878</b>       | <b>26,976</b>       |
| 2.1 Deferred tax assets recognised during the year                  | 10,033              | 26,976              |
| a) related to previous years                                        | 1,910               | -                   |
| b) due to changes in accounting criteria                            | -                   | -                   |
| c) recoveries                                                       | -                   | -                   |
| d) others                                                           | 8,123               | 26,976              |
| 2.2 New taxes or increases in tax rates                             | 845                 | -                   |
| 2.3 Other increases                                                 | -                   | -                   |
| - of which from business combinations                               | -                   | -                   |
| <b>3. Decreases</b>                                                 | <b>19,127</b>       | <b>4,263</b>        |
| 3.1 Deferred tax assets derecognised during the year                | 19,076              | 1,441               |
| a) reversals                                                        | 19,076              | 1,441               |
| b) write-downs of non-recoverable items                             | -                   | -                   |
| c) changes in accounting criteria                                   | -                   | -                   |
| d) others                                                           | -                   | -                   |
| 3.2 Reductions in tax rates                                         | -                   | -                   |
| 3.3 Other reductions:                                               | 51                  | 2,822               |
| a) conversion into tax credits pursuant to Italian Law No. 214/2011 | 51                  | 402                 |
| b) other                                                            | -                   | 2,420               |
| - of which from business combinations                               | -                   | -                   |
| <b>4. Final amount</b>                                              | <b>55,327</b>       | <b>63,576</b>       |

### 10.3 bis Changes in prepaid tax assets pursuant to Italian Law no. 214/2011

|                                       | Total<br>31/12/2025 | Total<br>31/12/2024 |
|---------------------------------------|---------------------|---------------------|
| <b>1. Initial amount</b>              | <b>465</b>          | <b>867</b>          |
| <b>2. Increases</b>                   | <b>10</b>           | <b>-</b>            |
| - of which from business combinations | 10                  | -                   |
| <b>3. Decreases</b>                   | <b>51</b>           | <b>402</b>          |
| 3.1 Reversals                         | -                   | -                   |
| 3.2 Conversion into tax credits       | 51                  | 402                 |
| a) arising from losses for the year   | 51                  | -                   |
| b) arising from tax losses            | -                   | 402                 |
| 3.3 Other reductions                  | -                   | -                   |
| <b>4. Final amount</b>                | <b>424</b>          | <b>465</b>          |

## 10.4 Changes in deferred taxes (through profit or loss)

|                                                 | Total<br>31/12/2025 | Total<br>31/12/2024 |
|-------------------------------------------------|---------------------|---------------------|
| <b>1. Initial amount</b>                        | <b>2,673</b>        | <b>1,145</b>        |
| <b>2. Increases</b>                             | <b>-</b>            | <b>1,528</b>        |
| 2.1 Deferred taxes recognised during the year   | -                   | -                   |
| a) related to previous years                    | -                   | -                   |
| b) due to changes in accounting criteria        | -                   | -                   |
| c) other                                        | -                   | -                   |
| 2.2 New taxes or increases in tax rates         | -                   | -                   |
| 2.3 Other increases                             | -                   | 1,528               |
| - of which from business combinations           | -                   | -                   |
| <b>3. Decreases</b>                             | <b>1,955</b>        | <b>-</b>            |
| 3.1 Deferred taxes derecognised during the year | -                   | -                   |
| a) reversals                                    | 1,955               | -                   |
| b) due to changes in accounting criteria        | -                   | -                   |
| c) other                                        | -                   | -                   |
| 3.2 Reductions in tax rates                     | -                   | -                   |
| 3.3 Other reductions                            | -                   | -                   |
| - of which from business combinations           | -                   | -                   |
| <b>4. Final amount</b>                          | <b>718</b>          | <b>2,673</b>        |

## 10.5 Changes in deferred tax assets (recognised in shareholders' equity)

|                                                      | Total<br>31/12/2025 | Total<br>31/12/2024 |
|------------------------------------------------------|---------------------|---------------------|
| <b>1. Initial amount</b>                             | <b>11,810</b>       | <b>16,387</b>       |
| <b>2. Increases</b>                                  | <b>-</b>            | <b>-</b>            |
| 2.1 Deferred tax assets recognised during the year   | -                   | -                   |
| a) related to previous years                         | -                   | -                   |
| b) due to changes in accounting criteria             | -                   | -                   |
| c) other                                             | -                   | -                   |
| 2.2 New taxes or increases in tax rates              | -                   | -                   |
| 2.3 Other increases                                  | -                   | -                   |
| - of which from business combinations                | -                   | -                   |
| <b>3. Decreases</b>                                  | <b>3,558</b>        | <b>4,577</b>        |
| 3.1 Deferred tax assets derecognised during the year | 3,558               | 4,577               |
| a) reversals                                         | 3,558               | 4,577               |
| b) write-downs of non-recoverable items              | -                   | -                   |
| c) due to changes in accounting criteria             | -                   | -                   |
| d) others                                            | -                   | -                   |
| 3.2 Reductions in tax rates                          | -                   | -                   |
| 3.3 Other reductions                                 | -                   | -                   |
| - of which from business combinations                | -                   | -                   |
| <b>4. Final amount</b>                               | <b>8,252</b>        | <b>11,810</b>       |

## 10.6 Changes in deferred taxes (recognised in shareholders' equity)

|                                                 | Total<br>31/12/2025 | Total<br>31/12/2024 |
|-------------------------------------------------|---------------------|---------------------|
| <b>1. Initial amount</b>                        | <b>1,481</b>        | <b>109</b>          |
| <b>2. Increases</b>                             | <b>56</b>           | <b>1,372</b>        |
| 2.1 Deferred taxes recognised during the year   | 56                  | 1,372               |
| a) related to previous years                    | -                   | -                   |
| b) due to changes in accounting criteria        | -                   | -                   |
| c) other                                        | 56                  | 1,372               |
| 2.2 New taxes or increases in tax rates         | -                   | -                   |
| 2.3 Other increases                             | -                   | -                   |
| - of which from business combinations           | -                   | -                   |
| <b>3. Decreases</b>                             | <b>1,088</b>        | <b>-</b>            |
| 3.1 Deferred taxes derecognised during the year | 1,088               | -                   |
| a) reversals                                    | -                   | -                   |
| b) due to changes in accounting criteria        | -                   | -                   |
| c) other                                        | 1,088               | -                   |
| 3.2 Reductions in tax rates                     | -                   | -                   |
| 3.3 Other reductions                            | -                   | -                   |
| - of which from business combinations           | -                   | -                   |
| <b>4. Final amount</b>                          | <b>449</b>          | <b>1,481</b>        |

**Current tax assets: breakdown**

| Type of operations/Values      | 31/12/2025    | 31/12/2024    |
|--------------------------------|---------------|---------------|
| Advances paid to tax authority | 25,107        | 21,266        |
| Withholding taxes              | 2,555         | 1,030         |
| Other tax receivables          | 463           | 840           |
| <b>Total</b>                   | <b>27,825</b> | <b>23,136</b> |

**Current tax liabilities: breakdown**

| Type of operations/Values     | 31/12/2025 | 31/12/2024 |
|-------------------------------|------------|------------|
| Balance for the previous year | -          | 21,616     |
| Provision for taxes           | -          | -          |
| Withdrawals to pay taxes      | -          | (21,616)   |
| Other changes                 | -          | -          |
| <b>Total</b>                  | <b>-</b>   | <b>-</b>   |

## Section 11 - Non-current assets held for sale and discontinued operations and associated liabilities – Item 110 of assets and Item 70 of liabilities

### 11.1 Non-current assets and groups of assets held for sale: breakdown by asset type

|                                                                                | Total<br>31/12/2025 | Total<br>31/12/2024 |
|--------------------------------------------------------------------------------|---------------------|---------------------|
| <b>A. Assets held for sale</b>                                                 |                     |                     |
| A.1 Financial assets                                                           | (63,000)            |                     |
| A.2 Equity investments                                                         | (85,000)            |                     |
| A.3 Property and equipment                                                     | -                   |                     |
| of which: obtained by enforcement of guarantees received                       | -                   |                     |
| A.4 Intangible assets                                                          | -                   |                     |
| A.5 Other non-current assets                                                   | -                   |                     |
| <b>Total (A)</b>                                                               | <b>(148,000)</b>    |                     |
| <i>of which measured at cost</i>                                               | <i>(148,000)</i>    |                     |
| <i>of which measured at level 1 fair value</i>                                 | -                   |                     |
| <i>of which measured at level 2 fair value</i>                                 | -                   |                     |
| <i>of which measured at level 3 fair value</i>                                 | -                   |                     |
| <b>B. Discontinued operations</b>                                              |                     |                     |
| B.1 Financial assets measured at fair value through profit or loss             | -                   |                     |
| - financial assets held for trading                                            | -                   |                     |
| - financial assets designated at fair value                                    | -                   |                     |
| - other financial assets mandatorily measured at fair value                    | -                   |                     |
| B.2 Financial assets measured at fair value through other comprehensive income | -                   |                     |
| B.3 Financial assets measured at amortised cost                                | -                   |                     |
| B.4 Equity investments                                                         | -                   |                     |
| B.5 Property and equipment                                                     | -                   |                     |
| of which: obtained by enforcement of guarantees received                       | -                   |                     |
| B.6 Intangible assets                                                          | -                   |                     |
| B.7 Other assets                                                               | -                   |                     |
| <b>Total (B)</b>                                                               | -                   |                     |
| <i>of which measured at cost</i>                                               | -                   |                     |
| <i>of which measured at level 1 fair value</i>                                 | -                   |                     |
| <i>of which measured at level 2 fair value</i>                                 | -                   |                     |
| <i>of which measured at level 3 fair value</i>                                 | -                   |                     |
| <b>C. Liabilities associated with assets held for sale</b>                     |                     |                     |
| C.1 Payables                                                                   | -                   |                     |
| C.2 Securities                                                                 | -                   |                     |
| C.3 Other liabilities                                                          | -                   |                     |
| <b>Total (C)</b>                                                               | -                   |                     |
| <i>of which measured at cost</i>                                               | -                   |                     |
| <i>of which measured at level 1 fair value</i>                                 | -                   |                     |
| <i>of which measured at level 2 fair value</i>                                 | -                   |                     |
| <i>of which measured at level 3 fair value</i>                                 | -                   |                     |
| <b>D. Liabilities associated with discontinued operations</b>                  |                     |                     |
| D.1 Financial liabilities measured at amortised cost                           | -                   |                     |
| D.2 Financial liabilities held for trading                                     | -                   |                     |
| D.3 Financial liabilities designated at fair value                             | -                   |                     |
| D.4 Funds                                                                      | -                   |                     |
| D.5 Other liabilities                                                          | -                   |                     |
| <b>Total (D)</b>                                                               | -                   |                     |
| <i>of which measured at cost</i>                                               | -                   |                     |
| <i>of which measured at level 1 fair value</i>                                 | -                   |                     |



|                                                |   |   |
|------------------------------------------------|---|---|
| <i>of which measured at level 2 fair value</i> | - | - |
| <i>of which measured at level 3 fair value</i> | - | - |

This item includes the 50% ownership interest in Hype S.p.A., as on 9 December 2025, an agreement was signed for the sale of illimity Bank S.p.A.'s entire ownership interest in Hype to Banca Sella for a consideration of EUR 85 million (a transaction finalised in February 2026). Having fulfilled the conditions set out in IFRS 5, the ownership interest was therefore reclassified under Assets held for sale.

In conclusion, the item includes a number of reclassified credit exposures under Assets held for sale in the face of the receipt of binding offers for the sale of the same.

## Section 12 - Other assets – Item 120

### 12.1 Other assets breakdown

| Items                  | 31/12/2025     | 31/12/2024     |
|------------------------|----------------|----------------|
| Ecobonus tax credits   | 77,144         | 105,110        |
| Various borrowers      | 55,217         | 101,813        |
| Miscellaneous items    | 57,451         | 39,303         |
| Items being processed  | 11,935         | 26,832         |
| Leasehold improvements | 1,783          | 1,854          |
| <b>Total</b>           | <b>203,530</b> | <b>274,912</b> |

The item is largely composed of ecobonus tax credits, miscellaneous items and items being processed, linked to normal banking operations, which will be properly recorded in the days following their generation, and balances due from various borrowers.

## LIABILITIES

### Section 1 - Financial liabilities measured at amortised cost - Item 10

| Type of operations/Values                                                  | Total<br>31/12/2025 |            |    |                | Total<br>31/12/2024 |            |    |                |
|----------------------------------------------------------------------------|---------------------|------------|----|----------------|---------------------|------------|----|----------------|
|                                                                            | BV                  | Fair Value |    |                | BV                  | Fair Value |    |                |
|                                                                            |                     | L1         | L2 | L3             |                     | L1         | L2 | L3             |
| <b>1. Due to central banks</b>                                             | -                   | X          | X  | X              | <b>100,009</b>      | X          | X  | X              |
| <b>2. Due to banks</b>                                                     | <b>726,627</b>      | X          | X  | X              | <b>765,137</b>      | X          | X  | X              |
| 2.1 Current accounts and on-demand deposits                                | 91,223              | X          | X  | X              | 3,197               | X          | X  | X              |
| 2.2 Time deposits                                                          | 290,130             | X          | X  | X              | 147,354             | X          | X  | X              |
| 2.3 Loans                                                                  | 324,771             | X          | X  | X              | 580,333             | X          | X  | X              |
| 2.3.1 Repurchase agreements - payable                                      | 324,771             | -          | -  | -              | 580,333             | -          | -  | -              |
| 2.3.2 Others                                                               | -                   | X          | X  | X              | -                   | X          | X  | X              |
| 2.4 Liabilities in respect of commitments to repurchase equity instruments | -                   | X          | X  | X              | -                   | X          | X  | X              |
| 2.5 Lease liabilities                                                      | 162                 | X          | X  | X              | 210                 | X          | X  | X              |
| 2.6 Other payables                                                         | 20,341              | X          | X  | X              | 34,043              | X          | X  | X              |
| <b>Total</b>                                                               | <b>726,627</b>      | -          | -  | <b>726,627</b> | <b>865,146</b>      | -          | -  | <b>865,146</b> |

**Key:**

BV = Book value

L1 = Level 1

L2 = Level 2

L3 = Level 3

The explanation of the criteria for determining fair value is reported in Part A - Accounting policies. Repurchase agreements - payable against financial assets sold and not derecognised are detailed in Part E - Section E of the Explanatory Notes.

## 1.2 Financial liabilities measured at amortised cost: breakdown of amounts due to customers by product

| Type of operations/Values                                                 | Total<br>31/12/2025 |            |          |                  |  | Total<br>31/12/2024 |            |          |                  |
|---------------------------------------------------------------------------|---------------------|------------|----------|------------------|--|---------------------|------------|----------|------------------|
|                                                                           | BV                  | Fair Value |          |                  |  | BV                  | Fair Value |          |                  |
|                                                                           |                     | L1         | L2       | L3               |  |                     | L1         | L2       | L3               |
| 1. Current accounts and on-demand deposits                                | 1,137,071           | X          | X        | X                |  | 1,409,515           | X          | X        | X                |
| 2. Time deposits                                                          | 3,315,376           | X          | X        | X                |  | 3,261,172           | X          | X        | X                |
| 3. Loans                                                                  | 564,623             | X          | X        | X                |  | 722,113             | X          | X        | X                |
| 3.1 Repurchase agreements - payable                                       | 352,330             | X          | X        | X                |  | 488,419             | X          | X        | X                |
| 3.2 Others                                                                | 212,293             | X          | X        | X                |  | 233,694             | X          | X        | X                |
| 4. Liabilities in respect of commitments to repurchase equity instruments | -                   | X          | X        | X                |  | -                   | X          | X        | X                |
| 5. Payables for leases                                                    | 20,432              | X          | X        | X                |  | 22,262              | X          | X        | X                |
| 6. Other payables                                                         | 919                 | X          | X        | X                |  | 502                 | X          | X        | X                |
| <b>Total</b>                                                              | <b>5,038,422</b>    | <b>-</b>   | <b>-</b> | <b>5,066,809</b> |  | <b>5,415,564</b>    | <b>-</b>   | <b>-</b> | <b>5,415,564</b> |

**Key:**

BV = Book value

L1 = Level 1

L2 = Level 2

L3 = Level 3

## 1.3 Financial liabilities measured at amortised cost: breakdown of securities issued

| Type of securities/Values | Total<br>31/12/2025 |            |    |    |  | Total<br>31/12/2024 |            |    |    |
|---------------------------|---------------------|------------|----|----|--|---------------------|------------|----|----|
|                           | BV                  | Fair Value |    |    |  | BV                  | Fair Value |    |    |
|                           |                     | L1         | L2 | L3 |  |                     | L1         | L2 | L3 |
| A. Securities             |                     |            |    |    |  |                     |            |    |    |
| 1. bonds                  | 569,171             | 573,734    | -  | -  |  | 867,359             | 851,185    | -  | -  |
| 1.1 structured            | -                   | -          | -  | -  |  | -                   | -          | -  | -  |
| 1.2 others                | 569,171             | 573,734    | -  | -  |  | 867,359             | 851,185    | -  | -  |
| 2. other securities       | -                   | -          | -  | -  |  | -                   | -          | -  | -  |
| 2.1 structured            | -                   | -          | -  | -  |  | -                   | -          | -  | -  |
| 2.2 others                | -                   | -          | -  | -  |  | -                   | -          | -  | -  |
| Total                     | 569,171             | 573,734    | -  | -  |  | 867,359             | 851,185    | -  | -  |

**Key:**

BV = Book value

L1 = Level 1

L2 = Level 2

L3 = Level 3

## 1.4 Detail of subordinated securities/debts

|                                    | 31/12/2025     | 31/12/2024     |
|------------------------------------|----------------|----------------|
| <b>B.1 Subordinated securities</b> | <b>201,855</b> | <b>201,499</b> |
| - banks                            | -              | -              |
| - customers                        | 201,855        | 201,499        |

The item “Subordinated securities” includes a subordinated security for EUR 202 million, relating to the issue of a Tier 2 Bond, which took place in July 2021, for a nominal value of EUR 200 million.

## 1.5 Detail of structured debts

The Group does not hold such structured debts on the reporting date.

## 1.6 Payables for leases

At the reporting date, the Bank had outstanding payables for leases equal to EUR 20.6 million, divided between EUR 19.5 million relating to the lease fee component of Properties for personal and business use, and EUR 1.1 million relating to the component of long-term rental of automobiles and other equipment, as commented in more detail in “Part M - Leases disclosure” of this document.

The rate applied to lease liabilities expresses the average cost of funding, in line with the requirements of IFRS 16.

## Section 2 - Financial liabilities held for trading – Item 20

### 2.1 Financial liabilities held for trading: breakdown by product type

| Type of operations/Values              | Total<br>31/12/2025 |            |        |    |                 | Total<br>31/12/2024 |            |        |    |                 |
|----------------------------------------|---------------------|------------|--------|----|-----------------|---------------------|------------|--------|----|-----------------|
|                                        | NV                  | Fair Value |        |    | Fair Value<br>* | NV                  | Fair Value |        |    | Fair Value<br>* |
|                                        |                     | L1         | L2     | L3 |                 |                     | L1         | L2     | L3 |                 |
| A. Cash liabilities                    |                     |            |        |    |                 |                     |            |        |    |                 |
| 1. Due to banks                        | -                   | -          | -      | -  | -               | -                   | -          | -      | -  | -               |
| 2. 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 Others                           | -                   | -          | -      | -  | X               | -                   | -          | -      | -  | X               |
| Total (A)                              | -                   | -          | -      | -  | -               | -                   | -          | -      | -  | -               |
| B. Derivatives                         |                     |            |        |    |                 |                     |            |        |    |                 |
| 1. Financial derivatives               | -                   | -          | 12,742 | -  | -               | -                   | -          | 45,107 | -  | -               |
| 1.1 Held for trading                   | X                   | -          | 12,742 | -  | X               | X                   | -          | 45,107 | -  | 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 Held for trading                   | X                   | -          | -      | -  | X               | X                   | -          | -      | -  | X               |
| 2.2 Connected to the fair value option | X                   | -          | -      | -  | X               | X                   | -          | -      | -  | X               |
| 2.3 Others                             | X                   | -          | -      | -  | X               | X                   | -          | -      | -  | X               |
| Total (B)                              | X                   | -          | 12,742 | -  | X               | X                   | -          | 45,107 | -  | X               |
| Total (A+B)                            | X                   | -          | 12,742 | -  | X               | X                   | -          | 45,107 | -  | X               |

**Key:**

NV = Nominal value

L1 = Level 1

L2 = Level 2

L3 = Level 3

### 2.2 Detail of "Financial liabilities held for trading": subordinated liabilities

The Bank does not hold these items as of the reporting date.

### 2.3 Detail of "Financial liabilities held for trading": structured debt

The Bank does not hold these items as of the reporting date.

## Section 3 - Financial liabilities designated at fair value – Item 30

The Group does not hold such financial liabilities measured at fair value on the reporting date.

## Section 4 - Hedging derivatives - Item 40

### 4.1 Hedging derivatives: breakdown by hedge type and level

|                          | Fair Value |        |    | NV         | Fair Value |    |    | NV         |
|--------------------------|------------|--------|----|------------|------------|----|----|------------|
|                          | 31/12/2025 |        |    |            | 31/12/2024 |    |    |            |
|                          | L1         | L2     | L3 | 31/12/2025 | L1         | L2 | L3 | 31/12/2024 |
| A. Financial derivatives |            |        |    |            |            |    |    |            |
| 1) Fair value            | -          | 16,556 | -  | 1,761,000  | -          | 43 | -  | 20,000     |
| 2) Cash flows            | -          | -      | -  | -          | -          | -  | -  | -          |
| 3) Foreign investments   | -          | -      | -  | -          | -          | -  | -  | -          |
| B. Credit derivatives    |            |        |    |            |            |    |    |            |
| 1) Fair value            | -          | -      | -  | -          | -          | -  | -  | -          |
| 2) Cash flows            | -          | -      | -  | -          | -          | -  | -  | -          |
| Total                    | -          | 16,556 | -  | 1,761,000  | -          | 43 | -  | 20,000     |

**Key:**

NV = Nominal value

L1 = Level 1

L2 = Level 2

L3 = Level 3

### 4.2 Hedging derivatives: breakdown by hedged portfolios and by type of hedge

| Operations/Hedge type                                                         | Fair Value                         |                                     |                     |        |       |       |         | Cash flows |         | Foreign investments |
|-------------------------------------------------------------------------------|------------------------------------|-------------------------------------|---------------------|--------|-------|-------|---------|------------|---------|---------------------|
|                                                                               | Specific                           |                                     |                     |        |       |       | Generic | Specific   | Generic |                     |
|                                                                               | debt securities and interest rates | equity securities and share indices | currencies and gold | credit | Goods | other |         |            |         |                     |
| 1. Financial assets measured at fair value through other comprehensive income | 16,556                             | -                                   | -                   | -      | X     | X     | X       | -          | X       | X                   |
| 2. Financial assets measured at amortised cost                                | -                                  | X                                   | -                   | -      | X     | X     | X       | -          | X       | X                   |
| 3. Portfolio                                                                  | X                                  | X                                   | X                   | X      | X     | X     | -       | X          | -       | X                   |
| 4. Other transactions                                                         | -                                  | -                                   | -                   | -      | -     | -     | X       | -          | X       | -                   |
| <b>Total assets</b>                                                           | <b>16,556</b>                      | -                                   | -                   | -      | -     | -     | -       | -          | -       | -                   |
| 1. Financial liabilities                                                      | -                                  | X                                   | -                   | -      | -     | -     | X       | -          | X       | X                   |
| 2. Portfolio                                                                  | X                                  | X                                   | X                   | X      | X     | X     | -       | X          | -       | X                   |
| <b>Total liabilities</b>                                                      | -                                  | -                                   | -                   | -      | -     | -     | -       | -          | -       | -                   |
| 1. Expected transactions                                                      | X                                  | X                                   | X                   | X      | X     | X     | X       | -          | X       | X                   |
| 2. Portfolio of financial assets and liabilities                              | X                                  | X                                   | X                   | X      | X     | X     | -       | X          | -       | -                   |

## Section 5 - Fair value change of financial liabilities in hedged portfolio – Item 50

### 5.1 Fair value change of hedged financial liabilities

| Fair value change of hedged liabilities/ Values | Total<br>31/12/2025 | Total<br>31/12/2024 |
|-------------------------------------------------|---------------------|---------------------|
| 1. Positive change in financial liabilities     | -                   | -                   |
| 2. Negative change in financial liabilities     | (2,861)             | -                   |
| <b>Total</b>                                    | <b>(2,861)</b>      | -                   |

## Section 6 - Tax liabilities – Item 60

Refer to Section 10 of Assets.

## Section 7 - Liabilities associated with non-current assets held for sale and discontinued operations – Item 70

The Group does not hold liabilities associated with assets held for sale at the reporting date.

## Section 8 - Other liabilities – Item 80

### 8.1 Other liabilities: breakdown

| Items                                     | 31/12/2025     | 31/12/2024     |
|-------------------------------------------|----------------|----------------|
| Miscellaneous items                       | 41,784         | 74,820         |
| Due to suppliers                          | 30,648         | 14,217         |
| Tax payables                              | 48,010         | 38,882         |
| Due to staff                              | 3,123          | 4,422          |
| Accrued expenses and deferred income      | 4,334          | 3,407          |
| Due to social security and welfare bodies | 1,267          | 3,262          |
| <b>Total 31/12/2024</b>                   | <b>129,166</b> | <b>139,010</b> |

The item consists mainly of miscellaneous items and trade payables to suppliers; this item also includes tax payables.

## Section 9 - Employee severance pay – Item 90

Following the reforms to supplementary pensions in Italian legislative decree No. 252 of 5 December 2005, employee severance pay accruing from 1 January 2007 can be allocated either to supplementary pension schemes or transferred to the INPS pension fund, at the employee's discretion. The provisions take into account the actuarial valuations.

### 9.1 Employee severance pay: annual changes

|                                       | Total<br>31/12/2025 | Total<br>31/12/2024 |
|---------------------------------------|---------------------|---------------------|
| <b>A. Opening balance</b>             | <b>2,737</b>        | <b>2,936</b>        |
| <b>B. Increases</b>                   | <b>697</b>          | <b>212</b>          |
| B.1 Provision for the year            | 697                 | 212                 |
| B.2 Other changes                     | -                   | -                   |
| - of which from business combinations | -                   | -                   |
| <b>C. Decreases</b>                   | <b>(902)</b>        | <b>(411)</b>        |
| C.1 Payments made                     | (733)               | (385)               |
| C.2 Other changes                     | (169)               | (26)                |
| - of which from business combinations | -                   | -                   |
| <b>D. Closing inventories</b>         | <b>2,532</b>        | <b>2,737</b>        |
| <b>Total</b>                          | <b>2,532</b>        | <b>2,737</b>        |

The following criteria were used to calculate the employee severance pay for IAS purposes:

## SUMMARY OF TECHNICAL ECONOMIC ASSUMPTIONS

|                                                | 31/12/2025 | 31/12/2024 |
|------------------------------------------------|------------|------------|
| Annual discount rate                           | 4.09%      | 3.61%      |
| Annual inflation rate                          | 2.00%      | 2.00%      |
| Annual rate of employee severance pay increase | 3.00%      | 3.00%      |
| Annual rate of salary increase                 | 1.00%      | 1.00%      |

It should be noted that:

- the annual discount rate used to determine the current value of the obligation is taken, in accordance with paragraph 83 of IAS 19, from the Iboxx Corporate A index with a duration of 10+ as recorded on the measurement date. The yield with a comparable duration to that of the collective body of workers being valued was chosen for this purpose;
- the annual rate of increase in employee severance pay as provided for in Article 2120 of the Italian civil code is 75% of inflation +1.5 percentage points;

The technical demographic assumptions used are illustrated below.

## SUMMARY OF TECHNICAL DEMOGRAPHIC ASSUMPTIONS

|            |                                       |
|------------|---------------------------------------|
| Death      | ISTAT 2022                            |
| Incapacity | INPS tables by age and gender         |
| Retirement | 100% on reaching the AGO requirements |

## 9.2 Other information

IAS19, for post-employment defined benefit plans, requires a series of additional pieces of information which must be included in the Explanatory Notes to the financial statements, such as:

- a sensitivity test for each actuarial scenario at year-end, highlighting the effect that would arise if there were changes to the actuarial scenarios that were reasonably possible on that date, in absolute terms;
- an indication of the contribution for the following year
- an indication of the average financial duration of the obligation for defined-benefit plans;
- the payments provided for in the plan.

That information is detailed below.

### Sensitivity test for the main valuation criteria

|                       | 31/12/2025 |
|-----------------------|------------|
| Turnover rate +1.00%  | 2,568,434  |
| Turnover rate -1.00%  | 2,487,456  |
| Inflation rate +0.25% | 2,596,886  |
| Inflation rate -0.25% | 2,468,622  |
| Discount rate +0.25%  | 2,452,737  |
| Discount rate -0.25%  | 2,614,449  |



| Estimated future payments       | 31/12/2025 |
|---------------------------------|------------|
| Payments scheduled for 1st year | 133,985    |
| Payments scheduled for 2nd year | 150,212    |
| Payments scheduled for 3rd year | 200,870    |
| Payments scheduled for 4th year | 185,358    |
| Payments scheduled for 5th year | 254,382    |

| Reconciliation of IAS 19 valuations for the year                     | 31/12/2025 |
|----------------------------------------------------------------------|------------|
| Defined Benefit Obligation as of 01/01/2024                          | 2,737,125  |
| Service Cost                                                         | 507,849    |
| Interest Cost                                                        | 102,708    |
| Benefits paid                                                        | (732,948)  |
| Transfers in/(out)                                                   | (85,734)   |
| Expected DBO as of 31/12/2024                                        | 2,700,469  |
| Actuarial (Gains)/ Losses from experience                            | (774)      |
| Actuarial (Gains) or Losses due to change in demographic assumptions |            |
| Actuarial (Gains) or Losses due to change in financial assumptions   | (168,166)  |
| Defined Benefit Obligation as of 31/12/2024                          | 2,531,529  |

| Service Cost and Duration    |            |
|------------------------------|------------|
|                              | 31/12/2025 |
| Service Cost per future year | 404,513    |
| Duration of plan (years)     | 19         |

| Reconciliation of employee severance pay for IAS 19 purposes and statutory employee severance pay |            |
|---------------------------------------------------------------------------------------------------|------------|
|                                                                                                   | 31/12/2025 |
| Defined Benefit Obligation as of 31/12/2025                                                       | 2,531,529  |
| Statutory employee severance pay as of 31/12/2025                                                 | 2,763,634  |
| Surplus/(Deficit)                                                                                 | 232,105    |

The book values, relating to the interval between the previous valuation and the current one are represented by the following components:

- the initial DBO, namely the current expected value of benefits payable in the future for work done in the past, already available at the start of the period;
- the Curtailment/Settlement, i.e. the change in the liability due to modifications to the plan or events resulting in a reduction in staff, such as plant closures, mobility, etc.;
- the Service Cost (SC), which is the current expected value of benefits payable in the future in relation to work done in the current period, which in conceptual terms is assimilated to the accruing quota of the statutory employee severance pay;
- the Interest Cost (IC), which is the interest on what was set aside at the start of the period and on the corresponding changes in the same period; this element is conceptually similar to the net legal value adjustment of employee severance pay;
- the Benefits paid and Transfers in/(out) which represent all the payments and any incoming or outgoing transfers in relation to the period in question, elements that result in the utilisation of the provision set aside.

The sum of the above elements gives the Expected DBO for the end of the period of observation. When this is compared with the DBO recalculated at the end of the period based on the actual collective, as of that date and based on the new valuation scenarios, this identifies the Actuarial Gains/Losses (AGL).

## Section 10 - Allowances for risks and charges – Item 100

### 10.1 Allowances for risks and charges: breakdown

| Items/Values                                                                | Total<br>31/12/2025 | Total<br>31/12/2024 |
|-----------------------------------------------------------------------------|---------------------|---------------------|
| 1. Credit risk funds relating to commitments and financial guarantees given | 2,223               | 2,290               |
| 2. Funds for other commitments and guarantees issued                        | -                   | -                   |
| 3. Corporate pension funds                                                  | -                   | -                   |
| 4. Other funds for risks and charges                                        | 14,135              | 22,625              |
| 4.1 legal and tax disputes                                                  | 3,457               | 1,331               |
| 4.2 staff cost                                                              | 8,901               | 642                 |
| 4.3 others                                                                  | 1,777               | 20,653              |
| <b>Total</b>                                                                | <b>16,358</b>       | <b>24,916</b>       |

### 10.2 Funds for risks and charges: annual changes

| Funds for other commitments and guarantees issued  | Pension/retirement<br>funds | Other funds<br>for risks and<br>charges | Total  |
|----------------------------------------------------|-----------------------------|-----------------------------------------|--------|
| <b>A. Opening balance</b>                          | -                           | 22,625                                  | 22,625 |
| <b>B. Increases</b>                                | -                           | 26,519                                  | 26,518 |
| B.1 Provision for the year                         | -                           | 25,854                                  | 25,854 |
| B.2 Changes due to the passage of time             | -                           | -                                       | -      |
| B.3 Changes due to variations in the discount rate | -                           | -                                       | -      |
| B.4 Other changes                                  | -                           | 665                                     | 664    |
| - of which from business combinations              | -                           | -                                       | -      |
| <b>C. Decreases</b>                                | -                           | 35,009                                  | 35,009 |
| C.1 Utilisations for the year                      | -                           | 34,345                                  | 34,345 |
| C.2 Changes due to variations in the discount rate | -                           | -                                       | -      |
| C.3 Other changes                                  | -                           | 664                                     | 664    |
| - of which from business combinations              | -                           | -                                       | -      |
| <b>D. Closing inventories</b>                      | -                           | 14,135                                  | 14,135 |

### 10.3 Credit Risk Funds relating to commitments and financial guarantees given

|                               | Credit risk funds relating to commitments and financial guarantees given |           |             |                                        |              |
|-------------------------------|--------------------------------------------------------------------------|-----------|-------------|----------------------------------------|--------------|
|                               | Stage one                                                                | Stage two | Stage three | Purchased or<br>originated<br>impaired | Total        |
| Commitments to disburse funds | 1,056                                                                    | 2         | -           | 605                                    | 1,663        |
| Financial guarantees issued   | 467                                                                      | 3         | -           | 91                                     | 560          |
| <b>Total</b>                  | <b>1,523</b>                                                             | <b>5</b>  | <b>-</b>    | <b>696</b>                             | <b>2,223</b> |

As of December 31, 2025, the balance of EUR 2.2 million reflects the impairment of irrevocable commitments to lend funds and financial guarantees issued, and is in line with the previous year.

**10.4 Provisions for other commitments and guarantees issued**

The Bank does not have any allowance for other commitments and guarantees issued as of the reporting date.

**10.5 Defined-benefit corporate pension funds**

The Bank does not present any corporate pension funds as of the reporting date.

**10.6 Funds for risks and charges– other funds**

This item includes a provision of approximately EUR 14.8 million, primarily attributable to personnel expenses of EUR 8.9 million related to the severance management for certain Group executives in the context of the acquisition by Banca Ifis. These provisions were recognized based on instructions from the Parent Company.

The item also includes specific provisions for litigation regarding contractual indemnities amounting to EUR 1.3 million, while the remaining amount relates to litigation on credit exposures.

**Section 11 - Redeemable shares – Item 120**

The Bank does not hold redeemable shares as of the reporting date.

**Section 12 - Bank's equity – Items 110, 130, 140, 150, 160, 170 and 180****12.1 “Capital” and “Treasury shares”: breakdown**

As of 31 December 2025, the Bank's share capital amounted to EUR 54,789,379.31, fully subscribed and paid up, divided into 84,067,808 Ordinary Shares, without indication of the par value, wholly owned by the shareholder Banca IFIS S.p.A.

As of 31 December 2025, the Bank held 998,182 treasury shares for an equivalent value of EUR 5.1 million, down from the amount recorded as of 31 December 2024, following the assignment of treasury shares within the sphere of the Group's incentive schemes. The Bank's subsidiaries do not hold any of its shares.

## 12.2 Capital - Number of shares: annual changes

| Items/Type                                        | Ordinary          | Others |
|---------------------------------------------------|-------------------|--------|
| <b>A. Shares as of the beginning of the year</b>  | <b>83,013,617</b> | -      |
| - fully paid-up                                   | 84,067,808        | -      |
| - not fully paid-up                               | -                 | -      |
| A.1 Treasury shares (-)                           | (1,054,191)       | -      |
| <b>A.2 Shares outstanding: opening balance</b>    | <b>83,013,617</b> | -      |
| <b>B. Increases</b>                               | <b>56,009</b>     | -      |
| B.1 New issues                                    | -                 | -      |
| - against payment:                                | -                 | -      |
| - bonds converted                                 | -                 | -      |
| - warrants exercised                              | -                 | -      |
| - other                                           | -                 | -      |
| - free:                                           | -                 | -      |
| - for employees                                   | -                 | -      |
| - for directors                                   | -                 | -      |
| - other                                           | -                 | -      |
| B.2 Sales of treasury shares                      | -                 | -      |
| B.3 Other changes                                 | 56,009            | -      |
| <b>C. Decreases</b>                               | -                 | -      |
| C.1 Cancellation                                  | -                 | -      |
| C.2 Purchase of treasury shares                   | -                 | -      |
| C.3 Disposal of companies                         | -                 | -      |
| C.4 Other changes                                 | -                 | -      |
| <b>D. Shares outstanding: closing inventories</b> | <b>83,069,626</b> | -      |
| D.1 Treasury shares (+)                           | 998,182           | -      |
| D.2 Shares as of the end of the year              | 84,067,808        | -      |
| - fully paid-up                                   | 84,067,808        | -      |
| - not fully paid-up                               | -                 | -      |

## 12.3 Capital - other information

As of 31 December 2025, the Bank's share capital amounted to EUR 54,789,379.31, fully subscribed and paid up, divided into 84,067,808 Ordinary Shares, without indication of the par value, wholly owned by the shareholder Banca IFIS S.p.A.

## 12.4 Profit reserves: other information

| Items/Values                                                      | 31/12/2025     | 31/12/2024     |
|-------------------------------------------------------------------|----------------|----------------|
| <b>A. Profit reserves</b>                                         | <b>139,525</b> | <b>245,519</b> |
| 1. Legal reserve                                                  | 10,938         | 10,938         |
| 2. Reserve for purchase of treasury shares                        | 38             | 38             |
| 3. Extraordinary reserve                                          | 10,209         | 10,209         |
| 4. Profits (losses) carried forward                               | 90,482         | 194,439        |
| 5. First-time reserves                                            | 507            | 507            |
| 6. Other reserves                                                 | 27,351         | 29,389         |
| <b>B. Capital reserves</b>                                        | <b>31,893</b>  | <b>39,414</b>  |
| 1. Reserve on account of future capital increase                  | -              | -              |
| 2. Extraordinary contribution reserve Italian Law No. 199 of 2025 | (7,521)        | -              |
| 3. Other reserves                                                 | 39,414         | 39,414         |
| <b>Total</b>                                                      | <b>171,418</b> | <b>284,933</b> |

The profit reserves as of 31 December 2025 amount to a positive EUR 171 million.

The sub-item “Extraordinary contribution reserve Law No. 199/2025” showed a negative balance of EUR 7.5 million as at 31 December 2025, which refers to the accounting under the item “Other liabilities” of the extraordinary contribution of 27.5% on the extra profit reserve established pursuant to Article 1, paragraph 69, of Law No. 199 of 30 December 2005. This contribution will be paid in 2026 after the related resolution of Board of Directors. For further details, please refer to the specific section “Extraordinary contribution Law No. 199 of 2025” within “Part A - Accounting policies”, “A.1 - General section”, “Section 5 - Other aspects” of these explanatory notes.

The sub-item “Other reserves” of profits also includes a specific non-distributable reserve equal to EUR 27.4 million, instead of paying the extraordinary tax on extra profits provided for pursuant to Article 26 of Decree-Law 104/2023.

As required by Article 2427, paragraph 1, no. 7 bis) of the Italian Civil Code, below is a report summarising the shareholders' equity items, distinguished by origin, with details of the possibility of use and distribution.

| Nature/Description                                             | Amount           | Possibility    | Available share | Summary of uses              |                   |
|----------------------------------------------------------------|------------------|----------------|-----------------|------------------------------|-------------------|
|                                                                |                  | of use         |                 | used in the past three years |                   |
|                                                                |                  |                |                 | to cover losses              | for other reasons |
| <b>Share capital</b>                                           | <b>54,789</b>    |                | -               |                              |                   |
| <b>Share premium reserve</b>                                   | <b>624,922</b>   | <b>ABC (1)</b> | <b>624,922</b>  |                              |                   |
| <b>Valuation reserves</b>                                      | <b>(13,063)</b>  | -              | -               |                              |                   |
| Financial assets at fair value                                 | (13,231)         | -              | -               |                              |                   |
| through comprehensive income                                   |                  |                |                 |                              |                   |
| Actuarial gains (losses) relating                              | 168              | -              | -               |                              |                   |
| to defined benefit pension plans                               |                  |                |                 |                              |                   |
| <b>Reserves</b>                                                | <b>171,418</b>   |                | <b>140,650</b>  | <b>(103,957)</b>             |                   |
| Legal reserve                                                  | 10,938           | B (2)          | -               |                              |                   |
| Reserve for the purchase of                                    | 38               | ABC            | 38              |                              |                   |
| treasury shares                                                |                  |                |                 |                              |                   |
| Extraordinary reserve                                          | 10,209           | ABC            | 10,209          |                              |                   |
| Extra-profits tax reserve Banks                                | 27,351           | -              | -               |                              |                   |
| Extraordinary contribution reserve Italian Law No. 199 of 2025 | (7,521)          | -              | -               |                              |                   |
| Other reserves                                                 | 130,403          | ABC            | 130,403         | (103,957)                    |                   |
| <b>Treasury shares</b>                                         | <b>(5,070)</b>   |                | -               |                              |                   |
| <b>Profit (loss) for the year</b>                              | <b>(257,594)</b> |                | -               |                              |                   |
| <b>Total</b>                                                   | <b>575,402</b>   |                | <b>765,572</b>  | <b>(103,957)</b>             |                   |

**Key:**

A = for capital increases

B = to cover losses

C = for distribution to shareholders

(1) According to Article 2431 Italian Civil Code, the share premium reserve can be fully utilised, as the legal reserve has reached the limit of one-fifth of the share capital as required by Article 2430 of the Italian Civil Code.

(2) The legal reserve is available for a capital increase and distribution only for the portion exceeding one-fifth of the share capital, according to Article 2430(1) of the Italian Civil Code.

(3) The revaluation reserve is not available pursuant to Article 6 of Legislative Decree No. 38/2005.

## 12.5 Equity instruments: breakdown and annual changes

The Bank does not hold equity instruments.

## 12.6 Other information

With reference to the valuation reserves, please refer to the details of “Part F - Information on shareholders’ equity”.

## Other information

### 1. Commitments and financial guarantees given (other than those designated at fair value)

|                                         | Nominal value on commitments and financial guarantees given |              |              |                                  | Total                | Total                |
|-----------------------------------------|-------------------------------------------------------------|--------------|--------------|----------------------------------|----------------------|----------------------|
|                                         |                                                             |              |              |                                  | 45,657<br>31/12/2025 | 45,291<br>31/12/2024 |
|                                         | Stage one                                                   | Stage two    | Stage three  | Purchased or originated impaired |                      |                      |
| <b>1. Commitments to disburse funds</b> | <b>332,970</b>                                              | <b>54</b>    | <b>1,838</b> | <b>11,267</b>                    | <b>346,130</b>       | <b>357,508</b>       |
| a) Central banks                        | -                                                           | -            | -            | -                                | -                    | -                    |
| b) Public administrations               | -                                                           | -            | -            | -                                | -                    | -                    |
| c) Banks                                | -                                                           | -            | -            | -                                | -                    | -                    |
| d) Other financial companies            | 155,780                                                     | -            | -            | -                                | 155,780              | 194,312              |
| e) Non-financial companies              | 175,526                                                     | 45           | 1,817        | 10,877                           | 188,265              | 160,306              |
| f) Households                           | 1,664                                                       | 9            | 21           | 390                              | 2,085                | 2,890                |
| <b>2. Financial guarantees issued</b>   | <b>21,098</b>                                               | <b>3,350</b> | <b>958</b>   | <b>6,040</b>                     | <b>31,446</b>        | <b>36,872</b>        |
| a) Central banks                        | -                                                           | -            | -            | -                                | -                    | -                    |
| b) Public administrations               | -                                                           | -            | -            | -                                | -                    | -                    |
| c) Banks                                | 84                                                          | -            | -            | -                                | 84                   | 84                   |
| d) Other financial companies            | -                                                           | -            | -            | -                                | -                    | -                    |
| e) Non-financial companies              | 21,009                                                      | 3,350        | 958          | 6,040                            | 31,357               | 34,840               |
| f) Households                           | 5                                                           | -            | -            | -                                | 5                    | 1,949                |

### 2. Other commitments and guarantees issued

|                                   | Nominal value | Nominal value |
|-----------------------------------|---------------|---------------|
|                                   | Total         | Total         |
|                                   | 31/12/2025    | 31/12/2024    |
| <b>1. Other guarantees issued</b> |               |               |
| of which: non-performing          | -             | -             |
| a) Central banks                  | -             | -             |
| b) Public administrations         | -             | -             |
| c) Banks                          | -             | -             |
| d) Other financial companies      | -             | -             |
| e) Non-financial companies        | -             | -             |
| f) Households                     | -             | -             |
| <b>2. Other commitments</b>       |               |               |
| of which: non-performing          | 619           | 841           |
| a) Central banks                  | -             | -             |
| b) Public administrations         | -             | -             |
| c) Banks                          | -             | -             |
| d) Other financial companies      | 19,019        | 12,589        |
| e) Non-financial companies        | 16,551        | 21,214        |
| f) Households                     | 50            | 33            |

### 3. Assets given as collateral for own liabilities and commitments

| Portfolios                                                                    | Amount     | Amount     |
|-------------------------------------------------------------------------------|------------|------------|
|                                                                               | 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 | 159,169    | 685,984    |
| 3. Financial assets measured at amortised cost                                | 684,511    | 1,232,422  |
| 4. Property and equipment                                                     | -          | -          |
| of which: property and equipment held as inventories                          | -          | -          |

### 4. Administration and brokerage for third parties

| Type of service                                                                                               | Amount            |
|---------------------------------------------------------------------------------------------------------------|-------------------|
| <b>1. Execution of orders for customers</b>                                                                   | -                 |
| a) purchases                                                                                                  | -                 |
| 1. settled                                                                                                    | -                 |
| 2. not settled                                                                                                | -                 |
| b) sales                                                                                                      | -                 |
| 1. settled                                                                                                    | -                 |
| 2. not settled                                                                                                | -                 |
| <b>2. Individual portfolio management</b>                                                                     | -                 |
| <b>3. Custody and administration of securities</b>                                                            | <b>12,456,668</b> |
| a) third-party securities on deposit: relating to depositary bank activities (excluding portfolio management) | -                 |
| 1. securities issued by the reporting bank                                                                    | -                 |
| 2. other securities                                                                                           | -                 |
| b) third-party securities on deposit (excluding portfolio management): other                                  | 963,883           |
| 1. securities issued by the reporting bank                                                                    | -                 |
| 2. other securities                                                                                           | 963,883           |
| c) third party securities deposited with third parties                                                        | 952,066           |
| d) proprietary securities deposited with third parties                                                        | 11,492,785        |
| <b>4. Other transactions</b>                                                                                  | -                 |



### 5. Financial assets subject to offsetting in financial statements, or subject to master netting agreements and or similar agreements

| Technical formats        | Gross amount of financial assets (a) | Amount of financial liabilities offset in the financial statements (b) | Net amount of financial assets reported in the financial statements (c=a-b) | Related amounts not offset in the financial statements |                                          | Net amount (f=c-d-e) | Net amount |
|--------------------------|--------------------------------------|------------------------------------------------------------------------|-----------------------------------------------------------------------------|--------------------------------------------------------|------------------------------------------|----------------------|------------|
|                          |                                      |                                                                        |                                                                             | Financial instruments (d)                              | Cash deposits received as guarantees (e) | 31/12/2025           | 31/12/2024 |
| 1. Derivatives           | 1,042                                | -                                                                      | 1,042                                                                       | -                                                      | -                                        | (1,042)              | -          |
| 2. Repurchase agreements | -                                    | -                                                                      | -                                                                           | -                                                      | -                                        | -                    | -          |
| 3. Loan of securities    | -                                    | -                                                                      | -                                                                           | -                                                      | -                                        | -                    | -          |
| 4. Others                | -                                    | -                                                                      | -                                                                           | -                                                      | -                                        | -                    | -          |
| <b>Total 31/12/2025</b>  | <b>1,042</b>                         | <b>-</b>                                                               | <b>1,042</b>                                                                | <b>-</b>                                               | <b>-</b>                                 | <b>(1,042)</b>       | <b>X</b>   |
| <b>Total 31/12/2024</b>  | <b>223,161</b>                       | <b>-</b>                                                               | <b>223,161</b>                                                              | <b>39,923</b>                                          | <b>183,238</b>                           | <b>X</b>             | <b>-</b>   |

### 6. Financial liabilities subject to offsetting in financial statements, or subject to master netting agreements and or similar agreements

| Technical formats        | Gross amount of financial liabilities (a) | Amount of financial assets offset in the financial statements (b) | Net amount of financial liabilities reported in the financial statements (c=a-b) | Related amounts not offset in the financial statements |                                 | Net amount (f=c-d-e) | Net amount |
|--------------------------|-------------------------------------------|-------------------------------------------------------------------|----------------------------------------------------------------------------------|--------------------------------------------------------|---------------------------------|----------------------|------------|
|                          |                                           |                                                                   |                                                                                  | Financial instruments (d)                              | Cash deposits as guarantees (e) | 31/12/2025           | 31/12/2024 |
| 1. Derivatives           | 30,488                                    | -                                                                 | 30,488                                                                           | -                                                      | 30,488                          | -                    | -          |
| 2. Repurchase agreements | 677,101                                   | -                                                                 | 677,101                                                                          | 677,101                                                | -                               | -                    | -          |
| 3. Loan of securities    | -                                         | -                                                                 | -                                                                                | -                                                      | -                               | -                    | -          |
| 4. Other                 | -                                         | -                                                                 | -                                                                                | -                                                      | -                               | -                    | -          |
| <b>Total 31/12/2025</b>  | <b>707,589</b>                            | <b>-</b>                                                          | <b>707,589</b>                                                                   | <b>677,101</b>                                         | <b>30,488</b>                   | <b>-</b>             | <b>X</b>   |
| <b>Total 31/12/2024</b>  | <b>631,202</b>                            | <b>-</b>                                                          | <b>631,202</b>                                                                   | <b>580,633</b>                                         | <b>50,869</b>                   | <b>X</b>             | <b>-</b>   |

Since 1 January 2013, the changes to IFRS 7 concerning disclosures on set-off agreements, as approved with Regulation no. 1256 of 13 December 2012, came into mandatory application. IFRS 7 requires specific disclosures to be given about financial instruments that have been offset in the balance sheet under IAS 32, and which can potentially be offset under certain conditions, but presented in the Balance Sheet with opening balances as they are regulated by “master netting agreements or similar” which do not however meet the criteria of IAS 32 to make the set off in the financial statements.

In providing *disclosures* of these agreements, the standard also requires that consideration be given to the effects of the financial collaterals (including guarantees in cash) received and given.

In particular, the table above shows derivative instruments and Repurchase Agreements (Repos) recorded under due to banks.

**7. Securities lending transactions**

There are no securities lending transactions at the reporting date.

**8. Disclosure on joint control activities**

With reference to the disclosure required in this paragraph, illimity holds Hype S.p.A. as a significant jointly controlled entity. For details on this entity, see Section 7 - Equity Investments - Asset Item 70.

# PART C - INFORMATION ON THE INCOME STATEMENT

## Section 1 - Interest – Items 10 and 20

### 1.1 Interest income and similar income: breakdown

| Items/Technical forms                                                                | Debt securities | Loans          | Other transactions | Total          | Total          |
|--------------------------------------------------------------------------------------|-----------------|----------------|--------------------|----------------|----------------|
|                                                                                      |                 |                |                    | 31/12/2025     | 31/12/2024     |
| <b>1. Financial assets measured at fair value through profit or loss</b>             | <b>7,832</b>    | <b>-</b>       | <b>-</b>           | <b>7,831</b>   | <b>5,127</b>   |
| 1.1 Financial assets held for trading                                                | 1               | -              | -                  | 1              | -              |
| 1.2 Financial assets designated at fair value                                        | -               | -              | -                  | -              | -              |
| 1.3 Other financial assets mandatorily measured at fair value                        | 7,831           | -              | -                  | 7,831          | 5,127          |
| <b>2. Financial assets measured at fair value through other comprehensive income</b> | <b>16,222</b>   | <b>-</b>       | <b>X</b>           | <b>16,222</b>  | <b>21,246</b>  |
| <b>3. Financial assets measured at amortised cost:</b>                               | <b>122,129</b>  | <b>168,963</b> | <b>-</b>           | <b>291,093</b> | <b>349,106</b> |
| 3.1 Loans to banks                                                                   | 967             | 7,380          | X                  | 8,347          | 14,732         |
| 3.2 Loans to customers                                                               | 121,162         | 161,583        | X                  | 282,746        | 334,374        |
| <b>4. Hedging derivatives</b>                                                        | <b>X</b>        | <b>X</b>       | <b>(255)</b>       | <b>(255)</b>   | <b>13,944</b>  |
| <b>5. Other assets</b>                                                               | <b>X</b>        | <b>X</b>       | <b>3,242</b>       | <b>3,242</b>   | <b>4,446</b>   |
| <b>6. Financial liabilities</b>                                                      | <b>X</b>        | <b>X</b>       | <b>X</b>           | <b>1,068</b>   | <b>1,143</b>   |
| <b>Total</b>                                                                         | <b>146,183</b>  | <b>168,963</b> | <b>2,987</b>       | <b>319,201</b> | <b>395,012</b> |
| of which: interest income on impaired financial assets                               | 10,242          | 24,551         | -                  | 34,793         | 83,806         |
| of which: interest income on finance leases                                          | X               | -              | X                  | -              | -              |

### 1.2 Interest income and similar income: other information

#### 1.2.1 Interest income on financial assets denominated in foreign currency

| Items/Values                                                        | 31/12/2025 | 31/12/2024 |
|---------------------------------------------------------------------|------------|------------|
| Interest income on financial assets denominated in foreign currency | 306        | 1,203      |

### 1.3 Interest expenses and similar charges: breakdown

| Items/Technical Forms                                    | Debt             | Securities      | Other transactions | Total            | Total            |
|----------------------------------------------------------|------------------|-----------------|--------------------|------------------|------------------|
|                                                          |                  |                 |                    | 31/12/2025       | 31/12/2024       |
| 1. Financial liabilities measured at amortised cost      | (179,034)        | (50,102)        | X                  | (229,136)        | (259,820)        |
| 1.1 Amounts due to central banks                         | (44)             | -               | X                  | (44)             | (37)             |
| 1.2 Amounts due to banks                                 | (20,540)         | X               | X                  | (20,540)         | (45,754)         |
| 1.3 Amounts due to customers                             | (158,450)        | X               | X                  | (158,450)        | (167,642)        |
| 1.4.                                                     | -                | (50,102)        | X                  | (50,102)         | (46,388)         |
| 2. Financial liabilities held for trading                | -                | -               | -                  | -                | -                |
| 3. Financial liabilities designated at fair value        | -                | -               | -                  | -                | -                |
| 4. Other liabilities and provisions                      | -                | -               | (480)              | (480)            | (533)            |
| 5. Hedging derivatives                                   | X                | X               | (3,843)            | (3,843)          | (13,701)         |
| 6. Financial assets                                      | X                | X               | (198)              | (198)            | (460)            |
| <b>Total</b>                                             | <b>(179,034)</b> | <b>(50,102)</b> | <b>(4,323)</b>     | <b>(233,657)</b> | <b>(274,513)</b> |
| of which: interest expense relative to lease liabilities | (1,300)          | -               | -                  | (1,300)          | (1,605)          |

### 1.4 Interest expenses and similar charges: other information

#### 1.4.1 Interest expenses on liabilities denominated in foreign currency

| Items/Values                                                          | 31/12/2025 | 31/12/2024 |
|-----------------------------------------------------------------------|------------|------------|
| Interest expenses on financial assets denominated in foreign currency | (592)      | -          |

### 1.5 Differentials arising from hedging transactions

| Items                                                       | Total          | Total      |
|-------------------------------------------------------------|----------------|------------|
|                                                             | 31/12/2025     | 31/12/2024 |
| A. Positive differentials arising from hedging transactions | 493            | 13,944     |
| B. Negative differentials arising from hedging transactions | (4,592)        | (13,700)   |
| <b>C. Balance (A-B)</b>                                     | <b>(4,099)</b> | <b>244</b> |

## Section 2 - Fees and commissions – Items 40 and 50

### 2.1 Fees and commission income: breakdown

| Type of service/Values                                                                   | Total         | Total         |
|------------------------------------------------------------------------------------------|---------------|---------------|
|                                                                                          | 31/12/2025    | 31/12/2024    |
| <b>a) Financial instruments</b>                                                          | <b>0</b>      |               |
| 1. Placement of securities                                                               | 0             |               |
| 1.1 With underwriting and/or on the basis of an irrevocable commitment                   | -             | -             |
| 1.2 Without an irrevocable commitment                                                    | 0             |               |
| 2. Receipt and transmission of orders and execution of orders for customers              | -             | -             |
| 2.1 Receipt and transmission of orders of one or more financial instruments              | -             | -             |
| 2.2 Execution of orders for customers                                                    | -             | -             |
| 3. Other fees and commissions connected with activities related to financial instruments | -             | -             |
| of which: proprietary trading                                                            | -             | -             |
| of which: individual portfolio management                                                | -             | -             |
| <b>b) Corporate Finance</b>                                                              | <b>2,988</b>  | <b>3,909</b>  |
| 1. Consultancy on mergers and acquisitions                                               | -             | -             |
| 2. Treasury services                                                                     | -             | -             |
| 3. Other fees and commissions connected with corporate finance services                  | 2,988         | 3,909         |
| <b>c) Investment consultancy activities</b>                                              | -             | -             |
| <b>d) Netting and settlement</b>                                                         | -             | -             |
| <b>e) Custody and administration</b>                                                     | -             | -             |
| 1. Custodian bank                                                                        | -             | -             |
| 2. Other fees and commissions related to custody and administration activities           | -             | -             |
| <b>f) Central administrative services for collective portfolio management</b>            | -             | -             |
| <b>g) Fiduciary activities</b>                                                           | -             | -             |
| <b>h) Payment services</b>                                                               | <b>3,708</b>  | <b>3,510</b>  |
| 1. Current accounts                                                                      | 2,523         | 2,294         |
| 2. Credit cards                                                                          | 821           | 755           |
| 3. Debit cards and other payment cards                                                   | 82            | 93            |
| 4. Bank transfers and other payment orders                                               | 86            | 170           |
| 5. Other fees and commissions related to payment services                                | 196           | 198           |
| <b>i) Distribution of third party services</b>                                           | <b>72</b>     | <b>178</b>    |
| 1. Collective portfolio management                                                       | -             | -             |
| 2. Insurance products                                                                    | 5             | 8             |
| 3. Other products                                                                        | 67            | 170           |
| of which: individual portfolio management                                                | -             | -             |
| <b>j) Structured finance</b>                                                             | -             | -             |
| <b>k) Servicing activities for securitisation transactions</b>                           | <b>1,060</b>  | <b>935</b>    |
| <b>l) Commitments to disburse funds</b>                                                  | -             | -             |
| <b>m) Financial guarantees issued</b>                                                    | <b>1,166</b>  | <b>1,260</b>  |
| of which: credit derivatives                                                             | -             | -             |
| <b>n) Loan transactions</b>                                                              | <b>29,246</b> | <b>40,962</b> |
| of which: for factoring operations                                                       | 10,292        | 9,358         |
| <b>o) Currency trading</b>                                                               | <b>27</b>     | <b>62</b>     |
| <b>p) Goods</b>                                                                          | -             | -             |
| <b>q) Other fees and commission income</b>                                               | <b>15</b>     | <b>601</b>    |
| of which: for management of multilateral trading systems                                 | -             | -             |
| of which: for management of organised trading systems                                    | -             | -             |
| <b>Total</b>                                                                             | <b>38,282</b> | <b>51,417</b> |

## 2.2 Fees and commission income: distribution channels of products and services

| Channel/Amount                         | Total<br>31/12/2025 | Total<br>31/12/2024 |
|----------------------------------------|---------------------|---------------------|
| <b>a) at own branches:</b>             | -                   | -                   |
| 1. portfolio management                | -                   | -                   |
| 2. placement of securities             | -                   | -                   |
| 3. third-party services and products   | -                   | -                   |
| <b>b) off-site:</b>                    | -                   | -                   |
| 1. portfolio management                | -                   | -                   |
| 2. placement of securities             | -                   | -                   |
| 3. third-party services and products   | -                   | -                   |
| <b>c) other distribution channels:</b> | <b>72</b>           | <b>178</b>          |
| 1. portfolio management                | -                   | -                   |
| 2. placement of securities             | -                   | -                   |
| 3. third-party services and products   | 72                  | 178                 |

## 2.3 Fees and commission expense: breakdown

| Type of service/Values                                                          | Total<br>31/12/2025 | Total<br>31/12/2024 |
|---------------------------------------------------------------------------------|---------------------|---------------------|
| <b>a) Financial instruments</b>                                                 | -                   | -                   |
| of which: trading in financial instruments                                      | -                   | -                   |
| of which: placement of financial instruments                                    | -                   | -                   |
| of which: individual portfolio management                                       | -                   | -                   |
| - Proprietary                                                                   | -                   | -                   |
| - Delegated to third parties                                                    | -                   | -                   |
| <b>b) Netting and settlement</b>                                                | -                   | -                   |
| <b>c) Custody and administration</b>                                            | (954)               | (945)               |
| <b>d) Collection and payment services</b>                                       | (2,569)             | (2,468)             |
| of which: credit cards, debit cards and other payment cards                     | (2,070)             | (1,976)             |
| <b>e) Servicing activities for securitisation operations</b>                    | (60)                | (58)                |
| <b>f) Commitments to receive funds</b>                                          | -                   | -                   |
| <b>g) Financial guarantees received</b>                                         | (179)               | (210)               |
| of which: credit derivatives                                                    | -                   | -                   |
| <b>h) Off-site distribution of financial instruments, products and services</b> | -                   | -                   |
| <b>i) Currency trading</b>                                                      | -                   | -                   |
| <b>j) Other fees and commission expense</b>                                     | (5,930)             | (4,423)             |
| <b>Total</b>                                                                    | <b>(9,692)</b>      | <b>(8,104)</b>      |

## Section 3 - Dividends and similar income – Item 70

### 3.1 Dividends and similar income: breakdown

| Items/Income                                                                  | Total         |                | Total      |                |
|-------------------------------------------------------------------------------|---------------|----------------|------------|----------------|
|                                                                               | 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                  | 8,663         | -              | -          | 2,674          |
| C. Financial assets measured at fair value through other comprehensive income | -             | -              | -          | 1              |
| D. Equity investments                                                         | 11,344        | -              | -          | -              |
| <b>Total</b>                                                                  | <b>20,007</b> |                | <b>-</b>   | <b>2,675</b>   |

## Section 4 - Net profit of trading activity – Item 80

### 4.1 Net trading result: breakdown

| Transactions/Income items                                                | Capital gains (A) | Profits from trading (B) | Capital losses (C) | Losses from trading (D) | Net profit (loss) [(A+B) - (C+D)] |
|--------------------------------------------------------------------------|-------------------|--------------------------|--------------------|-------------------------|-----------------------------------|
| <b>1. Financial assets held for trading</b>                              | -                 | 7                        | -                  | -                       | 7                                 |
| 1.1 Debt securities                                                      | -                 | 7                        | -                  | -                       | 7                                 |
| 1.2 Equity instruments                                                   | -                 | -                        | -                  | -                       | -                                 |
| 1.3 UCITS units                                                          | -                 | -                        | -                  | -                       | -                                 |
| 1.4 Loans                                                                | -                 | -                        | -                  | -                       | -                                 |
| 1.5 Others                                                               | -                 | -                        | -                  | -                       | -                                 |
| <b>2. Financial liabilities held for trading</b>                         | -                 | -                        | -                  | -                       | -                                 |
| 2.1 Debt securities                                                      | -                 | -                        | -                  | -                       | -                                 |
| 2.2 Payables                                                             | -                 | -                        | -                  | -                       | -                                 |
| 2.3 Others                                                               | -                 | -                        | -                  | -                       | -                                 |
| <b>3. Financial assets and liabilities: foreign exchange differences</b> | -                 | -                        | -                  | -                       | (1,931)                           |
| <b>4. Derivatives</b>                                                    | 37,499            | 42,163                   | (41,738)           | (36,960)                | 2,316                             |
| 4.1 Financial derivatives:                                               | 37,499            | 42,163                   | (41,738)           | (36,960)                | 2,316                             |
| - On debt securities and interest rates                                  | 37,499            | 42,163                   | (41,738)           | (36,960)                | 964                               |
| - On equity securities and share indices                                 | -                 | -                        | -                  | -                       | -                                 |
| - On currencies and gold                                                 | -                 | -                        | -                  | -                       | 1,352                             |
| - Other                                                                  | -                 | -                        | -                  | -                       | -                                 |
| 4.2 Credit derivatives                                                   | -                 | -                        | -                  | -                       | -                                 |
| of which: natural hedging related to the fair value option               | -                 | -                        | -                  | -                       | -                                 |
| <b>Total</b>                                                             | <b>37,499</b>     | <b>42,170</b>            | <b>(41,738)</b>    | <b>(36,960)</b>         | <b>392</b>                        |

## Section 5 - Net profit (loss) in hedge accounting – Item 90

### 5.1 Net hedging result: breakdown

| Income item/Values                                  | Total           | Total           |
|-----------------------------------------------------|-----------------|-----------------|
|                                                     | 31/12/2025      | 31/12/2024      |
| <b>A. Income relating to:</b>                       |                 |                 |
| A.1 Fair value hedging derivatives                  | 6,576           | 16,372          |
| A.2 Hedged financial assets (fair value)            | 1,418           | 7,949           |
| A.3 Hedged financial liabilities (fair value)       | 6,505           | 208             |
| A.4 Cash flow financial hedging derivatives         | -               | -               |
| A.5 Assets and liabilities in foreign currency      | -               | -               |
| <b>Total income from hedging (A)</b>                | <b>14,499</b>   | <b>24,529</b>   |
| <b>B. Costs relating to:</b>                        |                 |                 |
| B.1 Fair value hedging derivatives                  | (8,023)         | (8,158)         |
| B.2 Hedged financial assets (fair value)            | (6,101)         | (4,309)         |
| B.3 Hedged financial liabilities (fair value)       | (308)           | (11,805)        |
| B.4 Cash flow financial hedging derivatives         | -               | -               |
| B.5 Assets and liabilities in foreign currency      | -               | -               |
| <b>Total costs from hedging (B)</b>                 | <b>(14,432)</b> | <b>(24,272)</b> |
| <b>C. Net hedging result (A - B)</b>                | <b>67</b>       | <b>257</b>      |
| <i>of which: result of hedging of net positions</i> | -               | -               |



## Section 6 - Profits (Losses) on disposal/repurchase – Item 100

### 6.1 Profits (Losses) on disposal/repurchase: breakdown

| Item/Income items                                                             | Total         |                |                 | Total        |                |                 |
|-------------------------------------------------------------------------------|---------------|----------------|-----------------|--------------|----------------|-----------------|
|                                                                               | 31/12/2025    |                |                 | 31/12/2024   |                |                 |
|                                                                               | Profit        | Loss           | Net profit/loss | Profit       | Loss           | Net profit/loss |
| <b>A. Financial assets</b>                                                    |               |                |                 |              |                |                 |
| 1. Financial assets measured at amortised cost                                | 7,703         | (549)          | 7,154           | 4,389        | (1,352)        | 3,037           |
| 1.1 Loans to banks                                                            | -             | -              | -               | -            | -              | -               |
| 1.2 Loans to customers                                                        | 7,703         | (549)          | 7,154           | 4,389        | (1,352)        | 3,037           |
| 2. Financial assets measured at fair value through other comprehensive income | 2,833         | (4,807)        | (1,974)         | 1,934        | (1,422)        | 512             |
| 2.1 Debt securities                                                           | 2,833         | (4,807)        | (1,974)         | 1,934        | (1,422)        | 512             |
| 2.2 Loans                                                                     | -             | -              | -               | -            | -              | -               |
| <b>Total assets (A)</b>                                                       | <b>10,536</b> | <b>(5,356)</b> | <b>5,180</b>    | <b>6,323</b> | <b>(2,774)</b> | <b>3,549</b>    |
| <b>B. Financial liabilities measured at amortised cost</b>                    |               |                |                 |              |                |                 |
| 1. Due to banks                                                               | -             | -              | -               | -            | -              | -               |
| 2. Due to customers                                                           | -             | -              | -               | -            | -              | -               |
| 3. Securities issued                                                          | -             | -              | -               | -            | (20)           | (20)            |
| <b>Total liabilities (B)</b>                                                  | <b>-</b>      | <b>-</b>       | <b>-</b>        | <b>-</b>     | <b>(20)</b>    | <b>(20)</b>     |

## Section 7 – Net profit (loss) on other financial assets and liabilities measured at fair value through profit or loss – Item 110

### 7.1 Net change in value of other financial assets and liabilities measured at fair value through profit or loss: breakdown of financial assets and liabilities designated at fair value

The Bank did not record any profits or losses from such financial assets or liabilities designated at fair value during 2025.

### 7.2 Net change in value of other financial assets and liabilities measured at fair value through profit or loss: breakdown of other financial assets mandatorily measured at fair value

| Transactions/Income items                                                 | Capital gains (A) | Realised profits (B) | Capital losses (C) | Losses on disposal (D) | Net profit (loss) [(A+B) - (C+D)] |
|---------------------------------------------------------------------------|-------------------|----------------------|--------------------|------------------------|-----------------------------------|
| <b>1. Financial assets</b>                                                | <b>6,046</b>      | <b>16,818</b>        | <b>(48,345)</b>    | <b>-</b>               | <b>(25,481)</b>                   |
| 1.1 Debt securities                                                       | 71                | 278                  | (17,816)           | -                      | (17,467)                          |
| 1.2 Equity instruments                                                    | 273               | 9,053                | (1,999)            | -                      | 7,327                             |
| 1.3 UCIs Units                                                            | 3,101             | -                    | (25,390)           | -                      | (22,289)                          |
| 1.4 Loans                                                                 | 2,601             | 7,487                | (3,140)            | -                      | 6,948                             |
| <b>2. Foreign-currency financial assets: foreign exchange differences</b> | <b>X</b>          | <b>X</b>             | <b>X</b>           | <b>X</b>               | <b>-</b>                          |
| <b>Total</b>                                                              | <b>6,046</b>      | <b>16,818</b>        | <b>(48,345)</b>    | <b>-</b>               | <b>(25,481)</b>                   |

## Section 8 – Net value adjustments for credit risk – Item 130

## 8.1 Net value adjustments for credit risk relating to financial assets measured at amortised cost: breakdown

| Transactions/Income items    | Value adjustments (1) |                |             |                  |                                         |                 | Recoveries (2) |                |               |                                         | Total            | Total            |
|------------------------------|-----------------------|----------------|-------------|------------------|-----------------------------------------|-----------------|----------------|----------------|---------------|-----------------------------------------|------------------|------------------|
|                              | Stage one             | Stage two      | Stage three |                  | Purchased or originated credit impaired |                 | Stage one      | Stage two      | Stage three   | Purchased or originated credit impaired |                  |                  |
|                              |                       |                | Write-offs  | Others           | Write-offs                              | Others          |                |                |               |                                         | 31/12/2025       | 31/12/2024       |
| <b>A. Loans to banks</b>     | (18)                  | -              | -           | -                | -                                       | -               | 174            | -              | -             | -                                       | 156              | (114)            |
| - Loans                      | (18)                  | -              | -           | -                | -                                       | -               | 144            | -              | -             | -                                       | 126              | (84)             |
| - Debt securities            | -                     | -              | -           | -                | -                                       | -               | 30             | -              | -             | -                                       | 30               | (30)             |
| <b>B. Loans to customers</b> | (18,905)              | (1,874)        | -           | (263,691)        | -                                       | (37,771)        | 15,589         | 105,279        | 10,404        | 28,816                                  | (162,153)        | (136,372)        |
| - Loans                      | (17,208)              | (1,867)        | -           | (53,870)         | -                                       | (27,180)        | 12,948         | 7,502          | 10,404        | 28,468                                  | (40,802)         | (29,851)         |
| - Debt securities            | (1,697)               | (7)            | -           | (209,821)        | -                                       | (10,591)        | 2,641          | 97,777         | -             | 348                                     | (121,351)        | (106,522)        |
| <b>Total</b>                 | <b>(18,923)</b>       | <b>(1,874)</b> | <b>-</b>    | <b>(263,691)</b> | <b>-</b>                                | <b>(37,771)</b> | <b>15,763</b>  | <b>105,279</b> | <b>10,404</b> | <b>28,816</b>                           | <b>(161,997)</b> | <b>(136,486)</b> |

The sub-item "purchased or originated impaired financial assets" refers to the amount of write-downs/write-backs of loans classified as purchased or originated impaired loans as a result of receipts or revisions of business plans.

During 2025, analysis activities continued on the valuation of some loan portfolios, a number of securitisation notes and AIF units recognised as a result of own asset transformation transactions carried out in previous financial years, which had started already in 2024 after the recommendations formulated by Bank of Italy following the inspection the Bank had undergone in the previous financial year.

These analyses are part of a verification process aimed at ensuring, at each reporting date, that estimates are updated accurately and promptly, with a view to including the best information available – at any given time – in determining the expected cash flows and related effects on the financial statements for these instruments.

In particular, with reference to the Expected Credit Loss (ECL) estimate for certain credit exposures, AIFs, and securitisation notes underlying the aforementioned asset transformation transactions, model refinements were introduced and the most up-to-date information regarding the actual recoverability of the credit positions in the portfolio was factored in, also in relation to the results of the Due Diligence activities carried out by the new Parent Company, which were concluded in December.

These derive primarily from the natural process of effective and continuous management of the positions over time, also following the communications from the servicers last received in December. This information formed the basis for the review, refinement, and update work performed by the business functions, as well as the activities carried out by Risk Management and the CLO, with the timely involvement of the Corporate Bodies.

Furthermore, Internal Audit carried out a third update of the assessment concerning the verification of the classification and measurement, for accounting and prudent purposes, of these financial instruments, which was completed in December and also factored in for the purpose of these Financial Statements.

The inclusion of these elements, with regard to the best estimates of the recoverability of the instruments, also for certain specific securitisation notes, led to the reclassification in terms of credit status, resulting in a change in their classification to Stage 3 among Impaired Financial Assets. In addition, with specific reference to the loan portfolio, a comprehensive analysis was carried out, which also factored in the results of the due diligence, including on the recoverability of the other remaining credit exposures recognised in

the financial statements, with a particular focus on positions attributable to the b-ilty business, so that the most up-to-date information was included in the estimates, which led to an increase in value adjustments, also considering the progressive deterioration of the portfolio during the financial year.

## 8.2 Net value adjustments for credit risk relating to financial assets measured at fair value through other comprehensive income: breakdown

| Transactions/Income items | Value adjustments (1) |             |             |                |                                         |          | Recoveries (2) |            |             |                                         | Total        | Total        |
|---------------------------|-----------------------|-------------|-------------|----------------|-----------------------------------------|----------|----------------|------------|-------------|-----------------------------------------|--------------|--------------|
|                           | Stage one             | Stage two   | Stage three |                | Purchased or originated credit impaired |          | Stage one      | Stage two  | Stage three | Purchased or originated credit impaired | 31/12/2025   | 31/12/2024   |
|                           |                       |             | Write-offs  | Others         | Write-offs                              | Others   |                |            |             |                                         |              |              |
| A. Debt securities        | (406)                 | (66)        | -           | (2,521)        | -                                       | -        | 1,472          | 313        | -           | -                                       | 1,208        | (385)        |
| B. Loans                  | -                     | -           | -           | -              | -                                       | -        | -              | -          | -           | -                                       | -            | -            |
| - To customers            | -                     | -           | -           | -              | -                                       | -        | -              | -          | -           | -                                       | -            | -            |
| - To banks                | -                     | -           | -           | -              | -                                       | -        | -              | -          | -           | -                                       | -            | -            |
| <b>Total</b>              | <b>(406)</b>          | <b>(66)</b> | <b>-</b>    | <b>(2,521)</b> | <b>-</b>                                | <b>-</b> | <b>1,472</b>   | <b>313</b> | <b>-</b>    | <b>-</b>                                | <b>1,208</b> | <b>(385)</b> |

## Section 9 - Profits/losses on changes in contracts without derecognition – Item 140

The item showed a negative balance of EUR 787 thousand following the adjustment made to the book values of financial assets that reflect the changes made to contractual cash flows that do not give rise to accounting derecognition.

## Section 10 - Administrative expenses – Item 160

### 10.1 Personnel expenses: breakdown

| Type of expense/Amount                                                     | Total           | Total           |
|----------------------------------------------------------------------------|-----------------|-----------------|
|                                                                            | 31/12/2025      | 31/12/2024      |
| 1) Employees                                                               | (53,572)        | (40,433)        |
| a) wages and salaries                                                      | (30,268)        | (31,051)        |
| b) social security contributions                                           | (8,065)         | (7,461)         |
| c) provision for employee severance pay                                    | -               | -               |
| d) pension costs                                                           | -               | -               |
| e) provision for employee severance pay                                    | (620)           | (407)           |
| f) provision for post-employment benefits and similar provisions:          | -               | (1,502)         |
| - defined contribution                                                     | -               | (1,502)         |
| - defined benefits                                                         | -               | -               |
| g) payments to external supplementary pension funds:                       | (1,450)         | -               |
| - defined contribution                                                     | (1,450)         | -               |
| - defined benefits                                                         | -               | -               |
| h) costs related to share-based payments                                   | 1,733           | 3,380           |
| i) other employee benefits                                                 | (14,902)        | (3,392)         |
| 2) Other staff in service                                                  | (649)           | (1,342)         |
| 3) Directors and statutory auditors                                        | (1,636)         | (1,904)         |
| 4) Retired staff                                                           | -               | -               |
| 5) Recoveries of costs of employees seconded to other companies            | 1,885           | 1,081           |
| 6) Reimbursement of costs of third-party employees seconded to the company | -               | -               |
| <b>Total</b>                                                               | <b>(53,972)</b> | <b>(42,598)</b> |

### 10.2 Average number of employees per category

| Job level              | 2025       |
|------------------------|------------|
| a) senior managers     | 47         |
| b) middle managers     | 139        |
| c) other employees     | 181        |
| <b>Total employees</b> | <b>367</b> |
| <b>Other staff</b>     | <b>17</b>  |

### 10.3 Defined-benefit corporate pension funds: costs and revenue

There are no corporate defined-benefit pension funds.

### 10.4 Other employee benefits

The other benefits to employees mainly relate to remunerated benefits, canteen vouchers and various insurance policies.

## 10.5 Other administrative expenses: breakdown

| Type of expense/Amount             | 31/12/2025       | 31/12/2024      |
|------------------------------------|------------------|-----------------|
| Insurance                          | (4,247)          | (3,893)         |
| Various consulting services        | (16,729)         | (6,751)         |
| Membership fees                    | (1,202)          | (7,459)         |
| Cost of services                   | (1,422)          | (1,289)         |
| Financial information              | (4,892)          | (5,458)         |
| Adverts and advertising            | (203)            | (934)           |
| Financial statement audit          | (753)            | (597)           |
| IT and software expenses           | (64,798)         | (5,298)         |
| Legal and notary's fees            | (2,719)          | (2,001)         |
| Property management expenses       | (1,295)          | (1,457)         |
| Expenses for professional services | (7,327)          | (7,634)         |
| Utilities and services             | (166)            | (239)           |
| Other indirect taxes and duties    | (9,593)          | (9,213)         |
| Others                             | (1,510)          | (2,253)         |
| <b>Total</b>                       | <b>(116,856)</b> | <b>(54,476)</b> |

## Section 11 - Net provisions to allowances for risks and charges – Item 170

### 11.1 Net provisions for credit risk relating to commitments to disburse funds and financial guarantees given: breakdown

| Items/Values                              | Value adjustments (1)   |             |              | Recoveries (2)          |             |            | Total     |
|-------------------------------------------|-------------------------|-------------|--------------|-------------------------|-------------|------------|-----------|
|                                           | Stage one and Stage two | Stage three | Impaired     | Stage one and Stage two | Stage three | Impaired   |           |
| Guarantees issued                         | (379)                   | -           | -            | 244                     | 4           | -          | (131)     |
| Irrevocable commitments to disburse funds | (807)                   | -           | (315)        | 411                     | -           | 876        | 166       |
| <b>Total 31/12/2025</b>                   | <b>(1,186)</b>          |             | <b>(315)</b> | <b>655</b>              | <b>4</b>    | <b>876</b> | <b>35</b> |

### 11.2 Net provisions relating to other commitments and guarantees issued: breakdown

In 2025 the Bank did not make any net provisions relating to other commitments and guarantees issued.

### 11.3 Net provisions for other allowances for risks and charges: breakdown

| Items/Values                           | 31/12/2025      |
|----------------------------------------|-----------------|
| Provisions for employees               |                 |
| Provisions for legal disputes          | (3,176)         |
| Provisions for other risks and charges | (13,932)        |
| <b>Total</b>                           | <b>(17,108)</b> |

During 2025, the Bank set aside provisions relating to contingent liabilities on past contractual agreements for EUR 17 million.

## Section 12 - Net value adjustments on property and equipment – Item 180

### 12.1. Net value adjustments on property and equipment: breakdown

| Assets/Income items                     | Depreciation & amortisation | Value adjustments for impairment | Recoveries | Net profit/loss |
|-----------------------------------------|-----------------------------|----------------------------------|------------|-----------------|
|                                         | (a)                         | (b)                              | (c)        | (a + b - c)     |
|                                         |                             |                                  |            |                 |
| <b>A. Property and equipment</b>        |                             |                                  |            |                 |
| 1 For business use                      | (2,998)                     | -                                | -          | (2,998)         |
| - Owned                                 | (139)                       | -                                | -          | (139)           |
| - Rights of use acquired through leases | (2,859)                     | -                                | -          | (2,859)         |
| 2 Held for investment                   | -                           | -                                | -          | -               |
| - Owned                                 | -                           | -                                | -          | -               |
| - Rights of use acquired through leases | -                           | -                                | -          | -               |
| 3 Inventories                           | X                           | -                                | -          | -               |
| <b>Total</b>                            | <b>(2,998)</b>              | <b>-</b>                         | <b>-</b>   | <b>(2,998)</b>  |

## Section 13 - Net value adjustments on intangible assets – Item 190

### 13.1 Net value adjustments on intangible assets: breakdown

| Asset/Income item                         | Depreciation & amortisation | Value adjustments for impairment | Recoveries | Net profit/loss |
|-------------------------------------------|-----------------------------|----------------------------------|------------|-----------------|
|                                           | (a)                         | (b)                              | (c)        | (a + b - c)     |
|                                           |                             |                                  |            |                 |
| <b>A. Intangible assets</b>               |                             |                                  |            |                 |
| <i>of which: software</i>                 | (5,247)                     | (927)                            | -          | (6,174)         |
| A.1 Owned                                 | (5,247)                     | (927)                            | -          | (6,174)         |
| - Generated internally by the company     | (580)                       | (282)                            | -          | (862)           |
| - Other                                   | (4,667)                     | (645)                            | -          | (5,312)         |
| A.2 Rights of use acquired through leases | -                           | -                                | -          | -               |
| B. Assets held for sale                   | -                           | -                                | -          | -               |
| <b>Total</b>                              | <b>(5,247)</b>              | <b>(927)</b>                     | <b>-</b>   | <b>(6,174)</b>  |

## Section 14 - Other operating expenses and income – Item 200

### 14.1 Other operating expenses: breakdown

| Items/Technical Forms                                           | Amount         |
|-----------------------------------------------------------------|----------------|
| Amortisation of expenses for improvements on third party assets | (192)          |
| Other operating expenses                                        | (5,005)        |
| <b>Total Other operating expenses 31/12/2025</b>                | <b>(5,197)</b> |
| <b>Total Other operating expenses 31/12/2024</b>                | <b>(514)</b>   |

## 14.2 Other operating income: breakdown

| Items/Technical Forms                          | Amount        |
|------------------------------------------------|---------------|
| Recoveries of expenses from other customers    | 11,716        |
| Other income                                   | 3,448         |
| <b>Total Other operating income 31/12/2025</b> | <b>15,164</b> |
| <b>Total Other operating income 31/12/2024</b> | <b>13,492</b> |

## Section 15 - Profit (losses) on equity investments – Item 220

### 15.1 Profit (losses) on equity investments: breakdown

| Income item/Values                   | Total<br>31/12/2025 | Total<br>31/12/2024 |
|--------------------------------------|---------------------|---------------------|
| A. Income                            | 155                 | -                   |
| 1. Revaluations                      | -                   | -                   |
| 2. Gains on disposal                 | -                   | -                   |
| 3. Recoveries                        | 155                 | -                   |
| 4. Other income                      | -                   | -                   |
| B. Costs                             | (13,185)            | (29,894)            |
| 1. Write-downs                       |                     | (29,894)            |
| 2. Value adjustments from impairment | (13,185)            | -                   |
| 3. Losses on disposal                | -                   | -                   |
| 4. Other charges                     | -                   | -                   |
| <b>Net profit/loss</b>               | <b>(13,030)</b>     | <b>(29,894)</b>     |

## Section 16 - Net profit on the measurement at fair value of property and equipment and intangible assets - Item 230

The Bank did not hold any property and equipment or intangible assets measured at fair value over the course of the year.

## Section 17 - Value adjustments of Goodwill - Item 240

The balance of the item as at 31 December 2025 was not valued.

In fact, it should be recalled that, in the 2024 financial year, the Bank had recognised in its income statement the full devaluation of goodwill related to the acquisition of Banca Interprovinciale for EUR 21.6 million.



## Section 18 - Profit (loss) from disposal of investments – Item 250

### 18.1 Profit (loss) from disposal of investments: breakdown

| Income item/Values     | Total<br>31/12/2025 | Total<br>31/12/2024 |
|------------------------|---------------------|---------------------|
| A. Property            | -                   | -                   |
| - Gains on disposal    | -                   | -                   |
| - Losses on disposal   | -                   | -                   |
| B. Other assets        | -                   | (0)                 |
| - Gains on disposal    | -                   | -                   |
| - Losses on disposal   | -                   | (0)                 |
| <b>Net profit/loss</b> | <b>-</b>            | <b>(0)</b>          |

## Section 19 - Income taxes for the year on continuing operations –Item 270

### 19.1 Income taxes for the year on continuing operations: breakdown

| Income items/Sectors                                                                            | Total<br>31/12/2025 | Total<br>31/12/2024 |
|-------------------------------------------------------------------------------------------------|---------------------|---------------------|
| 1. Current taxes (-)                                                                            | -                   | -                   |
| 2. Change in current taxes for previous years (+/-)                                             | 389                 | 2,434               |
| 3. Reduction of current taxes for the year (+)                                                  | -                   | -                   |
| 3.bis Reduction of current taxes for the year due to tax credits under Italian Law 214/2011 (+) | 51                  | -                   |
| 4. Change in deferred tax assets (+/-)                                                          | (10,158)            | 13,619              |
| 5. Change in deferred taxes (+/-)                                                               | 1,955               | (1,526)             |
| 6. Tax expense for the year (-) (-1+/-2+3+3bis+/-4+/-5)                                         | (7,763)             | 14,527              |

Total negative income taxes for the year amounted to EUR 7,763 thousand, broken down as follows: an income of EUR 389 relating to the change in current taxes, an expense of EUR 10,107 thousand relating to the change in deferred IRES and IRAP taxes, and an income of EUR 1,955 thousand relating to the change in IRES deferred taxes.

## 19.2 Reconciliation of theoretical tax charge with actual tax charge

| Items/Components                                                      | 31/12/2025       |
|-----------------------------------------------------------------------|------------------|
| <b>Profit (loss) from current operations before tax</b>               | <b>(249,831)</b> |
| <b>IRES - theoretical tax charge (27.5%)</b>                          | <b>68,704</b>    |
| - effect of lower rate                                                | -                |
| - effect of non-deductible expenses and other increases - permanent   | (2,369)          |
| - effect of non-taxable income and other decreases - permanent        | 4,031            |
| - Non-current IRES                                                    | (70,366)         |
| <b>IRES - actual tax charge</b>                                       | <b>6,593</b>     |
| <b>IRAP - theoretical tax charge (5.57%)</b>                          | <b>13,916</b>    |
| - effect of lower rate                                                | 84               |
| - effect of income/charges that do not contribute to the taxable base | 5                |
| - effect of income/charges that do not contribute to the taxable base | (16,853)         |
| - Non-current IRAP                                                    | 2,092            |
| <b>IRAP - actual tax charge</b>                                       | <b>(1,559)</b>   |
| <b>Other taxes</b>                                                    | <b>389</b>       |
| <b>Financial statements actual tax charge</b>                         | <b>7,763</b>     |

The theoretical tax charge, considered on an individual basis, is equal to 33.07% (24% ordinary IRES, 3.5% additional IRES and 5.57% Lombardy region IRAP), for banks and financial entities. The effective tax rate for the year is negative. The tax expense is almost exclusively represented by changes in deferred and prepaid tax assets and liabilities. In this regard, it is specified that no new deferred tax assets were recognised on the tax loss that accrued during 2025, amounting to EUR 76.8 million.

## Section 20 - Profit (loss) from discontinued operations after tax – Item 290

### 20.1 Profit (loss) from discontinued operations after tax: breakdown

| Income item/Values                                             | Total      | Total          |
|----------------------------------------------------------------|------------|----------------|
|                                                                | 31/12/2025 | 31/12/2024     |
| 1. Income                                                      | -          | 5,227          |
| 2. Charges                                                     | -          | (50,027)       |
| 3. Result of asset group valuations and associated liabilities | -          | -              |
| 4. Realised gains (losses)                                     | -          | 27,275         |
| 5. Taxes and fees                                              | -          | 11,915         |
| <b>Profit (loss)</b>                                           | <b>-</b>   | <b>(5,610)</b> |

In the previous year, this item included the financial performance, in accordance with the requirements of IFRS 5, relating to the business unit, consisting of technological assets and highly qualified IT staff of the Digital Competence Line, transferred to a newly established company ("AltermAInd S.r.l.") - initially wholly owned by the Bank - and subsequently sold (for a 52% share) to Fibonacci for a consideration of EUR 62.4 million.

**20.2 Details of income taxes on discontinued operations**

|                                                  | Amount<br>31/12/2025 | Amount<br>31/12/2024 |
|--------------------------------------------------|----------------------|----------------------|
| 1. Current taxation (-)                          | -                    | -                    |
| 2. Change in deferred tax assets (+/-)           | -                    | 11,915               |
| 3. Change in deferred taxes (-/+)                | -                    | -                    |
| <b>4. Income taxes for the year (-1+/-2+/-3)</b> | <b>-</b>             | <b>11,915</b>        |

**Section 21 - Other information**

There is no other information to indicate as of the reporting date.

# PART D – COMPREHENSIVE INCOME

## Analytical Statement of Comprehensive Income

|                                                                                                              | 31/12/2025       | 31/12/2024       |
|--------------------------------------------------------------------------------------------------------------|------------------|------------------|
| <b>10. Profit (loss) for the year</b>                                                                        | <b>(257,594)</b> | <b>(103,957)</b> |
| <b>Other income components not reclassified through the income statement</b>                                 |                  |                  |
| <b>20. Equity instruments measured at fair value through other comprehensive income</b>                      | <b>(791)</b>     | <b>(0)</b>       |
| a) fair value changes                                                                                        | (791)            | (0)              |
| b) transfers to other items of shareholders' equity                                                          | -                | -                |
| <b>30. Financial liabilities measured at fair value through profit or loss (changes in credit rating)</b>    | <b>-</b>         | <b>-</b>         |
| a) fair value changes                                                                                        | -                | -                |
| b) transfers to other items of shareholders' equity                                                          | -                | -                |
| <b>40. Hedging of equity instruments measured at fair value through other comprehensive income</b>           | <b>-</b>         | <b>-</b>         |
| a) fair value changes (hedged instrument)                                                                    | -                | -                |
| b) fair value changes (hedging instrument)                                                                   | -                | -                |
| <b>50. Property and equipment</b>                                                                            | <b>-</b>         | <b>-</b>         |
| <b>60. Intangible assets</b>                                                                                 | <b>-</b>         | <b>-</b>         |
| <b>70. Defined-benefit plans</b>                                                                             |                  | <b>26</b>        |
| <b>80. Non-current assets held for sale and discontinued operations</b>                                      | <b>169</b>       | <b>-</b>         |
| <b>90. Share of valuation reserves for equity investments measured at equity</b>                             | <b>-</b>         | <b>-</b>         |
| <b>100. Income taxes relating to other income components without reclassification to income statement</b>    | <b>(44)</b>      | <b>(7)</b>       |
| <b>Other income components with reclassification through income statement</b>                                |                  |                  |
| <b>110. Hedging of foreign investments</b>                                                                   | <b>-</b>         | <b>-</b>         |
| a) fair value changes                                                                                        | -                | -                |
| b) reclassification through income statement                                                                 | -                | -                |
| c) other changes                                                                                             | -                | -                |
| <b>120. Foreign exchange differences</b>                                                                     | <b>-</b>         | <b>-</b>         |
| a) fair value changes                                                                                        | -                | -                |
| b) reclassification through income statement                                                                 | -                | -                |
| c) other changes                                                                                             | -                | -                |
| <b>130. Cash flow hedges</b>                                                                                 | <b>-</b>         | <b>-</b>         |
| a) fair value changes                                                                                        | -                | -                |
| b) reclassification through income statement                                                                 | -                | -                |
| c) other changes                                                                                             | -                | -                |
| <b>140. Hedging instruments (undesignated elements)</b>                                                      | <b>-</b>         | <b>-</b>         |
| a) fair value changes                                                                                        | -                | -                |
| b) reclassification through income statement                                                                 | -                | -                |
| c) other changes                                                                                             | -                | -                |
| <b>150. Financial assets (other than equities) measured at fair value through other comprehensive income</b> | <b>8,685</b>     | <b>17,582</b>    |
| a) fair value changes                                                                                        | 9,451            | 17,455           |
| b) reclassification through income statement                                                                 | (766)            | 127              |
| - adjustments for credit risk                                                                                | 1,208            | (385)            |

|                                                                                                            |                  |                 |
|------------------------------------------------------------------------------------------------------------|------------------|-----------------|
| - profits/losses on disposals                                                                              | (1,974)          | 512             |
| c) other changes                                                                                           | -                | -               |
| <b>160. Non-current assets held for sale and discontinued operations:</b>                                  | -                | -               |
| a) fair value changes                                                                                      | -                | -               |
| b) reclassification through income statement                                                               | -                | -               |
| c) other changes                                                                                           | -                | -               |
| <b>170. Share of valuation reserves for equity investments measured at shareholders' equity:</b>           | -                | -               |
| a) fair value changes                                                                                      | -                | -               |
| b) reclassification through income statement                                                               | -                | -               |
| - adjustment due to impairment                                                                             | -                | -               |
| - profits/losses on disposals                                                                              | -                | -               |
| c) other changes                                                                                           | -                | -               |
| <b>180. Income taxes relating to other income components with reclassification to the income statement</b> | (2,473)          | (5,942)         |
| <b>190. Total other income components</b>                                                                  | <b>5,546</b>     | <b>11,659</b>   |
| <b>200. Other comprehensive income (Item 10+190)</b>                                                       | <b>(252,048)</b> | <b>(92,298)</b> |

# PART E – Information on risks and related hedging policies

## Introduction

Quantitative information on the risks referred to the Bank is provided in this part of the Explanatory Notes to the Financial Statements. For qualitative information, refer to the exposure in Part E of the Explanatory Notes to the consolidated financial statements.

## Section 1 – Credit Risk

### Qualitative information

Qualitative information on credit quality is illustrated in Part E of the Explanatory Notes to the consolidated financial statements.

### Quantitative information

For the purposes of quantitative disclosure on credit quality, the term "credit exposures" means financial assets excluding equity securities and units of UCIs.

## A. Credit quality

### A.1 Non-performing and performing credit exposures: consistency, value adjustments, trends and economic distribution

#### A.1.1 Breakdown of financial assets by portfolio and credit quality (book values)

| 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                                | 131,797        | 894,358         | 12,491                            | 108,147                       | 3,700,810                  | 4,847,603        |
| 2. Financial assets measured at fair value through other comprehensive income | -              | 661             | -                                 | -                             | 538,037                    | 538,698          |
| 3. Financial assets designated at fair value                                  | -              | -               | -                                 | -                             | -                          | -                |
| 4. Other financial assets mandatorily measured at fair value                  | -              | 8,373           | -                                 | -                             | 265,779                    | 274,152          |
| 5. Financial assets held for sale                                             | -              | 63,000          | -                                 | -                             | -                          | 63,000           |
| <b>Total 31/12/2025</b>                                                       | <b>131,797</b> | <b>966,392</b>  | <b>12,491</b>                     | <b>108,147</b>                | <b>4,504,626</b>           | <b>5,723,453</b> |
| <b>Total 31/12/2024</b>                                                       | <b>167,225</b> | <b>678,311</b>  | <b>8,791</b>                      | <b>138,682</b>                | <b>5,574,254</b>           | <b>6,567,263</b> |

#### 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   | Total value adjustments | Net exposure     | Total partial write-offs* | Gross exposure   | Total value adjustments | Net exposure     |                      |
| 1. Financial assets measured at amortised cost                                | 1,355,150        | (316,503)               | 1,038,647        | -                         | 3,845,728        | (36,772)                | 3,808,956        | 4,847,603            |
| 2. Financial assets measured at fair value through other comprehensive income | 3,202            | (2,540)                 | 661              | -                         | 538,762          | (725)                   | 538,037          | 538,698              |
| 3. Financial assets designated at fair value                                  | -                | -                       | -                | -                         | X                | X                       | -                | -                    |
| 4. Other financial assets mandatorily measured at fair value                  | 8,373            | -                       | 8,373            | -                         | X                | X                       | 265,779          | 274,152              |
| 5. Financial assets held for sale                                             | 76,198           | (13,198)                | 63,000           | -                         | -                | -                       | -                | 63,000               |
| <b>Total 31/12/2025</b>                                                       | <b>1,442,923</b> | <b>(332,241)</b>        | <b>1,110,682</b> | <b>-</b>                  | <b>4,384,490</b> | <b>(37,497)</b>         | <b>4,612,772</b> | <b>5,723,453</b>     |
| <b>Total 31/12/2024</b>                                                       | <b>922,038</b>   | <b>(67,711)</b>         | <b>854,327</b>   | <b>-</b>                  | <b>5,567,159</b> | <b>(139,386)</b>        | <b>5,712,937</b> | <b>6,567,263</b>     |

| Portfolio/quality                    | Assets of evident low credit quality |              | Other assets  |
|--------------------------------------|--------------------------------------|--------------|---------------|
|                                      | Cumulative losses                    | Net exposure | Net exposure  |
| 1. Financial assets held for trading | -                                    | -            | 12,494        |
| 2. Hedging derivatives               | -                                    | -            | 37,482        |
| <b>Total</b>                         | <b>31/12/2025</b>                    | -            | <b>49,976</b> |
| <b>Total</b>                         | <b>31/12/2024</b>                    | -            | <b>73,388</b> |

### A.1.3 Breakdown of financial assets by past due bracket (book values)

| Portfolios/risk stages                                                        |            | Stage one             |                        |                   | Stage two             |                        |                   | Stage three           |                        |                   | Purchased or originated credit impaired |                        |                   |
|-------------------------------------------------------------------------------|------------|-----------------------|------------------------|-------------------|-----------------------|------------------------|-------------------|-----------------------|------------------------|-------------------|-----------------------------------------|------------------------|-------------------|
|                                                                               |            | Between 1 and 30 days | Between 30 and 90 days | More than 90 days | Between 1 and 30 days | Between 30 and 90 days | More than 90 days | Between 1 and 30 days | Between 30 and 90 days | More than 90 days | Between 1 and 30 days                   | Between 30 and 90 days | More than 90 days |
| 1. Financial assets measured at amortised cost                                |            | 35,207                | 353                    | 43                | 7,794                 | 26,586                 | 1,013             | 3,769                 | 2,649                  | 122,122           | 1,340                                   | 5,587                  | 52,498            |
| 2. Financial assets measured at fair value through other comprehensive income |            | -                     | -                      | -                 | -                     | -                      | -                 | -                     | -                      | 421               | -                                       | -                      | -                 |
| 3. Financial assets held for sale                                             |            | -                     | -                      | -                 | -                     | -                      | -                 | -                     | -                      | 22,000            | -                                       | -                      | -                 |
| Total                                                                         | 31/12/2025 | 35,207                | 353                    | 43                | 7,794                 | 26,586                 | 1,013             | 3,769                 | 2,649                  | 144,543           | 1,340                                   | 5,587                  | 52,498            |
| Total                                                                         | 31/12/2024 | 36,394                | 556                    | 216               | 64,645                | 12,498                 | 24,373            | 3,258                 | 2,467                  | 180,825           | 11,422                                  | 218                    | 386,390           |



#### A.1.4 Financial assets, commitments to disburse funds and financial guarantees issued: trend in the total value adjustments and total provisions

[illegible]

#### A.1.4 Financial assets, commitments to disburse funds and financial guarantees issued: trend in the total value adjustments and total provisions (continued)

[illegible]

### A.1.5 Financial assets, commitments to disburse funds and financial guarantees issued: transfers between the various credit risk stages (gross and nominal values)

| Portfolios/risk stages                                                        | Gross values/nominal value               |                             |                                             |                               |                                             |                               |
|-------------------------------------------------------------------------------|------------------------------------------|-----------------------------|---------------------------------------------|-------------------------------|---------------------------------------------|-------------------------------|
|                                                                               | Transfer between stage one and stage two |                             | Transfers between stage two and stage three |                               | Transfers between stage one and stage three |                               |
|                                                                               | From stage one to stage two              | From stage two to stage one | From stage two to stage three               | From stage three to stage two | From stage one to stage three               | From stage three to stage one |
| 1. Financial assets measured at amortised cost                                | 69,451                                   | 71,951                      | 534,064                                     | 41,512                        | 215,162                                     | 25                            |
| 2. Financial assets measured at fair value through other comprehensive income | 100                                      | -                           | -                                           | -                             | 2,757                                       | -                             |
| 3. Financial assets held for sale                                             | -                                        | -                           | -                                           | -                             | -                                           | -                             |
| 4. Commitments to disburse funds and financial guarantees issued              | 64                                       | 2,186                       | -                                           | -                             | 308                                         | 27                            |
| <b>Total</b>                                                                  | <b>31/12/2025</b>                        | <b>69,615</b>               | <b>74,137</b>                               | <b>534,064</b>                | <b>41,512</b>                               | <b>218,227</b>                |
| <b>Total</b>                                                                  | <b>31/12/2024</b>                        | <b>834,016</b>              | <b>6,870</b>                                | <b>65,170</b>                 | <b>76</b>                                   | <b>84,215</b>                 |

### A.1.6 On- and off-balance sheet credit exposures to banks: gross and net values

| Type of exposures/values                     | Gross exposure |                |             |                                         |   | Total value adjustments and total provisions |           |             |                                         |   | Net exposure   | Total partial write-offs (*) |
|----------------------------------------------|----------------|----------------|-------------|-----------------------------------------|---|----------------------------------------------|-----------|-------------|-----------------------------------------|---|----------------|------------------------------|
|                                              | Stage one      | Stage two      | Stage three | Purchased or originated credit impaired |   | Stage one                                    | Stage two | Stage three | Purchased or originated credit impaired |   |                |                              |
| <b>A.1 On demand</b>                         | <b>172,470</b> | <b>172,470</b> | -           | -                                       | - | <b>19</b>                                    | <b>19</b> | -           | -                                       | - | <b>172,451</b> | -                            |
| a) Non-performing                            | -              | X              | -           | -                                       | - | -                                            | X         | -           | -                                       | - | -              | -                            |
| b) Performing                                | 172,470        | 172,470        | -           | X                                       | - | 19                                           | 19        | -           | X                                       | - | 172,451        | -                            |
| <b>A.2 Other</b>                             | <b>98,106</b>  | <b>97,691</b>  | <b>415</b>  | -                                       | - | <b>83</b>                                    | <b>80</b> | <b>3</b>    | -                                       | - | <b>98,023</b>  | -                            |
| a) Bad loans                                 | -              | X              | -           | -                                       | - | -                                            | X         | -           | -                                       | - | -              | -                            |
| - of which: forbore exposures                | -              | X              | -           | -                                       | - | -                                            | X         | -           | -                                       | - | -              | -                            |
| b) Unlikely to pay                           | -              | X              | -           | -                                       | - | -                                            | X         | -           | -                                       | - | -              | -                            |
| - of which: forbore exposures                | -              | X              | -           | -                                       | - | -                                            | X         | -           | -                                       | - | -              | -                            |
| c) Non-performing past due exposures         | -              | X              | -           | -                                       | - | -                                            | X         | -           | -                                       | - | -              | -                            |
| - of which: forbore exposures                | -              | X              | -           | -                                       | - | -                                            | X         | -           | -                                       | - | -              | -                            |
| d) Performing past due exposures             | -              | -              | -           | X                                       | - | -                                            | -         | -           | X                                       | - | -              | -                            |
| - of which: forbore exposures                | -              | -              | -           | X                                       | - | -                                            | -         | -           | X                                       | - | -              | -                            |
| e) Other performing exposures                | 98,106         | 97,691         | 415         | X                                       | - | 83                                           | 80        | 3           | X                                       | - | 98,023         | -                            |
| - of which: forbore exposures                | -              | -              | -           | X                                       | - | -                                            | -         | -           | X                                       | - | -              | -                            |
| <b>Total (A)</b>                             | <b>270,576</b> | <b>270,161</b> | <b>415</b>  | -                                       | - | <b>102</b>                                   | <b>99</b> | <b>3</b>    | -                                       | - | <b>270,474</b> | -                            |
| <b>B. Off-balance sheet credit exposures</b> | -              | -              | -           | -                                       | - | -                                            | -         | -           | -                                       | - | -              | -                            |
| a) Non-performing                            | -              | X              | -           | -                                       | - | -                                            | X         | -           | -                                       | - | -              | -                            |
| b) Performing                                | 43,872         | 43,872         | -           | X                                       | - | -                                            | -         | -           | X                                       | - | 43,872         | -                            |
| <b>Total (B)</b>                             | <b>43,872</b>  | <b>43,872</b>  | -           | -                                       | - | -                                            | -         | -           | -                                       | - | <b>43,872</b>  | -                            |
| <b>Total (A+B)</b>                           | <b>314,448</b> | <b>314,033</b> | <b>415</b>  | -                                       | - | <b>102</b>                                   | <b>99</b> | <b>3</b>    | -                                       | - | <b>314,346</b> | -                            |

### A.1.7 On- and off-balance sheet credit exposures to customers: gross and net values

| Type of exposures/values              | Gross exposure |           |             |                                         |         | Total value adjustments and total provisions |           |             |                                          |        | Net exposure | Total partial write-offs* |
|---------------------------------------|----------------|-----------|-------------|-----------------------------------------|---------|----------------------------------------------|-----------|-------------|------------------------------------------|--------|--------------|---------------------------|
|                                       | Stage one      | Stage two | Stage three | Purchased or originated credit impaired |         | Stage one                                    | Stage two | Stage three | Purchase d or originated credit impaired |        |              |                           |
| A. On-balance sheet credit exposures  |                |           |             |                                         |         |                                              |           |             |                                          |        |              |                           |
| a) Bad loans                          | 195,108        | X         | -           | 66,239                                  | 128,869 | 63,310                                       | X         | -           | 31,189                                   | 32,121 | 131,798      | -                         |
| - of which: forborne exposures        |                | X         | -           |                                         |         |                                              | X         | -           |                                          | -      | -            | -                         |
| b) Unlikely-to-pay                    | 1,232,924      | X         | -           | 956,754                                 | 276,170 | 266,532                                      | X         | -           | 266,161                                  | 271    | 966,392      | -                         |
| - of which: forborne exposures        | 225,225        | X         | -           | 89,728                                  | 135,497 | 4,969                                        | X         | -           | 4,969                                    | -      | 220,256      | -                         |
| c) Non-performing past due exposures  | 14,891         | X         | -           | 14,891                                  | -       | 2,400                                        | X         | -           | 2,400                                    | -      | 12,491       | -                         |
| - of which: forborne exposures        | -              | X         | -           | -                                       | -       | -                                            | X         | -           | -                                        | -      | -            | -                         |
| d) Performing past due exposures      | 109,419        | 20,158    | 45,141      | X                                       | 44,120  | 1,272                                        | 169       | 1,103       | X                                        | -      | 108,147      | -                         |
| - of which: forborne exposures        | 25,080         | -         | 23,700      | X                                       | 1,380   | 468                                          | -         | 468         | X                                        | -      | 24,612       | -                         |
| e) Other performing exposures         | 4,442,744      | 4,245,127 | 197,067     | X                                       | 550     | 36,142                                       | 30,245    | 5,897       | X                                        | -      | 4,406,602    | -                         |
| - of which: forborne exposures        | 94,080         | -         | 94,080      | X                                       | -       | 1,972                                        | -         | 1,972       | X                                        | -      | 92,108       | -                         |
| Total (A)                             | 5,995,086      | 4,265,285 | 242,208     | 1,037,884                               | 449,709 | 369,656                                      | 30,414    | 7,000       | 299,750                                  | 32,392 | 5,625,430    | -                         |
| B. Off-balance sheet credit exposures |                |           |             |                                         |         |                                              |           |             |                                          |        |              |                           |
| a) Non-performing                     | 17,684         | X         | -           | 7,133                                   | 10,551  | 554                                          | X         | -           | 7                                        | 547    | 17,130       | -                         |
| b) Performing                         | 401,618        | 390,693   | 4,169       | X                                       | 6,756   | 1,664                                        | 1,544     | 22          | X                                        | 98     | 399,954      | -                         |
| Total (B)                             | 419,302        | 390,693   | 4,169       | 7,133                                   | 17,307  | 2,219                                        | 1,544     | 22          | 7                                        | 645    | 417,083      | -                         |
| Total (A+B)                           | 6,414,388      | 4,655,978 | 246,377     | 1,045,017                               | 467,016 | 371,875                                      | 31,958    | 7,022       | 299,757                                  | 33,037 | 6,042,513    | -                         |

### A.1.8 On-balance sheet credit exposures to banks: trend in gross non-performing exposures

There are no non-performing on-balance sheet exposures to banks as initial and/or final exposures for the year, nor have any occurred during the year.

### A.1.8bis On-balance sheet credit exposures to banks: trend in gross non-performing forborne exposures, distinguished by credit quality

There are no non-performing on-balance sheet exposures to banks as initial and/or final exposures for the year, nor have any occurred during the year.

### A.1.9 On-balance sheet credit exposures to customers: trend in gross non-performing exposures

| Descriptions/Categories                                                     | Bad loans      | Unlikely-to-pay  | Non-performing past due exposures |
|-----------------------------------------------------------------------------|----------------|------------------|-----------------------------------|
| <b>A. Opening balance - gross exposure</b>                                  | <b>213,579</b> | <b>697,961</b>   | <b>10,498</b>                     |
| - of which: exposures sold but not derecognised                             | -              | -                | -                                 |
| <b>B. Increases</b>                                                         | <b>48,347</b>  | <b>891,565</b>   | <b>31,777</b>                     |
| B.1 transfers from performing exposures                                     | 629            | 783,793          | 29,734                            |
| B.2 transfers from purchased or originated credit impaired financial assets | 6              | 26,783           | -                                 |
| B.3 transfers from other non-performing exposures                           | 37,066         | 14,472           | -                                 |
| B.4 changes in contracts without derecognition                              | -              | -                | -                                 |
| B.5 other increases                                                         | 10,646         | 66,517           | 2,043                             |
| <b>C. Decreases</b>                                                         | <b>66,818</b>  | <b>356,602</b>   | <b>27,384</b>                     |
| C.1 transfers to performing exposures                                       | -              | 38,157           | 982                               |
| C.2 write-offs                                                              | 885            | -                | -                                 |
| C.3 collections                                                             | 62,433         | 290,529          | 2,780                             |
| C.4 proceeds from disposals                                                 | 3,500          | -                | -                                 |
| C.5 losses on disposal                                                      | -              | -                | -                                 |
| C.6 transfers to other non-performing exposures                             | -              | 27,916           | 23,622                            |
| C.7 changes in contracts without derecognition                              | -              | -                | -                                 |
| C.8 other decreases                                                         | -              | -                | -                                 |
| <b>D. Final gross exposure</b>                                              | <b>195,108</b> | <b>1,232,924</b> | <b>14,891</b>                     |
| - of which: exposures sold but not derecognised                             | -              | -                | -                                 |

### A.1.9bis On-balance sheet credit exposures to customers: trend in gross forborne exposures, distinguished by credit quality

| Descriptions/Quality                                    | Forborne exposures: non-performing | Forborne exposures: performing |
|---------------------------------------------------------|------------------------------------|--------------------------------|
| <b>A. Opening balance - gross exposure</b>              | <b>169,201</b>                     | <b>33,363</b>                  |
| - of which: exposures sold but not derecognised         | -                                  | 22,099                         |
| <b>B. Increases</b>                                     | <b>107,917</b>                     | <b>142,371</b>                 |
| B.1 transfers from performing exposures not forborne    | 38,821                             | 128,037                        |
| B.2 transfers from performing forborne exposures        | 10,975                             | X                              |
| B.3 transfers from non-performing forborne exposures    | X                                  | -                              |
| B.4 inflows from non-performing, non-forborne exposures | -                                  | -                              |
| B.5 other increases                                     | 58,121                             | 14,334                         |
| <b>C. Decreases</b>                                     | <b>51,893</b>                      | <b>56,573</b>                  |
| C.1 Transfers to performing exposures not forborne      | X                                  | -                              |
| C.2 Transfers to performing forborne exposures          | -                                  | X                              |
| C.3 Outflows towards non-performing forborne exposures  | X                                  | 10,975                         |
| C.4 write-offs                                          | -                                  | -                              |
| C.5 collections                                         | 51,893                             | 45,598                         |
| C.6 proceeds from disposals                             | -                                  | -                              |
| C.7 losses on disposal                                  | -                                  | -                              |
| C.8 other decreases                                     | -                                  | -                              |
| <b>D. Final gross exposure</b>                          | <b>225,225</b>                     | <b>119,161</b>                 |
| - of which: exposures sold but not derecognised         | -                                  | 1,739                          |

### A.1.10 On-balance sheet non-performing credit exposures to banks: trend of total value adjustments

There are no non-performing on-balance sheet exposures to banks as initial and/or final exposures for the year, nor have any occurred during the year.

### A.1.11 On-balance sheet non-performing credit exposures to customers: trend of total value adjustments

| Descriptions/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 |
| <b>A. Opening total adjustments</b>                                                 | <b>46,354</b> | -                            | <b>19,650</b>   | <b>1,922</b>                 | <b>1,707</b>                      | -                            |
| - of which: exposures sold but not derecognised                                     | -             | -                            | 1,251           | -                            | 512                               | -                            |
| <b>B. Increases</b>                                                                 | <b>20,383</b> | -                            | <b>256,578</b>  | <b>3,925</b>                 | <b>4,597</b>                      | -                            |
| B.1 value adjustments from purchased or originated credit impaired financial assets | -             | X                            | -               | X                            | -                                 | X                            |
| B.2 other value adjustments                                                         | 15,696        | -                            | 241,365         | 3,453                        | 4,597                             | -                            |
| B.3 losses on disposal                                                              | -             | -                            | -               | -                            | -                                 | -                            |
| B.4 transfers from other non-performing exposures                                   | 4,687         | -                            | 2,168           | -                            | -                                 | -                            |
| B.5 changes in contracts without derecognition                                      | -             | -                            | -               | -                            | -                                 | -                            |
| B.6 other increases                                                                 | -             | -                            | 13,044          | 473                          | -                                 | -                            |
| <b>C. Decreases</b>                                                                 | <b>3,427</b>  | -                            | <b>9,696</b>    | <b>878</b>                   | <b>3,904</b>                      | -                            |
| C.1 write-backs from measurement                                                    | 620           | -                            | 2,426           | 125                          | 62                                | -                            |
| C.2 write-backs from recoveries                                                     | 1,871         | -                            | 4,010           | 235                          | 91                                | -                            |
| C.3 gains on disposal                                                               | -             | -                            | -               | -                            | -                                 | -                            |
| C.4 write-offs                                                                      | 936           | -                            | 30              | -                            | -                                 | -                            |
| C.5 transfers to other non-performing exposures                                     | -             | -                            | 3,230           | 519                          | 3,626                             | -                            |
| C.6 changes in contracts without derecognition                                      | -             | -                            | -               | -                            | -                                 | -                            |
| C.7 other decreases                                                                 | -             | -                            | -               | -                            | 126                               | -                            |
| <b>D. Final total adjustments</b>                                                   | <b>63,310</b> | -                            | <b>266,532</b>  | <b>4,969</b>                 | <b>2,400</b>                      | -                            |
| - of which: exposures sold but not derecognised                                     | -             | -                            | 402             | -                            | 694                               | -                            |
| - other                                                                             | 63,310        | -                            | 266,130         | 4,969                        | 1,706                             | -                            |

### A.2 Classification of financial assets, of commitments to disburse funds and financial guarantees issued on the basis of external and internal ratings

For the purposes of calculating the capital requirement for credit risk, illimity Bank uses the external rating agency (ECAI) Fitch Ratings only for positions included in the "Exposures to central governments or central banks" and "Exposures to institutions" classes; no external ratings are used for other asset classes.

## A.2.1 Distribution of financial assets, commitments to disburse funds and financial guarantees issued, by classes of external ratings (gross values)

| Exposures                                                                            | External rating classes |                |                |                |                |               | No Rating        | Total            |
|--------------------------------------------------------------------------------------|-------------------------|----------------|----------------|----------------|----------------|---------------|------------------|------------------|
|                                                                                      | Class 1                 | Class 2        | Class 3        | Class 4        | Class 5        | Class 6       |                  |                  |
| <b>A. Financial assets measured at amortised cost</b>                                | <b>52,238</b>           | <b>130,514</b> | <b>216,477</b> | <b>338,798</b> | <b>61,618</b>  | <b>24,436</b> | <b>4,376,797</b> | <b>5,200,878</b> |
| - Stage one                                                                          | 51,066                  | 125,878        | 214,145        | 278,832        | 24,609         | 3,589         | 2,860,416        | 3,558,535        |
| - Stage two                                                                          | 1,172                   | 4,636          | 2,332          | 58,586         | 29,158         | 10,065        | 136,574          | 242,523          |
| - Stage three                                                                        | -                       | -              | -              | -              | 7,851          | 10,782        | 972,478          | 991,111          |
| - Purchased or originated impaired                                                   | -                       | -              | -              | 1,380          | -              | -             | 407,329          | 408,709          |
| <b>B. Financial assets measured at fair value through other comprehensive income</b> | <b>-</b>                | <b>38,464</b>  | <b>67,224</b>  | <b>-</b>       | <b>-</b>       | <b>-</b>      | <b>436,277</b>   | <b>541,964</b>   |
| - Stage one                                                                          | -                       | 38,464         | 67,224         | -              | -              | -             | 432,975          | 538,662          |
| - Stage two                                                                          | -                       | -              | -              | -              | -              | -             | 100              | 100              |
| - Stage three                                                                        | -                       | -              | -              | -              | -              | -             | 3,202            | 3,202            |
| - Purchased or originated impaired                                                   | -                       | -              | -              | -              | -              | -             | -                | -                |
| <b>C. Financial assets held for sale</b>                                             | <b>-</b>                | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>      | <b>76,198</b>    | <b>76,198</b>    |
| - Stage one                                                                          | -                       | -              | -              | -              | -              | -             | -                | -                |
| - Stage two                                                                          | -                       | -              | -              | -              | -              | -             | -                | -                |
| - Stage three                                                                        | -                       | -              | -              | -              | -              | -             | 35,198           | 35,198           |
| - Purchased or originated impaired                                                   | -                       | -              | -              | -              | -              | -             | 41,000           | 41,000           |
| <b>Total (A+B+C)</b>                                                                 | <b>52,238</b>           | <b>168,978</b> | <b>283,700</b> | <b>338,798</b> | <b>61,618</b>  | <b>24,436</b> | <b>4,889,272</b> | <b>5,819,040</b> |
| <b>D. Commitments to disburse funds and financial guarantees given</b>               | <b>-</b>                | <b>14,607</b>  | <b>41,593</b>  | <b>35,887</b>  | <b>43,242</b>  | <b>144</b>    | <b>242,103</b>   | <b>377,576</b>   |
| - Stage one                                                                          | -                       | 14,607         | 41,018         | 35,887         | 40,712         | -             | 221,845          | 354,069          |
| - Stage two                                                                          | -                       | -              | -              | -              | 620            | -             | 2,784            | 3,404            |
| - Stage three                                                                        | -                       | -              | -              | -              | -              | 144           | 2,652            | 2,796            |
| - Purchased or originated impaired                                                   | -                       | -              | 574            | -              | 1,910          | -             | 14,823           | 17,307           |
| <b>Total (D)</b>                                                                     | <b>-</b>                | <b>14,607</b>  | <b>41,593</b>  | <b>35,887</b>  | <b>43,242</b>  | <b>144</b>    | <b>242,103</b>   | <b>377,576</b>   |
| <b>Total (A+B+C+D)</b>                                                               | <b>52,238</b>           | <b>183,585</b> | <b>325,293</b> | <b>374,685</b> | <b>104,860</b> | <b>24,580</b> | <b>5,131,375</b> | <b>6,196,616</b> |

## A.2.2 Distribution of financial assets, commitments to disburse funds and financial guarantees issued: by internal rating classes (gross values)

p.1

| Exposures                                                                            | Internal rating classes |         |         |         |         |         |         | Class 8 |
|--------------------------------------------------------------------------------------|-------------------------|---------|---------|---------|---------|---------|---------|---------|
|                                                                                      | Class 1                 | Class 2 | Class 3 | Class 4 | Class 5 | Class 6 | Class 7 |         |
| <b>A. Financial assets measured at amortised cost</b>                                | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Stage one                                                                          | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Stage two                                                                          | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Stage three                                                                        | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Purchased or originated impaired                                                   | -                       | -       | -       | -       | -       | -       | -       | -       |
| <b>B. Financial assets measured at fair value through other comprehensive income</b> | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Stage one                                                                          | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Stage two                                                                          | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Stage three                                                                        | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Purchased or originated impaired                                                   | -                       | -       | -       | -       | -       | -       | -       | -       |
| <b>C. Financial assets held for sale</b>                                             | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Stage one                                                                          | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Stage two                                                                          | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Stage three                                                                        | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Purchased or originated impaired                                                   | -                       | -       | -       | -       | -       | -       | -       | -       |
| <b>Total (A+B+C)</b>                                                                 | -                       | -       | -       | -       | -       | -       | -       | -       |
| <b>D. Commitments to disburse funds and financial guarantees given</b>               | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Stage one                                                                          | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Stage two                                                                          | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Stage three                                                                        | -                       | -       | -       | -       | -       | -       | -       | -       |
| - Purchased or originated impaired                                                   | -                       | -       | -       | -       | -       | -       | -       | -       |
| <b>Total (D)</b>                                                                     | -                       | -       | -       | -       | -       | -       | -       | -       |
| <b>Total (A+B+C)</b>                                                                 | -                       | -       | -       | -       | -       | -       | -       | -       |



## A.2.2 Prudential consolidation - Distribution of financial assets, commitments to disburse funds and financial guarantees issued by internal rating classes (gross values)

p.2

| Exposures                                                                            | Internal rating classes |          |          |          |          |          |           | TOTAL            |
|--------------------------------------------------------------------------------------|-------------------------|----------|----------|----------|----------|----------|-----------|------------------|
|                                                                                      | Class 9                 | Class 10 | Class 11 | Class 12 | Class 13 | Class 14 | No Rating |                  |
| <b>A. Financial assets measured at amortised cost</b>                                | -                       | -        | -        | -        | -        | -        | 5,200,878 | <b>5,200,878</b> |
| - Stage one                                                                          | -                       | -        | -        | -        | -        | -        | 3,558,535 | 3,558,535        |
| - Stage two                                                                          | -                       | -        | -        | -        | -        | -        | 242,523   | 242,523          |
| - Stage three                                                                        | -                       | -        | -        | -        | -        | -        | 991,111   | 991,111          |
| - Purchased or originated impaired                                                   | -                       | -        | -        | -        | -        | -        | 408,709   | 408,709          |
| <b>B. Financial assets measured at fair value through other comprehensive income</b> | -                       | -        | -        | -        | -        | -        | 541,964   | <b>541,964</b>   |
| - Stage one                                                                          | -                       | -        | -        | -        | -        | -        | 538,662   | 538,662          |
| - Stage two                                                                          | -                       | -        | -        | -        | -        | -        | 100       | 100              |
| - Stage three                                                                        | -                       | -        | -        | -        | -        | -        | 3,202     | 3,202            |
| - Purchased or originated impaired                                                   | -                       | -        | -        | -        | -        | -        | -         | -                |
| <b>C. Financial assets held for sale</b>                                             | -                       | -        | -        | -        | -        | -        | 76,198    | <b>76,198</b>    |
| - Stage one                                                                          | -                       | -        | -        | -        | -        | -        | 35,198    | 35,198           |
| - Stage two                                                                          | -                       | -        | -        | -        | -        | -        | -         | -                |
| - Stage three                                                                        | -                       | -        | -        | -        | -        | -        | -         | -                |
| - Purchased or originated impaired                                                   | -                       | -        | -        | -        | -        | -        | 41,000    | 41,000           |
| <b>Total (A+B+C)</b>                                                                 | -                       | -        | -        | -        | -        | -        | 5,819,040 | <b>5,819,040</b> |
| <b>D. Commitments to disburse funds and financial guarantees given</b>               | -                       | -        | -        | -        | -        | -        | 377,576   | <b>377,576</b>   |
| - Stage one                                                                          | -                       | -        | -        | -        | -        | -        | 354,069   | 354,069          |
| - Stage two                                                                          | -                       | -        | -        | -        | -        | -        | 3,404     | 3,404            |
| - Stage three                                                                        | -                       | -        | -        | -        | -        | -        | 2,796     | 2,796            |
| - Purchased or originated impaired                                                   | -                       | -        | -        | -        | -        | -        | 17,307    | 17,307           |
| <b>Total (D)</b>                                                                     | -                       | -        | -        | -        | -        | -        | 377,576   | <b>377,576</b>   |
| <b>Total (A+B+C)</b>                                                                 | -                       | -        | -        | -        | -        | -        | 6,196,616 | <b>6,196,616</b> |



### A.3.2 Guaranteed on- and off-balance sheet credit exposures to customers

|                                                  | Gross exposure | Net exposure                    | Collaterals                |                                       |            |                      | Personal guarantees |                   |   |   |   |                               |       |                              |                |           | Total<br>(1)+(2) |
|--------------------------------------------------|----------------|---------------------------------|----------------------------|---------------------------------------|------------|----------------------|---------------------|-------------------|---|---|---|-------------------------------|-------|------------------------------|----------------|-----------|------------------|
|                                                  |                |                                 | (1)                        |                                       |            |                      | (2)                 |                   |   |   |   |                               |       |                              |                |           |                  |
|                                                  |                |                                 | Real estate -<br>mortgages | Real estate -<br>Loans for<br>leasing | Securities | Other<br>collaterals | Credit derivatives  |                   |   |   |   | Endorsement credits           |       |                              |                |           |                  |
|                                                  |                |                                 |                            |                                       |            |                      | CLN                 | Other derivatives |   |   |   | Public<br>administration<br>s | Banks | Other financial<br>companies | Other entities |           |                  |
| Central<br>counterpa<br>rties                    | Banks          | Other<br>financial<br>companies | Other<br>entities          |                                       |            |                      |                     |                   |   |   |   |                               |       |                              |                |           |                  |
| 1. Guaranteed on-balance sheet credit exposures: | 5,995,085      | 5,625,429                       | 264,606                    | -                                     | 79,046     | 36,319               | -                   | -                 | - | - | - | 201,852                       | -     | 5,605                        | 708,594        | 1,296,023 |                  |
| 1.1. totally secured                             | 556,192        | 535,142                         | 257,204                    | -                                     | 60,872     | 34,693               | -                   | -                 | - | - | - | 56,817                        | -     | 5,155                        | 110,089        | 524,830   |                  |
| - of which non-performing                        | 187,917        | 172,728                         | 87,246                     | -                                     | 24,095     | 9,617                | -                   | -                 | - | - | - | 17,297                        | -     | 376                          | 24,409         | 163,040   |                  |
| 1.2. partially secured                           | 1,067,109      | 1,041,575                       | 7,402                      | -                                     | 18,175     | 1,626                | -                   | -                 | - | - | - | 145,035                       | -     | 450                          | 598,506        | 771,193   |                  |
| - of which non-performing                        | 181,922        | 163,206                         | -                          | -                                     | 13,252     | 393                  | -                   | -                 | - | - | - | 44,440                        | -     | 450                          | 51,963         | 110,128   |                  |
| 2. Off-balance sheet credit exposures            | 419,302        | 417,083                         | 2,393                      | -                                     | -          | 1,074                | -                   | -                 | - | - | - | -                             | -     | -                            | 181            | 3,647     |                  |
| 2.1                                              | 859            | 856                             | 257                        | -                                     | -          | 411                  | -                   | -                 | - | - | - | -                             | -     | -                            | 181            | 845       |                  |
| - of which non-performing                        | 172            | 172                             | 19                         | -                                     | -          | 103                  | -                   | -                 | - | - | - | -                             | -     | -                            | 47             | 168       |                  |
| 2.2. partially secured                           | 11,657         | 11,626                          | 2,136                      | -                                     | -          | 663                  | -                   | -                 | - | - | - | -                             | -     | -                            | -              | 2,799     |                  |
| - of which non-performing                        | 1,235          | 1,235                           | -                          | -                                     | -          | -                    | -                   | -                 | - | - | - | -                             | -     | -                            | -              | -         |                  |

### A.4 Financial and non-financial assets obtained through the enforcement of guarantees received

There are no financial and non-financial assets obtained through the enforcement of guarantees received.

## B. Distribution and concentration of credit exposures

### B.1 Sector breakdown of on- and “off-balance sheet” credit exposures to customers (book value)

p.1

| Exposures/Counterparties              |            | Public administrations |                               | Financial companies |                               | Financial companies (of which: insurance companies) |                               |
|---------------------------------------|------------|------------------------|-------------------------------|---------------------|-------------------------------|-----------------------------------------------------|-------------------------------|
|                                       |            | Net exposure           | Total write-downs/write-backs | Net exposure        | Total write-downs/write-backs | Net exposure                                        | Total write-downs/write-backs |
| A. On-balance sheet credit exposures  |            |                        |                               |                     |                               |                                                     |                               |
| A.1 Bad loans                         |            | -                      | -                             | 79,796              | 32,152                        | -                                                   | -                             |
| - of which: forborne exposures        |            | -                      | -                             | -                   | -                             | -                                                   | -                             |
| A.2 Unlikely to pay                   |            | 3,392                  | -                             | 603,004             | 237,756                       | -                                                   | -                             |
| - of which: forborne exposures        |            | -                      | -                             | -                   | -                             | -                                                   | -                             |
| A.3 Non-performing past due exposures |            | -                      | -                             | 52                  | 2                             | -                                                   | -                             |
| - of which: forborne exposures        |            | -                      | -                             | -                   | -                             | -                                                   | -                             |
| A.4 Performing exposures              |            | 1,372,196              | 1,666                         | 1,397,718           | 11,201                        | 532                                                 | 8                             |
| - of which: forborne exposures        |            | -                      | -                             | -                   | -                             | -                                                   | -                             |
| Total (A)                             |            | 1,375,588              | 1,666                         | 2,080,570           | 281,111                       | 532                                                 | 8                             |
| B. Off-balance sheet credit exposures |            |                        |                               |                     |                               |                                                     |                               |
| B.1 Non-performing exposures          |            | -                      | -                             | 3,447               | -                             | -                                                   | -                             |
| B.2 Performing exposures              |            | -                      | -                             | 159,510             | 361                           | -                                                   | -                             |
| Total (B)                             |            | -                      | -                             | 162,957             | 361                           | -                                                   | -                             |
| Total (A+B)                           | 31/12/2025 | 1,375,588              | 1,666                         | 2,243,527           | 281,472                       | 532                                                 | 8                             |
| Total (A+B)                           | 31/12/2024 | 1,395,266              | 1,628                         | 2,467,818           | 134,523                       | 2,873                                               | 6                             |

## B.1 Sector breakdown of on- and “off-balance sheet” credit exposures to customers (book value)

p.2

| Exposures/Counterparties                     | Non-financial companies |                               | Households    |                               |
|----------------------------------------------|-------------------------|-------------------------------|---------------|-------------------------------|
|                                              | Net exposure            | Total write-downs/write-backs | Net exposure  | Total write-downs/write-backs |
| <b>A. On-balance sheet credit exposures</b>  |                         |                               |               |                               |
| A.1 Bad loans                                | 49,239                  | 29,518                        | 2,761         | 1,640                         |
| - of which: forborne exposures               | -                       | -                             | -             | -                             |
| A.2 Unlikely to pay                          | 351,254                 | 28,381                        | 8,742         | 395                           |
| - of which: forborne exposures               | 219,699                 | 4,719                         | 557           | 250                           |
| A.3 Non-performing past due exposures        | 12,115                  | 2,080                         | 325           | 318                           |
| - of which: forborne exposures               | -                       | -                             | -             | -                             |
| A.4 Performing exposures                     | 1,697,750               | 24,207                        | 47,085        | 340                           |
| - of which: forborne exposures               | 115,909                 | 2,410                         | 811           | 30                            |
| <b>Total (A)</b>                             | <b>2,110,358</b>        | <b>84,187</b>                 | <b>58,913</b> | <b>2,693</b>                  |
| <b>B. Off-balance sheet credit exposures</b> |                         |                               |               |                               |
| B.1 Non-performing exposures                 | 13,280                  | 546                           | 402           | 9                             |
| B.2 Performing exposures                     | 238,714                 | 1,303                         | 1,729         | -                             |
| <b>Total (B)</b>                             | <b>251,994</b>          | <b>1,849</b>                  | <b>2,131</b>  | <b>9</b>                      |
| <b>Total (A+B)</b>                           | <b>31/12/2025</b>       | <b>2,362,352</b>              | <b>86,035</b> | <b>61,044</b>                 |
| <b>Total (A+B)</b>                           | <b>31/12/2024</b>       | <b>2,731,481</b>              | <b>70,287</b> | <b>74,016</b>                 |
|                                              |                         |                               |               | <b>2,702</b>                  |
|                                              |                         |                               |               | <b>2,633</b>                  |

## B.2 Territorial distribution of on- and “off-balance sheet” credit exposures to customers p.1

| Exposures/Geographic areas                   | Italy             |                               | Other European countries |                               | America       |
|----------------------------------------------|-------------------|-------------------------------|--------------------------|-------------------------------|---------------|
|                                              | Net exposures     | Total write-downs/write-backs | Net exposures            | Total write-downs/write-backs | Net exposures |
| <b>A. On-balance sheet credit exposures</b>  |                   |                               |                          |                               |               |
| A.1 Bad loans                                | 131,797           | 63,309                        | -                        | 1                             | -             |
| A.2 Unlikely to pay                          | 939,977           | 249,320                       | 25,873                   | 17,193                        | 542           |
| A.3 Non-performing past due exposures        | 12,491            | 2,400                         | -                        | -                             | -             |
| A.4 Performing exposures                     | 3,902,033         | 36,217                        | 578,753                  | 1,060                         | 19,778        |
| <b>Total (A)</b>                             | <b>4,986,298</b>  | <b>351,246</b>                | <b>604,626</b>           | <b>18,254</b>                 | <b>20,320</b> |
| <b>B. Off-balance sheet credit exposures</b> |                   |                               |                          |                               |               |
| B.1 Non-performing exposures                 | 17,129            | 555                           | -                        | -                             | -             |
| B.2 Performing exposures                     | 398,282           | 1,664                         | 1,666                    | -                             | 6             |
| <b>Total (B)</b>                             | <b>415,411</b>    | <b>2,219</b>                  | <b>1,666</b>             | <b>-</b>                      | <b>6</b>      |
| <b>Total (A+B)</b>                           | <b>31/12/2025</b> | <b>5,401,709</b>              | <b>353,465</b>           | <b>606,292</b>                | <b>18,254</b> |
| <b>Total (A+B)</b>                           | <b>31/12/2024</b> | <b>6,096,108</b>              | <b>205,122</b>           | <b>502,622</b>                | <b>37,105</b> |

## B.2 Territorial distribution of on- and “off-balance sheet” credit exposures to customers p.2

| Exposures/Geographic areas                   | America                       | Asia          |                               | Rest of the World |                               |
|----------------------------------------------|-------------------------------|---------------|-------------------------------|-------------------|-------------------------------|
|                                              | Total write-downs/write-backs | Net exposures | Total write-downs/write-backs | Net exposures     | Total write-downs/write-backs |
| <b>A. On-balance sheet credit exposures</b>  |                               |               |                               |                   |                               |
| A.1 Bad loans                                | -                             | -             | -                             | -                 | -                             |
| A.2 Unlikely to pay                          | 20                            | -             | -                             | -                 | -                             |
| A.3 Non-performing past due exposures        | -                             | -             | -                             | -                 | -                             |
| A.4 Performing exposures                     | 79                            | 9,729         | 37                            | 4,456             | 21                            |
| <b>Total (A)</b>                             | <b>99</b>                     | <b>9,729</b>  | <b>37</b>                     | <b>4,456</b>      | <b>21</b>                     |
| <b>B. Off-balance sheet credit exposures</b> |                               |               |                               |                   |                               |
| B.1 Non-performing exposures                 | -                             | -             | -                             | -                 | -                             |
| B.2 Performing exposures                     | -                             | -             | -                             | -                 | -                             |
| <b>Total (B)</b>                             | <b>-</b>                      | <b>-</b>      | <b>-</b>                      | <b>-</b>          | <b>-</b>                      |
| <b>Total (A+B)</b>                           | <b>31/12/2025</b>             | <b>99</b>     | <b>9,729</b>                  | <b>37</b>         | <b>4,456</b>                  |
| <b>Total (A+B)</b>                           | <b>31/12/2024</b>             | <b>90</b>     | <b>29,832</b>                 | <b>41</b>         | <b>2,913</b>                  |

**B.2 Territorial distribution of on- and “off-balance sheet” credit exposures to customers**

| Exposures/Geographic areas                   | North west Italy |                               | North east Italy |                               | Central Italy    |                               | Southern Italy and islands |                               |
|----------------------------------------------|------------------|-------------------------------|------------------|-------------------------------|------------------|-------------------------------|----------------------------|-------------------------------|
|                                              | Net exposure     | Total write-downs/write-backs | Net exposure     | Total write-downs/write-backs | Net exposure     | Total write-downs/write-backs | Net exposure               | Total write-downs/write-backs |
| <b>A. On-balance sheet credit exposures</b>  |                  |                               |                  |                               |                  |                               |                            |                               |
| A.1 Bad loans                                | 95,726           | 38,841                        | 9,082            | 14,306                        | 20,832           | 7,626                         | 6,157                      | 2,536                         |
| A.2 Unlikely to pay                          | 774,087          | 236,927                       | 101,220          | 4,026                         | 39,180           | 1,927                         | 25,489                     | 6,439                         |
| A.3 Non-performing past due exposures        | 5,351            | 962                           | 1,947            | 384                           | 2,225            | 428                           | 2,968                      | 626                           |
| A.4 Performing exposures                     | 1,632,683        | 19,317                        | 647,920          | 11,105                        | 1,518,508        | 4,166                         | 102,922                    | 1,629                         |
| <b>Total (A)</b>                             | <b>2,507,848</b> | <b>296,047</b>                | <b>760,169</b>   | <b>29,821</b>                 | <b>1,580,745</b> | <b>14,147</b>                 | <b>137,536</b>             | <b>11,230</b>                 |
| <b>B. Off-balance sheet credit exposures</b> |                  |                               |                  |                               |                  |                               |                            |                               |
| B.1 Non-performing exposures                 | 7,609            | 77                            | 8,525            | 475                           | 775              | 3                             | 221                        | -                             |
| B.2 Performing exposures                     | 288,577          | 1,354                         | 59,483           | 143                           | 41,539           | 125                           | 8,682                      | 42                            |
| <b>Total (B)</b>                             | <b>296,186</b>   | <b>1,431</b>                  | <b>68,008</b>    | <b>618</b>                    | <b>42,314</b>    | <b>128</b>                    | <b>8,903</b>               | <b>42</b>                     |
| <b>Total (A+B) 31/12/2025</b>                | <b>2,804,033</b> | <b>297,479</b>                | <b>828,177</b>   | <b>30,440</b>                 | <b>1,623,059</b> | <b>14,275</b>                 | <b>146,439</b>             | <b>11,272</b>                 |
| <b>Total (A+B) 31/12/2024</b>                | <b>3,394,282</b> | <b>152,356</b>                | <b>711,797</b>   | <b>37,969</b>                 | <b>1,780,178</b> | <b>10,424</b>                 | <b>209,788</b>             | <b>4,373</b>                  |

### B.3 Territorial distribution of on- and “off-balance sheet” credit exposures to banks p.1

| Exposures/Geographic areas                   | Italy             |                               | Other European countries |                               | America       |
|----------------------------------------------|-------------------|-------------------------------|--------------------------|-------------------------------|---------------|
|                                              | Net exposures     | Total write-downs/write-backs | Net exposures            | Total write-downs/write-backs | Net exposures |
| <b>A. On-balance sheet credit exposures</b>  |                   |                               |                          |                               |               |
| A.1 Bad loans                                | -                 | -                             | -                        | -                             | -             |
| A.2 Unlikely to pay                          | -                 | -                             | -                        | -                             | -             |
| A.3 Non-performing past due exposures        | -                 | -                             | -                        | -                             | -             |
| A.4 Performing exposures                     | 265,340           | 102                           | 5,135                    | -                             | -             |
| <b>Total (A)</b>                             | <b>265,340</b>    | <b>102</b>                    | <b>5,135</b>             | -                             | -             |
| <b>B. Off-balance sheet credit exposures</b> |                   |                               |                          |                               |               |
| B.1 Non-performing exposures                 | -                 | -                             | -                        | -                             | -             |
| B.2 Performing exposures                     | 42,105            | -                             | 1,767                    | -                             | -             |
| <b>Total (B)</b>                             | <b>42,105</b>     | -                             | <b>1,767</b>             | -                             | -             |
| <b>Total (A+B)</b>                           | <b>31/12/2025</b> | <b>307,445</b>                | <b>102</b>               | <b>6,902</b>                  | -             |
| <b>Total (A+B)</b>                           | <b>31/12/2024</b> | <b>560,300</b>                | <b>326</b>               | <b>145,313</b>                | <b>44</b>     |

### B.3 Territorial distribution of on- and “off-balance sheet” credit exposures to banks p.2

| Exposures/Geographic areas                   | America                       | Asia          |                               | Rest of the World |                               |
|----------------------------------------------|-------------------------------|---------------|-------------------------------|-------------------|-------------------------------|
|                                              | Total write-downs/write-backs | Net exposures | Total write-downs/write-backs | Net exposures     | Total write-downs/write-backs |
| <b>A. On-balance sheet credit exposures</b>  |                               |               |                               |                   |                               |
| A.1 Bad loans                                | -                             | -             | -                             | -                 | -                             |
| A.2 Unlikely to pay                          | -                             | -             | -                             | -                 | -                             |
| A.3 Non-performing past due exposures        | -                             | -             | -                             | -                 | -                             |
| A.4 Performing exposures                     | -                             | -             | -                             | -                 | -                             |
| <b>Total (A)</b>                             | -                             | -             | -                             | -                 | -                             |
| <b>B. Off-balance sheet credit exposures</b> |                               |               |                               |                   |                               |
| B.1 Non-performing exposures                 | -                             | -             | -                             | -                 | -                             |
| B.2 Performing exposures                     | -                             | -             | -                             | -                 | -                             |
| <b>Total (B)</b>                             | -                             | -             | -                             | -                 | -                             |
| <b>Total (A+B)</b>                           | <b>31/12/2025</b>             | -             | -                             | -                 | -                             |
| <b>Total (A+B)</b>                           | <b>31/12/2024</b>             | -             | -                             | -                 | -                             |



### B.3 Territorial distribution of on- and “off-balance sheet” credit exposures to banks

| Exposures/Geographic areas                   | North west Italy |                               | North east Italy |                               | Central Italy  |                               | Southern Italy and islands |                               |
|----------------------------------------------|------------------|-------------------------------|------------------|-------------------------------|----------------|-------------------------------|----------------------------|-------------------------------|
|                                              | Net exposures    | Total write-downs/write-backs | Net exposures    | Total write-downs/write-backs | Net exposures  | Total write-downs/write-backs | Net exposures              | Total write-downs/write-backs |
| <b>A. On-balance sheet credit exposures</b>  |                  |                               |                  |                               |                |                               |                            |                               |
| A.1 Bad loans                                | -                | -                             | -                | -                             | -              | -                             | -                          | -                             |
| A.2 Unlikely to pay                          | -                | -                             | -                | -                             | -              | -                             | -                          | -                             |
| A.3 Non-performing past due exposures        | -                | -                             | -                | -                             | -              | -                             | -                          | -                             |
| A.4 Performing exposures                     | 111,698          | 101                           | -                | -                             | 153,642        | 1                             | -                          | -                             |
| <b>Total (A)</b>                             | <b>111,698</b>   | <b>101</b>                    | -                | -                             | <b>153,642</b> | <b>1</b>                      | -                          | -                             |
| <b>B. Off-balance sheet credit exposures</b> |                  |                               |                  |                               |                |                               |                            |                               |
| B.1 Non-performing exposures                 | -                | -                             | -                | -                             | -              | -                             | -                          | -                             |
| B.2 Performing exposures                     | 40,794           | -                             | -                | -                             | 1,310          | -                             | -                          | -                             |
| <b>Total (B)</b>                             | <b>40,794</b>    | -                             | -                | -                             | <b>1,310</b>   | -                             | -                          | -                             |
| <b>Total (A+B)</b>                           | <b>152,492</b>   | <b>101</b>                    | -                | -                             | <b>154,952</b> | <b>1</b>                      | -                          | -                             |
|                                              | 31/12/2025       |                               |                  |                               |                |                               |                            |                               |
| <b>Total (A+B)</b>                           | <b>227,568</b>   | <b>281</b>                    | <b>9,388</b>     | <b>11</b>                     | <b>323,344</b> | <b>34</b>                     | -                          | -                             |
|                                              | 31/12/2024       |                               |                  |                               |                |                               |                            |                               |

### B.4 Large exposures

|                | 31/12/2025 |
|----------------|------------|
| Book value     | 5,130,259  |
| Weighted value | 342,264    |
| Number         | 13         |

## C. SECURITISATION TRANSACTIONS

### Qualitative information

With regard to securitisation transactions, below is a brief qualitative description, broken down by originating business unit.

#### SPVs arising from Specialised Credit (non-Core) business and Asset Based Financing

In its investment and non-performing loan management (NPLs), the Bank uses a number of SPVs, securitisation vehicles established under Italian Law 130/99.

In particular, illimity purchased portfolios of non-performing loans from third parties through SPVs that were financed by issuing mono-tranching notes fully subscribed by the Bank, replicating the entire return of the underlying portfolio and consequently subject to line-by-line consolidation.

Furthermore, a second type of transaction within this category consists of illimity's investment in senior notes (also referred to as “*senior financing*”) issued by the SPV backed by non-performing loans or real estate development initiatives, which are not subject to full consolidation.

In some cases and as a sponsor, illimity also holds part of the *mezzanine* and *junior* notes issued by the vehicle.

### SPVs arising from the Investment Banking business

To carry out its *performing* loan securitisation activities, the Bank uses an SPV established pursuant to Italian Law 130/99.

In particular, the SPV purchased portfolios of performing loans from third parties by issuing *mono-tranching* notes fully subscribed by the Bank, thereby effectively replicating the entire return of the underlying portfolio and consequently being subject to line-by-line consolidation.

Furthermore, a second type of transaction within this category consists of illimity's investment in senior notes (also referred to as "*senior financing*") issued by the SPV backed by performing loans, which are not subject to full consolidation.

In some cases and as a sponsor, illimity also holds part of the *mezzanine* and *junior* notes issued by the vehicle.

### SPVs arising from the b-ilty business

To carry out its *performing* loan securitisation activities, the Bank uses SPVs established pursuant to Italian Law 130/99.

In particular, these vehicles purchased portfolios of performing loans from third parties by issuing *mono-tranching* notes fully subscribed by the Bank, thereby effectively replicating the entire return of the underlying portfolio and consequently being subject to line-by-line consolidation.

### SPVs arising from Turnaround business

To carry out its financing activities, the Bank uses an SPV established pursuant to Italian Law 130/99.

illimity invested in the senior note and in part of the junior note issued by the SPV backed by performing loans, not subject to full consolidation.

### Summary data

As at 31 December 2025, the illimity Group held a total portfolio of securities issued by securitisation vehicles for a total of EUR 1,499 million, of which EUR 1,261 million measured at amortised cost and EUR 238 million measured at fair value through profit and loss.

This data includes:

- own securitisations in which the Group has also assumed the role of originator (including "transformed" securitisations). The Group has subscribed securities whose book value as at 31 December 2025 was EUR 477 million. For further details, please refer to the next paragraph "C. Financial assets sold and fully derecognised", under subsection "D. Disposal transactions" of this "Section 2 - Prudential consolidation risks" of Part E;
- third-party securitisations with a book value as of 31 December 2025 of EUR 1,022 million.

## Quantitative information

### C.1 Exposures resulting from the main originated securitisation transactions broken down by type of securitisations and by type of exposures

| Type of securitised assets/Exposures                                     | On-balance sheet exposures |                         |            |                         |            |                         | Guarantees issued |                         |            |                         |            |                         | Credit facilities |                         |            |                         |            |                         |
|--------------------------------------------------------------------------|----------------------------|-------------------------|------------|-------------------------|------------|-------------------------|-------------------|-------------------------|------------|-------------------------|------------|-------------------------|-------------------|-------------------------|------------|-------------------------|------------|-------------------------|
|                                                                          | Senior                     |                         | Mezzanine  |                         | Junior     |                         | Senior            |                         | Mezzanine  |                         | Junior     |                         | Senior            |                         | Mezzanine  |                         | Junior     |                         |
|                                                                          | Book value                 | Write-downs/write-backs | Book value | Write-downs/write-backs | Book value | Write-downs/write-backs | Book value        | Write-downs/write-backs | Book value | Write-downs/write-backs | Book value | Write-downs/write-backs | Book value        | Write-downs/write-backs | Book value | Write-downs/write-backs | Book value | Write-downs/write-backs |
| <b>A. Subject to full derecognition from the financial statements</b>    | 476,995                    | (206,008)               | 77         | -                       | 158        | -                       | -                 | -                       | -          | -                       | -          | -                       | -                 | -                       | -          | -                       | -          | -                       |
| - Loans to customers                                                     | 476,995                    | (206,008)               | 77         | -                       | 158        | -                       | -                 | -                       | -          | -                       | -          | -                       | -                 | -                       | -          | -                       | -          | -                       |
| <b>B. Subject to partial derecognition from the financial statements</b> | -                          | -                       | -          | -                       | -          | -                       | -                 | -                       | -          | -                       | -          | -                       | -                 | -                       | -          | -                       | -          | -                       |
| <b>C. Not derecognised from the financial statements</b>                 | -                          | -                       | -          | -                       | -          | -                       | -                 | -                       | -          | -                       | -          | -                       | -                 | -                       | -          | -                       | -          | -                       |

Disclosure about “self-securitisation” operations can be found in Section E - 4 Liquidity risk. These are operations in which the Bank has subscribed the securities issued by the vehicle, with the aim of using them to obtain liquidity, typically by means of repurchase agreements with market counterparties.

### C.2 Exposures resulting from the main “third party” securitisation transactions broken down by type of securitised asset and by type of exposure

| Type of underlying assets/Exposures | On-balance sheet exposures |                         |            |                         |            |                         | Guarantees issued |                         |            |                         |            |                         | Credit facilities |                         |            |                         |            |                         |
|-------------------------------------|----------------------------|-------------------------|------------|-------------------------|------------|-------------------------|-------------------|-------------------------|------------|-------------------------|------------|-------------------------|-------------------|-------------------------|------------|-------------------------|------------|-------------------------|
|                                     | Senior                     |                         | Mezzanine  |                         | Junior     |                         | Senior            |                         | Mezzanine  |                         | Junior     |                         | Senior            |                         | Mezzanine  |                         | Junior     |                         |
|                                     | Book value                 | Write-downs/write-backs | Book value | Write-downs/write-backs | Book value | Write-downs/write-backs | Book value        | Write-downs/write-backs | Book value | Write-downs/write-backs | Book value | Write-downs/write-backs | Book value        | Write-downs/write-backs | Book value | Write-downs/write-backs | Book value | Write-downs/write-backs |
| Loans to customers                  | 851,248                    | (39,823)                | 85,145     | -                       | 84,998     | -                       | -                 | -                       | -          | -                       | -          | -                       | -                 | -                       | -          | -                       | -          | -                       |

### C.3 Securitisation vehicles

As described in the preceding sections, in order to carry out its activities, the Bank uses securitisation vehicles pursuant to Law 130/99. For further information, please refer to the contents of the relevant section in the Explanatory Notes to the consolidated financial statements.

### C.4 Non-consolidated securitisation vehicles

As at 31 December 2025, there were no cases for the illimity Group falling within the scope of the disclosures required in this paragraph.

### C.5 Servicer activities - originated securitisations: collections of securitised loans and redemptions of securities issued by the securitisation vehicles

| Vehicle Company | Assets                 |            | COLLECTIONS OF RECEIVABLES<br>REALISED DURING THE YEAR |            | PERCENTAGE SHARE OF SECURITIES<br>REDEEMED |           |        |
|-----------------|------------------------|------------|--------------------------------------------------------|------------|--------------------------------------------|-----------|--------|
|                 | SECURITISED ASSETS     |            |                                                        |            |                                            |           |        |
|                 | (end-of-period figure) |            |                                                        |            |                                            |           |        |
|                 | Non-performing         | Performing | Non-performing                                         | Performing | Senior                                     | Mezzanine | Junior |
| Vela 2023 SPV   | 62,898                 | 173,919    | 25,587                                                 | 14,054     | 4%                                         | -         | -      |
| Zefiro SPV      | 99,357                 | -          | 41,036                                                 | -          | 12%                                        | -         | -      |

### D. DISCLOSURE ABOUT STRUCTURED ENTITIES NOT CONSOLIDATED IN THE ACCOUNTS (UNLIKE THE SECURITISATION VEHICLES)

The Bank does not use structured entities not consolidated in the accounts, other than securitisation vehicles.

### E. DISPOSAL TRANSACTIONS

#### A. Financial assets sold and not fully derecognised

##### Qualitative information

The sales connected to financial assets sold and not derecognised relate to repurchase agreements - payable, where the buyer has to resell on expiration of the assets (for example securities).

## Quantitative information

### E.1 Financial assets sold and fully recognised and associated financial liabilities: book value

| Financial assets sold and fully recognised                                           |                  |                                                  |                                                             |                         | Associated financial liabilities |                                                  |                                                             |
|--------------------------------------------------------------------------------------|------------------|--------------------------------------------------|-------------------------------------------------------------|-------------------------|----------------------------------|--------------------------------------------------|-------------------------------------------------------------|
|                                                                                      | Book value       | of which: subject to securitisation transactions | of which: subject to sale agreements with repurchase clause | of which non-performing | Book value                       | of which: subject to securitisation transactions | of which: subject to sale agreements with repurchase clause |
| <b>A. Financial assets held for trading</b>                                          | -                | -                                                | -                                                           | X                       | -                                | -                                                | -                                                           |
| 1. Debt securities                                                                   | -                | -                                                | -                                                           | X                       | -                                | -                                                | -                                                           |
| 2. Equity securities                                                                 | -                | -                                                | -                                                           | X                       | -                                | -                                                | -                                                           |
| 3. Loans                                                                             | -                | -                                                | -                                                           | X                       | -                                | -                                                | -                                                           |
| 4. Derivatives                                                                       | -                | -                                                | -                                                           | X                       | -                                | -                                                | -                                                           |
| <b>B. Other financial assets mandatorily measured at fair value</b>                  | -                | -                                                | -                                                           | -                       | -                                | -                                                | -                                                           |
| 1. Debt securities                                                                   | -                | -                                                | -                                                           | -                       | -                                | -                                                | -                                                           |
| 2. Equity securities                                                                 | -                | -                                                | -                                                           | X                       | -                                | -                                                | -                                                           |
| 3. Loans                                                                             | -                | -                                                | -                                                           | -                       | -                                | -                                                | -                                                           |
| <b>C. Financial assets designated at fair value</b>                                  | -                | -                                                | -                                                           | -                       | -                                | -                                                | -                                                           |
| 1. Debt securities                                                                   | -                | -                                                | -                                                           | -                       | -                                | -                                                | -                                                           |
| 2. Loans                                                                             | -                | -                                                | -                                                           | -                       | -                                | -                                                | -                                                           |
| <b>D. Financial assets measured at fair value through other comprehensive income</b> | 180,803          | -                                                | 133,912                                                     | -                       | 124,767                          | -                                                | 124,767                                                     |
| 1. Debt securities                                                                   | 180,803          | -                                                | 133,912                                                     | -                       | 124,767                          | -                                                | 124,767                                                     |
| 2. Equity securities                                                                 | -                | -                                                | -                                                           | X                       | -                                | -                                                | -                                                           |
| 3. Loans                                                                             | -                | -                                                | -                                                           | -                       | -                                | -                                                | -                                                           |
| <b>E. Financial assets measured at amortised cost</b>                                | 1,021,440        | 305,025                                          | 502,811                                                     | 13,414                  | 552,334                          | -                                                | 552,334                                                     |
| 1. Debt securities                                                                   | 716,415          | -                                                | 502,811                                                     | -                       | 552,334                          | -                                                | 552,334                                                     |
| 2. Loans                                                                             | 305,025          | 305,025                                          | -                                                           | 13,414                  | -                                | -                                                | -                                                           |
| <b>Total 31/12/2025</b>                                                              | <b>1,202,243</b> | <b>305,025</b>                                   | <b>636,723</b>                                              | <b>13,414</b>           | <b>677,101</b>                   | <b>-</b>                                         | <b>677,101</b>                                              |
| <b>Total 31/12/2024</b>                                                              | <b>1,292,099</b> | <b>481,442</b>                                   | <b>810,657</b>                                              | <b>42,329</b>           | <b>1,068,752</b>                 | <b>-</b>                                         | <b>1,068,752</b>                                            |

### E.2 Financial assets sold and partially recognised and associated financial liabilities: book values

As of the reporting date of 31 December 2025, the Bank did not hold partially recognised financial assets sold and associated financial liabilities.

### E.3 Disposal transactions with liabilities with repayment exclusively based on assets sold and not fully derecognised: fair value

|                                                                                      | Fully recognised | Partially recovered | Total      |            |
|--------------------------------------------------------------------------------------|------------------|---------------------|------------|------------|
|                                                                                      |                  |                     | 31/12/2025 | 31/12/2024 |
| <b>A. Financial assets held for trading</b>                                          | -                | -                   | -          | -          |
| 1. Debt securities                                                                   | -                | -                   | -          | -          |
| 2. Equity securities                                                                 | -                | -                   | -          | -          |
| 3. Loans                                                                             | -                | -                   | -          | -          |
| 4. Derivatives                                                                       | -                | -                   | -          | -          |
| <b>B. Other financial assets mandatorily measured at fair value</b>                  | -                | -                   | -          | -          |
| 1. Debt securities                                                                   | -                | -                   | -          | -          |
| 2. Equity securities                                                                 | -                | -                   | -          | -          |
| 3. Loans                                                                             | -                | -                   | -          | -          |
| <b>C. Financial assets designated at fair value</b>                                  | -                | -                   | -          | -          |
| 1. Debt securities                                                                   | -                | -                   | -          | -          |
| 2. Loans                                                                             | -                | -                   | -          | -          |
| <b>D. Financial assets measured at fair value through other comprehensive income</b> | 180,803          | -                   | 180,803    | 311,651    |
| 1. Debt securities                                                                   | 180,803          | -                   | 180,803    | 311,651    |
| 2. Equity securities                                                                 | -                | -                   | -          | -          |
| 3. Loans                                                                             | -                | -                   | -          | -          |
| <b>E. Financial assets measured at amortised cost</b>                                | 1,021,440        | -                   | 1,021,440  | 980,448    |
| 1. Debt securities                                                                   | 716,415          | -                   | 716,415    | 499,006    |
| 2. Customer loans                                                                    | 305,025          | -                   | 305,025    | 481,442    |
| <b>Total financial assets</b>                                                        | 1,202,243        | -                   | 1,202,243  | 1,292,099  |
| <b>Total associated financial liabilities</b>                                        | 677,101          | -                   | X          | X          |
| <b>Net values as at 31/12/2025</b>                                                   | 525,142          | -                   | 525,142    | X          |
| <b>Net values as at 31/12/2024</b>                                                   | 223,347          | -                   | X          | 223,347    |

### B. Financial assets sold and fully derecognised with recognition of continuing involvement

#### Qualitative information

The Group has not carried out any disposal transactions for which it is necessary to provide information in accordance with IFRS 7.

### C. Financial assets sold and fully derecognised

#### Qualitative information

As at 31 December 2025, the Bank held securitised securities and units in mutual investment funds acquired following sales transactions of fully derecognised financial assets, carried out during previous years. These transactions involved the sale of financial assets, consisting of financial assets, by the Bank to securitisation vehicles or to mutual investment funds and their cancellation from the Financial Statements pursuant to IFRS 9, following the verification that the originator itself (the parent company illimity or other companies in the Group) had substantially transferred the risks and benefits of the assets sold and had not at the same time maintained any control over the same assets. Instead, in substitution of such derecognised assets, the securitised securities or units in funds received in the same transactions were recorded under financial assets.

## Quantitative information

The following table provides a breakdown of funds and other assets held (e.g., securitisation securities), with evidence from the fund management company (or the special-purpose vehicle in the case of securitisation transactions) of the book value as at 31 December 2025.

| Name of transaction    | Book value as at 31/12/2025 | Asset Management Company or special-purpose vehicle |
|------------------------|-----------------------------|-----------------------------------------------------|
| Olympus Funds          | 283,929                     | Finint Investments SGR                              |
| UTP Italia Fund        | 22,386                      | Sagitta SGR                                         |
| Persefone Fund         | 13,510                      | P&G SGR                                             |
| iREC Fund              | 34,724                      | Furstenberg SGR                                     |
| Granulare NPL Fund     | 4,443                       | Furstenberg SGR                                     |
| UTP Restructuring Fund | 22,755                      | Sagitta SGR                                         |
| Vela 1                 | 223,287                     | Vela 2023 SPV S.r.l.                                |
| Vela 2                 | 97,196                      | Bolina SPV S.r.l.                                   |
| Vela 3                 | 123,621                     | Zefiro SPV S.r.l.                                   |
| Mela                   | 16,060                      | Aporti S.r.l. – sector V                            |
| Bela                   | 17,066                      | Bela 2022 SPV S.r.l.                                |

## Transactions concluded in previous years

### Olympus Funds

Mutual open-end investment 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 collected at the start of operations of the Funds with non-performing loans and real estate as underlying assets.

In 2023, illimity subscribed shares for a total initial recognition value of the *Fair Value* of EUR 354.5 million, in conjunction with the transfer to the Funds of a portfolio of assets consisting of non-performing loans, securitisation notes, real estate and participatory financial instruments. illimity's ownership interest value in the two Funds is approximately 48%. In the Fund, another leading Italian bank holds 52% of the units of the two Funds.

A number of distributions have been made over the years to the benefit of unitholders. The book value of the two Funds as at 31 December 2025 was EUR 283.9 million.

### UTP Italia Fund

Alternative Investment Fund reserved for professional investors established in September 2022 by Sagitta SGR, intended for investment in *Unlikely To Pay* mortgage and unsecured loans granted (or acquired) by banks and/or servicers.

In 2023, illimity subscribed shares for a total initial recognition value of the *Fair Value* of EUR 29.3 million in conjunction with the transfer to the Fund of a portfolio of assets consisting of non-performing loans. illimity's ownership interest value in the Fund was initially about 7.2% (later diluted in exchange for subsequent contributions from other banks). Other leading banks have ownership interests in the Fund.

A number of distributions have been made over the years to the benefit of unitholders. The book value of the Fund as at 31 December 2025 was EUR 22.4 million.

### **Persefone Fund**

Alternative Investment Fund reserved for professional investors established in March 2022 by illimity SGR (now Furstenberg SGR). It focuses on managing and enhancing portfolios of non-performing loans, mainly in the form of Unlikely To Pay (UTP), secured by real estate.

In 2023, illimity subscribed shares for a total initial recognition value of *Fair Value* of EUR 13.5 million in conjunction with the transfer to the Fund of a portfolio of assets consisting of non-performing loans. illimity's ownership interest value in the Fund was initially about 12% (later diluted to 10% in exchange for subsequent contributions from other banks). Other leading banks have ownership interests in the Fund.

During the year a number of distributions have been made to the benefit of unitholders. The book value of the Fund as at 31 December 2025 was EUR 13.5 million.

### **iREC Fund**

Alternative Investment Fund reserved for professional investors established in March 2022 by illimity SGR (now Furstenberg SGR). It focuses on managing and enhancing portfolios of non-performing loans, mainly in the form of UTP secured by real estate.

In 2022, in a series of subsequent contributions, illimity subscribed shares for a total initial recognition value of the *Fair Value* of EUR 20.6 million, in conjunction with the transfer to the Fund of a portfolio of assets consisting of non-performing loans. Subsequently, in 2023, illimity contributed additional non-performing loans to the Fund for a recognised value of approximately EUR 20 million, which had resulted in the increase of the ownership share to 24.5% (a portion that was finally diluted to 17% due to subsequent contributions by other unitholders). Other leading banks have ownership interests in the Fund.

A number of distributions have been made over the years to the benefit of unitholders. The book value of the Fund as at 31 December 2025 was EUR 34.7 million.

### **Granulare NPL Fund**

Alternative Investment Fund reserved for professional investors established in June 2024 by illimity SGR (now Furstenberg SGR). It focuses on managing and enhancing portfolios of non-performing loans, mainly of small and medium-size enterprises.

In 2024, illimity subscribed shares for a total initial recognition value of the *Fair Value* of EUR 3.8 million, in conjunction with the transfer to the Fund of a portfolio of assets consisting of non-performing loans. illimity's ownership interest value in the Fund is approximately 22%. Other leading banks have ownership interests in the Fund.

The book value of the Fund as at 31 December 2025 was EUR 4.4 million.

### **UTP Restructuring Fund**

Alternative Investment Fund reserved for professional investors established in February 2024 by Sagitta SGR, created through the contribution of "single name" non-performing loans held by leading Italian banks against mid-large Italian corporates.

In 2024, illimity subscribed shares for a total initial recognition value of the *Fair Value* of EUR 29.5 million in conjunction with the transfer to the Fund of some non-performing "single name" loans. illimity's ownership interest value in the Fund was initially approximately 12.8% (later diluted to 11.4% compared to subsequent contributions by other banks). Other leading banks have ownership interests in the Fund.



The book value of the Fund as at 31 December 2025 was EUR 22.8 million.

### Securitisation “Vela 1”

Securitisation transaction completed in March 2024, for which illimity sold to the vehicle Vela 2023 SPV S.r.l. a portfolio of *performing* loans (mainly consisting of *PPC – Public Procurement Claims* loans) and a portfolio of non-performing loans.

Vela 2023 SPV S.r.l. financed the purchase of the loan portfolio by the issuance of asset-backed securities, pursuant to the combined provisions of Articles 1 and 5 of Law 130, for a total nominal value of approximately EUR 442 million:

- *Senior Notes*: nominal total of EUR 353.6 million (80% of the total notes issued) fully subscribed/purchased by illimity;
- *Mezzanine* notes: nominal total of EUR 46.2 million (10.45% of the total notes issued) subscribed/purchased by a third-party investor for 95% (EUR 43.9 million) and by illimity for 5% (EUR 2.3 million in compliance with the regulatory obligations of *risk retention*);
- *Junior* notes: nominal total of EUR 42.2 million (9.55% of the total notes issued) subscribed/purchased by a third-party investor for 95% (EUR 40.1 million) and by illimity for 5% (EUR 2.1 million in compliance with the regulatory obligations of *risk retention*).

An additional remuneration consisting of a *detachable coupon* is also envisaged in favour of illimity, up to a further nominal maximum of EUR 25 million of *cash flows*, in the alternative to the full repayment of the *Senior Notes*.

The *mezzanine* and *junior* notes were subscribed by a third-party and independent investor who has no relationships and/or links with illimity. In the context of this transaction, the parent company illimity benefited from the accounting *derecognition* of the sold assets.

The book value as at 31 December 2025 is equal EUR 223.3 million for senior notes while the mezzanine notes, detachable coupon and junior notes were fully written down.

### Securitisation “Vela 2”

Securitisation transaction completed in June 2024, for which illimity sold to the vehicle Bolina SPV S.r.l. a portfolio of non-performing loans.

Bolina SPV S.r.l. financed the purchase of the loan portfolio by the issuance of asset-backed securities, pursuant to the combined provisions of Articles 1 and 5 of Law 130, for a total nominal value of approximately EUR 185.2 million:

- *Senior Notes*: nominal total of EUR 148.2 million (80% of the total notes issued) fully subscribed/purchased by illimity;
- *Junior* notes: nominal total of EUR 37 million (20% of the total notes issued) subscribed/purchased by a third-party investor for 95% (EUR 35.1 million) and by illimity for 5% (EUR 1.9 million in compliance with the regulatory obligations of *risk retention*).

The *junior* notes were subscribed by a third-party and independent investor who has no relationships and/or links with illimity. In the context of this transaction, the parent company illimity benefited from the accounting *derecognition* of the sold assets.

The book value as at 31 December 2025 is equal EUR 97.2 million for senior notes while the junior notes were fully written down.

### Securitisation “Vela 3”

Securitisation transaction completed in July 2024, for which illimity sold to the vehicle Zefiro SPV S.r.l. a portfolio of non-performing loans.

Zefiro SPV S.r.l. financed the purchase of the loan portfolio by the issuance of asset-backed securities, pursuant to the combined provisions of Articles 1 and 5 of Law 130, for a total nominal value of approximately EUR 272.8 million:

- Senior Notes: nominal total of EUR 218.2 million (80% of the total notes issued) fully subscribed/purchased by illimity;
- Junior notes: nominal total of EUR 54.6 million (20% of the total notes issued) subscribed/purchased by a third-party investor for 95% (EUR 51.9 million) and by illimity for 5% (EUR 2.7 million in compliance with the regulatory obligations of risk retention).

The *junior* notes were subscribed by a third-party and independent investor who has no relationships and/or links with illimity. In the context of this transaction, the parent company illimity benefited from the accounting *derecognition* of the sold assets.

The book value as at 31 December 2025 is equal EUR 123.5 million for senior notes and EUR 0.2 million for the junior notes.

### **Securitisation “Mela”**

Securitisation transaction completed in June 2021, for which illimity sold to the vehicle Aporti S.r.l. - segment V a portfolio of non-performing loans.

Aporti S.r.l. - segment V financed the purchase of the loan portfolio by the issuance of asset-backed securities, pursuant to the combined provisions of Articles 1 and 5 of Law 130, for a total nominal value of approximately EUR 78.2 million:

- Senior Notes: nominal total of EUR 64.7 million (82.7% of the total notes issued) fully subscribed/purchased by illimity;
- Mezzanine notes: nominal total of EUR 9.5 million (12.1% of the total notes issued) subscribed/purchased by a third-party investor for 95% (EUR 9 million) and by illimity for 5% (EUR 0.5 million in compliance with the regulatory obligations of risk retention).
- Junior notes: nominal total of EUR 4 million (5.2% of the total notes issued) subscribed/purchased by a third-party investor for 95% (EUR 3.8 million) and by illimity for 5% (EUR 0.2 million in compliance with the regulatory obligations of risk retention).

The *junior* notes were subscribed by a third-party and independent investor who has no relationships and/or links with illimity. In the context of this transaction, the parent company illimity benefited from the accounting *derecognition* of the sold assets.

During December 2021, therefore, approximately 30.1% of the senior notes was sold on the market, meaning that illimity currently holds approximately 69.86% of the senior notes issued by the vehicle Aporti S.r.l. – segment V.

The book value as at 31 December 2025 is equal EUR 16 million for senior notes and EUR 0.1 million for the mezzanine notes, while the value of the junior notes is irrelevant.

### **Securitisation “Bela”**

Securitisation transaction completed in April 2022, for which illimity sold to the vehicle Bela 2022 SPV S.r.l. a portfolio of non-performing loans.

Bela 2022 SPV S.r.l. financed the purchase of the loan portfolio by the issuance of asset-backed securities, pursuant to the combined provisions of Articles 1 and 5 of Law 130, for a total nominal value of approximately EUR 74.1 million:

- Senior Notes: nominal total of EUR 60 million (81% of the total notes issued) fully subscribed/purchased by illimity;
- Mezzanine notes: nominal total of EUR 10 million (13.5% of the total notes issued) subscribed/purchased by a third-party investor for 95% (EUR 9.5 million) and by illimity for 5% (EUR 0.5 million in compliance with the regulatory obligations of risk retention);
- Junior notes: nominal total of EUR 4.1 million (5.5% of the total notes issued) subscribed/purchased by a third-party investor for 95% (EUR 3.9 million) and by illimity for 5% (EUR 0.2 million in compliance with the regulatory obligations of risk retention).

The *junior* notes were subscribed by a third-party and independent investor who has no relationships and/or links with illimity. In the context of this transaction, the parent company illimity benefited from the accounting *derecognition* of the sold assets.

The book value as at 31 December 2025 is equal EUR 17.1 million for senior notes while the mezzanine and junior notes were fully written down.

#### **D. Covered bond transactions**

The Bank has no such operations.

#### **F. CREDIT RISK MEASUREMENT MODELS**

For information about credit risk measurement models, please see Section E of the Explanatory Notes to the Consolidated Financial Statements.

## Section 2 - Market Risks

### 2.1 Interest rate risk and price risk - supervisory regulatory trading book

#### Qualitative information

Qualitative information on the measurement of the financial risks generated by the regulatory trading book is illustrated in Part E of the Explanatory Notes to the consolidated financial statements.

#### Quantitative information

##### 1. Supervisory regulatory trading book: distribution by residual maturity (repricing date) on-balance sheet financial assets and liabilities and financial derivatives

| Type/Residual maturity          | On demand     | Up to 3 months   | 3 Months to 6 months | More than 6 months to 1 year | More than 1 year to 5 years | Between 5 and 10 years | More than 10 years | Indefinite duration |
|---------------------------------|---------------|------------------|----------------------|------------------------------|-----------------------------|------------------------|--------------------|---------------------|
| <b>1. Cash assets</b>           | <b>43</b>     | -                | <b>8</b>             | -                            | -                           | -                      | -                  | -                   |
| 1.1 Debt securities             | -             | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| - with early repayment option   | -             | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| - other                         | -             | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| 1.2 Other assets                | 43            | -                | 8                    | -                            | -                           | -                      | -                  | -                   |
| <b>2. Cash liabilities</b>      | -             | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| 2.1 Repos                       | -             | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| 2.2 Other liabilities           | -             | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| <b>3. Financial derivatives</b> | <b>27,511</b> | <b>3,482,280</b> | <b>937,227</b>       | <b>793,043</b>               | <b>3,766,716</b>            | <b>676,335</b>         | -                  | -                   |
| 3.1 With underlying security    | -             | 61,893           | -                    | -                            | -                           | -                      | -                  | -                   |
| - Options                       | -             | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| + Long positions                | -             | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| + Short positions               | -             | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| - Other derivatives             | -             | 61,893           | -                    | -                            | -                           | -                      | -                  | -                   |
| + Long positions                | -             | 61,893           | -                    | -                            | -                           | -                      | -                  | -                   |
| + Short positions               | -             | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| 3.2 Without underlying security | 27,511        | 3,420,387        | 937,227              | 793,043                      | 3,766,716                   | 676,335                | -                  | -                   |
| - Options                       | 11            | 277,938          | 96,189               | 682,745                      | 3,136,901                   | 483,785                | -                  | -                   |
| + Long positions                | 8             | 222,879          | 55,410               | 312,096                      | 1,508,152                   | 240,240                | -                  | -                   |
| + Short positions               | 3             | 55,059           | 40,779               | 370,649                      | 1,628,749                   | 243,545                | -                  | -                   |
| - Other derivatives             | 27,500        | 3,142,450        | 841,038              | 110,298                      | 629,815                     | 192,550                | -                  | -                   |
| + Long positions                | -             | 1,521,996        | 469,179              | 62,245                       | 295,315                     | 112,550                | -                  | -                   |
| + Short positions               | 27,500        | 1,620,454        | 371,859              | 48,053                       | 334,500                     | 80,000                 | -                  | -                   |

## **2. Supervisory regulatory trading book: distribution of exposures in equity instruments and share indices for the main stock market countries**

The Bank did not hold equity instruments and share indices in the trading book, as of the reporting date.

## **2. Supervisory regulatory trading book: internal models and other methods of sensitivity analysis**

Reference is made to Part E of the Explanatory Notes to the consolidated financial statements.

## **2.2 INTEREST RATE RISK AND PRICE RISK – BANKING BOOK**

### **Qualitative information**

Qualitative information on the measurement of financial risks generated by the banking portfolio is illustrated in Part E of the Explanatory Notes to the consolidated financial statements.

## Quantitative information

### 1. Banking book: distribution by residual maturity (repricing date) of financial assets and liabilities

| Type/Residual maturity                         | On demand        | Up to 3 months   | 3 Months to 6 months | More than 6 months to 1 year | More than 1 year to 5 years | Between 5 and 10 years | More than 10 years | Indefinite duration |
|------------------------------------------------|------------------|------------------|----------------------|------------------------------|-----------------------------|------------------------|--------------------|---------------------|
| <b>1. Cash assets</b>                          | <b>710,243</b>   | <b>2,353,341</b> | <b>724,358</b>       | <b>205,953</b>               | <b>1,286,559</b>            | <b>687,680</b>         | <b>87,670</b>      | -                   |
| 1.1 Debt securities                            | 260,350          | 1,266,466        | 21,344               | 148,168                      | 1,014,105                   | 638,014                | 26,400             | -                   |
| - with early repayment option                  | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| - other                                        | 260,350          | 1,266,466        | 21,344               | 148,168                      | 1,014,105                   | 638,014                | 26,400             | -                   |
| 1.2 Loans to banks                             | 63,549           | 153,514          | -                    | -                            | -                           | -                      | 35,702             | -                   |
| 1.3 Loans to customers                         | 386,344          | 933,361          | 703,014              | 57,785                       | 272,454                     | 49,666                 | 25,568             | -                   |
| - current account                              | 10,709           | 424              | 1,903                | 6,260                        | 3,830                       | 0                      | -                  | -                   |
| - other loans                                  | 375,635          | 932,937          | 701,111              | 51,525                       | 268,624                     | 49,666                 | 25,568             | -                   |
| - with early repayment option                  | 191,903          | 509,527          | 514,876              | 4,012                        | 97,774                      | 648                    | -                  | -                   |
| - other                                        | 183,732          | 423,410          | 186,236              | 47,513                       | 170,850                     | 49,018                 | 25,568             | -                   |
| <b>2. Cash liabilities</b>                     | <b>1,696,982</b> | <b>856,266</b>   | <b>368,049</b>       | <b>1,188,617</b>             | <b>1,945,700</b>            | <b>7,702</b>           | <b>154,221</b>     | -                   |
| 2.1 Amounts due to customers                   | 1,351,866        | 745,035          | 310,409              | 986,737                      | 1,635,899                   | 7,702                  | -                  | -                   |
| - current account                              | 1,103,255        | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| - other payables                               | 248,612          | 745,035          | 310,409              | 986,737                      | 1,635,899                   | 7,702                  | -                  | -                   |
| - with early repayment option                  | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| - other                                        | 248,612          | 745,035          | 310,409              | 986,737                      | 1,635,899                   | 7,702                  | -                  | -                   |
| 2.2 Amounts due to banks                       | 345,116          | 111,231          | 12                   | 25                           | 112                         | -                      | 154,221            | -                   |
| - current account                              | -                | 91,223           | -                    | -                            | -                           | -                      | -                  | -                   |
| - other payables                               | 345,116          | 20,008           | 12                   | 25                           | 112                         | -                      | 154,221            | -                   |
| 2.3 Debt securities                            | -                | -                | 57,628               | 201,855                      | 309,689                     | -                      | -                  | -                   |
| - with early repayment option                  | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| - other                                        | -                | -                | 57,628               | 201,855                      | 309,689                     | -                      | -                  | -                   |
| 2.4 Other liabilities                          | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| - with early repayment option                  | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| - other                                        | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| <b>3. Financial derivatives</b>                | <b>12,742</b>    | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| 3.1 With underlying security                   | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| - Options                                      | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| + Long positions                               | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| + Short positions                              | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| - Other derivatives                            | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| + Long positions                               | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| + Short positions                              | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| 3.2 Without underlying security                | 12,742           | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| - Options                                      | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| + Long positions                               | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| + Short positions                              | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| - Other derivatives                            | 12,742           | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| + Long positions                               | 12,742           | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| + Short positions                              | -                | -                | -                    | -                            | -                           | -                      | -                  | -                   |
| <b>4. Other off-balance sheet transactions</b> | <b>191,192</b>   | <b>1,130</b>     | <b>194</b>           | <b>14,017</b>                | <b>132,238</b>              | <b>43,611</b>          | -                  | -                   |
| + Long positions                               | 81,740           | 1,130            | 194                  | 14,017                       | 132,238                     | 43,611                 | -                  | -                   |
| + Short positions                              | 272,932          | -                | -                    | -                            | -                           | -                      | -                  | -                   |

# 1. Banking book: distribution by residual maturity (repricing date) of financial assets and liabilities (other currencies)

| Type/Residual maturity                  | On demand     | Up to 3 months | 3 Months to 6 months | More than 6 months to 1 year | More than 1 year to 5 years | Between 5 and 10 years | More than 10 years | Indefinite duration |
|-----------------------------------------|---------------|----------------|----------------------|------------------------------|-----------------------------|------------------------|--------------------|---------------------|
| <b>1. Cash assets</b>                   | <b>18,340</b> | <b>75,725</b>  | <b>3,434</b>         | <b>2,511</b>                 | <b>179</b>                  | -                      | -                  | -                   |
| 1.1 Debt securities                     | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| - with early repayment option           | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| - other                                 | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| 1.2 Loans to banks                      | 17,709        | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| 1.3 Loans to customers                  | 631           | 75,725         | 3,434                | 2,511                        | 179                         | -                      | -                  | -                   |
| - current account                       | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| - other loans                           | 631           | 75,725         | 3,434                | 2,511                        | 179                         | -                      | -                  | -                   |
| - with early repayment option           | -             | -              | -                    | -                            | 179                         | -                      | -                  | -                   |
| - other                                 | 631           | 75,725         | 3,434                | 2,511                        | -                           | -                      | -                  | -                   |
| <b>2. Cash liabilities</b>              | <b>774</b>    | <b>115,909</b> | -                    | -                            | -                           | -                      | -                  | -                   |
| 2.1 Amounts due to customers            | 774           | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| - current account                       | 774           | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| - other payables                        | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| - with early repayment option           | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| - other                                 | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| 2.2 Amounts due to banks                | -             | 115,909        | -                    | -                            | -                           | -                      | -                  | -                   |
| - current account                       | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| - other payables                        | -             | 115,909        | -                    | -                            | -                           | -                      | -                  | -                   |
| 2.3 Debt securities                     | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| - with early repayment option           | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| - other                                 | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| 2.4 Other liabilities                   | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| - with early repayment option           | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| - other                                 | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| <b>3. Financial derivatives</b>         | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| 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                        | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |
| + Short positions                       | -             | -              | -                    | -                            | -                           | -                      | -                  | -                   |

## 2. Banking book: internal models and other methods of sensitivity analysis

Reference is made to Part E of the Explanatory Notes to the consolidated financial statements.

### 2.3 EXCHANGE RATE RISK

#### Qualitative information

For qualitative information, including exchange risk hedging activities, please refer to Part E of the Explanatory Notes to the consolidated financial statements.

#### Quantitative information

##### 1. Breakdown by currency of assets, liabilities and derivatives

| Items                           | Currencies     |            |            |            |           |                  |
|---------------------------------|----------------|------------|------------|------------|-----------|------------------|
|                                 | USD            | GBP        | CHF        | SEK        | ZLOTY     | OTHER CURRENCIES |
| <b>A. Financial assets</b>      | <b>99,918</b>  | <b>204</b> | <b>129</b> | <b>137</b> | <b>46</b> | <b>464</b>       |
| A.1 Debt instruments            | -              | -          | -          | -          | -         | -                |
| A.2 Equity instruments          | 7              | -          | -          | -          | -         | -                |
| A.3 Loans to banks              | 16,790         | 142        | 129        | 137        | 46        | 464              |
| A.4 Loans to customers          | 83,121         | 62         | -          | -          | -         | -                |
| A.5 Other financial assets      | -              | -          | -          | -          | -         | -                |
| <b>B. Other assets</b>          | <b>-</b>       | <b>-</b>   | <b>-</b>   | <b>-</b>   | <b>-</b>  | <b>-</b>         |
| <b>C. Financial liabilities</b> | <b>116,683</b> | <b>-</b>   | <b>-</b>   | <b>-</b>   | <b>-</b>  | <b>-</b>         |
| C.1 Amounts due to banks        | 115,909        | -          | -          | -          | -         | -                |
| C.2 Amounts due to customers    | 774            | -          | -          | -          | -         | -                |
| C.3 Debt instruments            | -              | -          | -          | -          | -         | -                |
| C.4 Other financial liabilities | -              | -          | -          | -          | -         | -                |
| <b>D. Other liabilities</b>     | <b>381</b>     | <b>-</b>   | <b>-</b>   | <b>-</b>   | <b>-</b>  | <b>-</b>         |
| <b>E. Financial derivatives</b> | <b>41,243</b>  | <b>115</b> | <b>-</b>   | <b>1</b>   | <b>-</b>  | <b>-</b>         |
| - Options                       | -              | -          | -          | -          | -         | -                |
| + Long positions                | -              | -          | -          | -          | -         | -                |
| + Short positions               | -              | -          | -          | -          | -         | -                |
| - Other derivatives             | 41,243         | 115        | -          | 1          | -         | -                |
| + Long positions                | 31,260         | -          | -          | -          | -         | -                |
| + Short positions               | 9,983          | 115        | -          | 1          | -         | -                |
| <b>Total assets</b>             | <b>131,178</b> | <b>204</b> | <b>129</b> | <b>137</b> | <b>46</b> | <b>464</b>       |
| <b>Total liabilities</b>        | <b>127,046</b> | <b>115</b> | <b>-</b>   | <b>1</b>   | <b>-</b>  | <b>-</b>         |
| <b>Difference (+/-)</b>         | <b>4,132</b>   | <b>89</b>  | <b>129</b> | <b>136</b> | <b>46</b> | <b>464</b>       |

## 2. Internal models and other methods of sensitivity analysis

Refer to Part E of the consolidated Explanatory Notes.

## Section 3 - Derivative instruments and hedging policies

### 3.1 Trading derivatives

Trading in derivatives was authorised with effect from 2021: the main type of financial derivatives used is interest rate swaps (IRS), either plain or structured (with the presence of caps and floors).

Derivatives are mainly traded in the context of over-the-counter (OTC) agreements with customers in relation to loan operations. Those derivative operations are carried out within the trading portfolio and



involve the active management of market risks, through the hedging of the derivatives with institutional counterparties.

### A.1 Financial derivatives held for trading: end-of-period notional values

| Underlying assets/Types of derivatives | Total 31/12/2025              |                                |                               |                   | Total 31/12/2024                      |                                |                                  |                          |
|----------------------------------------|-------------------------------|--------------------------------|-------------------------------|-------------------|---------------------------------------|--------------------------------|----------------------------------|--------------------------|
|                                        | Over the counter              |                                |                               | Organised markets | Over the counter                      |                                |                                  | Organise<br>d<br>markets |
|                                        | Central<br>counterpa<br>rties | Without central counterparties |                               |                   | Central<br>cou<br>nter<br>parti<br>es | Without central counterparties |                                  |                          |
|                                        |                               | With netting<br>agreements     | Without netting<br>agreements |                   |                                       | With netting<br>agreements     | Without<br>netting<br>agreements |                          |
| 1. Debt securities and interest rates  |                               |                                |                               |                   |                                       |                                |                                  |                          |
| a) Options                             | -                             | 1,074,793                      | 20,783                        | -                 | -                                     | 984,593                        | 9,749                            | -                        |
| b) Swaps                               | -                             | 1,164,772                      | 1,272,984                     | -                 | -                                     | 2,481,489                      | 1,092,285                        | -                        |
| c) Forwards                            | -                             | -                              | -                             | -                 | -                                     | -                              | -                                | -                        |
| d) Futures                             | -                             | -                              | 74,650                        | -                 | -                                     | -                              | 53,991                           | -                        |
| e) Other                               | -                             | -                              | -                             | -                 | -                                     | -                              | -                                | -                        |
| 2. Equity securities and share indices |                               |                                |                               |                   |                                       |                                |                                  |                          |
| a) Options                             | -                             | -                              | -                             | -                 | -                                     | -                              | -                                | -                        |
| b) Swaps                               | -                             | -                              | -                             | -                 | -                                     | -                              | -                                | -                        |
| c) Forwards                            | -                             | -                              | -                             | -                 | -                                     | -                              | -                                | -                        |
| d) Futures                             | -                             | -                              | -                             | -                 | -                                     | -                              | -                                | -                        |
| e) Other                               | -                             | -                              | -                             | -                 | -                                     | -                              | -                                | -                        |
| 3. Currencies and gold                 |                               |                                |                               |                   |                                       |                                |                                  |                          |
| a) Options                             | -                             | -                              | -                             | -                 | -                                     | -                              | -                                | -                        |
| b) Swaps                               | -                             | -                              | -                             | -                 | -                                     | -                              | -                                | -                        |
| c) Forwards                            | -                             | 31,064                         | 9,672                         | -                 | -                                     | 181,660                        | 686                              | -                        |
| d) Futures                             | -                             | -                              | -                             | -                 | -                                     | -                              | -                                | -                        |
| e) Other                               | -                             | -                              | -                             | -                 | -                                     | -                              | -                                | -                        |
| 4. Goods                               | -                             | -                              | -                             | -                 | -                                     | -                              | -                                | -                        |
| 5. Other                               | -                             | -                              | -                             | -                 | -                                     | -                              | -                                | -                        |
| Total                                  | -                             | 2,270,629                      | 1,378,089                     | -                 | -                                     | 3,647,742                      | 1,156,711                        |                          |

## A.2 Financial derivatives held for trading: positive and negative gross fair value - distribution by products

| Types of derivatives    | Total<br>31/12/2025    |                                |                            | Organised markets | Total<br>31/12/2024    |                                |                            | Organised markets |
|-------------------------|------------------------|--------------------------------|----------------------------|-------------------|------------------------|--------------------------------|----------------------------|-------------------|
|                         | Over the counter       |                                |                            |                   | Over the counter       |                                |                            |                   |
|                         | Central counterparties | Without central counterparties |                            |                   | Central counterparties | Without central counterparties |                            |                   |
|                         |                        | With netting agreements        | Without netting agreements |                   |                        | With netting agreements        | Without netting agreements |                   |
| 1. Positive fair value  |                        |                                |                            |                   |                        |                                |                            |                   |
| a) Options              | -                      | 4,839                          | -                          | -                 | -                      | 6,155                          | -                          | -                 |
| b) Interest rate swaps  | -                      | 1,433                          | 5,948                      | -                 | -                      | 23,296                         | 14,438                     | -                 |
| c) Cross currency swaps | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| d) Equity swaps         | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| e) Forwards             | -                      | 63                             | 160                        | -                 | -                      | 53                             | -                          | -                 |
| f) Futures              | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| g) Other                | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| Total                   | -                      | 6,335                          | 6,108                      | -                 | -                      | 29,504                         | 14,438                     | -                 |
| 2. Negative fair value  |                        |                                |                            |                   |                        |                                |                            |                   |
| a) Options              | -                      | 6,013                          | 49                         | -                 | -                      | 9,916                          | 2                          | -                 |
| b) Interest rate swaps  | -                      | 6,007                          | 522                        | -                 | -                      | 32,689                         | 1,167                      | -                 |
| c) Cross currency swaps | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| d) Equity swaps         | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| e) Forwards             | -                      | 125                            | 26                         | -                 | -                      | 1,320                          | 13                         | -                 |
| f) Futures              | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| g) Other                | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| Total                   | -                      | 12,145                         | 597                        | -                 | -                      | 43,925                         | 1,182                      | -                 |

### A.3 OTC financial derivatives held for trading – notional values, positive and negative gross fair value by counterparties

| Underlying assets                             | Central counterparties | Banks     | Other financial companies | Other entities |
|-----------------------------------------------|------------------------|-----------|---------------------------|----------------|
| Contracts not covered by netting agreements   |                        |           |                           |                |
| <b>1) Debt securities and interest rates</b>  |                        |           |                           |                |
| - notional value                              | X                      | 74,650    | 821,799                   | 471,968        |
| - positive fair value                         | X                      | -         | 4,059                     | 1,889          |
| - negative fair value                         | X                      | -         | 8                         | 562            |
| <b>2) Equity securities and share indices</b> |                        |           |                           |                |
| - notional value                              | X                      | -         | -                         | -              |
| - positive fair value                         | X                      | -         | -                         | -              |
| - negative fair value                         | X                      | -         | -                         | -              |
| <b>3) Currencies and gold</b>                 |                        |           |                           |                |
| - notional value                              | X                      | -         | -                         | 9,672          |
| - positive fair value                         | X                      | -         | -                         | 160            |
| - negative fair value                         | X                      | -         | -                         | 26             |
| <b>4) Goods</b>                               |                        |           |                           |                |
| - notional value                              | X                      | -         | -                         | -              |
| - positive fair value                         | X                      | -         | -                         | -              |
| - negative fair value                         | X                      | -         | -                         | -              |
| <b>5) Other</b>                               |                        |           |                           |                |
| - notional value                              | X                      | -         | -                         | -              |
| - positive fair value                         | X                      | -         | -                         | -              |
| - negative fair value                         | X                      | -         | -                         | -              |
| Contracts covered by netting agreements       |                        |           |                           |                |
| <b>1) Debt securities and interest rates</b>  |                        |           |                           |                |
| - notional value                              | -                      | 2,239,565 | -                         | -              |
| - positive fair value                         | -                      | 6,273     | -                         | -              |
| - negative fair value                         | -                      | 12,021    | -                         | -              |
| <b>2) Equity securities and share indices</b> |                        |           |                           |                |
| - notional value                              | -                      | -         | -                         | -              |
| - positive fair value                         | -                      | -         | -                         | -              |
| - negative fair value                         | -                      | -         | -                         | -              |
| <b>3) Currencies and gold</b>                 |                        |           |                           |                |
| - notional value                              | -                      | 29,361    | 1,702                     | -              |
| - positive fair value                         | -                      | 33        | 30                        | -              |
| - negative fair value                         | -                      | 125       | -                         | -              |
| <b>4) Goods</b>                               |                        |           |                           |                |
| - notional value                              | -                      | -         | -                         | -              |
| - positive fair value                         | -                      | -         | -                         | -              |
| - negative fair value                         | -                      | -         | -                         | -              |
| <b>5) Other</b>                               |                        |           |                           |                |
| - notional value                              | -                      | -         | -                         | -              |
| - positive fair value                         | -                      | -         | -                         | -              |
| - negative fair value                         | -                      | -         | -                         | -              |

## A.4 Residual life of OTC financial derivatives: notional values

| Underlying assets/Residual life                                  | Up to 1 year   | More than 1 year and up to 5 years | More than 5 years | Total            |
|------------------------------------------------------------------|----------------|------------------------------------|-------------------|------------------|
| A.1 Financial derivatives on debt securities and interest rates  | 195,539        | 2,591,764                          | 820,678           | 3,607,981        |
| A.2 Financial derivatives on equity securities and share indices | -              | -                                  | -                 | -                |
| A.3 Financial derivatives on currencies and gold                 | 40,736         | -                                  | -                 | 40,736           |
| A.4 Financial derivatives on goods                               | -              | -                                  | -                 | -                |
| A.5 Other financial derivatives                                  | -              | -                                  | -                 | -                |
| <b>Total</b> <b>31/12/2025</b>                                   | <b>236,275</b> | <b>2,591,764</b>                   | <b>820,678</b>    | <b>3,648,717</b> |
| <b>Total</b> <b>31/12/2024</b>                                   | <b>398,580</b> | <b>2,897,396</b>                   | <b>1,508,476</b>  | <b>4,804,452</b> |

## 3.2 Hedge accounting

For qualitative information, refer to Part E of the Explanatory Notes to the consolidated financial statements.

## Quantitative information

### A. Financial hedging derivatives

#### A.1 Financial hedging derivatives: end-of-period notional values

| 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 netting agreements        | Without netting agreements |                   |
| 1. Debt securities and interest rates  | -                      | 2,421,000                      | -                          | -                 | -                      | 711,405                        | -                          | -                 |
| a) Options                             | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| b) Swaps                               | -                      | 2,421,000                      | -                          | -                 | -                      | 711,405                        | -                          | -                 |
| c) Forwards                            | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| d) Futures                             | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| e) Other                               | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| 2. Equity securities and share indices | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| a) Options                             | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| b) Swaps                               | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| c) Forwards                            | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| d) Futures                             | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| e) Other                               | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| 3. Currencies and gold                 | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| a) Options                             | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| b) Swaps                               | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| c) Forwards                            | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| d) Futures                             | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| e) Other                               | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| 4. Goods                               | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| 5. Other                               | -                      | -                              | -                          | -                 | -                      | -                              | -                          | -                 |
| Total                                  | -                      | 2,421,000                      | -                          | -                 | -                      | 711,405                        | -                          | -                 |

## A.2 Financial hedging derivatives: positive and negative gross fair value - distribution by products

| Types of derivatives    | Positive and negative fair value |                                |                            |                   |                        |                                |                            |                   | Changes in the value used to recognise the ineffectiveness of the hedge |                     |
|-------------------------|----------------------------------|--------------------------------|----------------------------|-------------------|------------------------|--------------------------------|----------------------------|-------------------|-------------------------------------------------------------------------|---------------------|
|                         | Total 31/12/2025                 |                                |                            |                   | Total 31/12/2024       |                                |                            |                   | Total<br>31/12/2025                                                     | Total<br>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 |                   |                                                                         |                     |
| Positive fair value     |                                  |                                |                            |                   |                        |                                |                            |                   |                                                                         |                     |
| a) Options              | -                                | -                              | -                          | -                 | -                      | -                              | -                          | -                 | -                                                                       | -                   |
| b) Interest rate swaps  | -                                | 37,482                         | -                          | -                 | -                      | 29,385                         | -                          | -                 | -                                                                       | -                   |
| c) Cross currency swaps | -                                | -                              | -                          | -                 | -                      | -                              | -                          | -                 | -                                                                       | -                   |
| d) Equity swaps         | -                                | -                              | -                          | -                 | -                      | -                              | -                          | -                 | -                                                                       | -                   |
| e) Forwards             | -                                | -                              | -                          | -                 | -                      | -                              | -                          | -                 | -                                                                       | -                   |
| f) Futures              | -                                | -                              | -                          | -                 | -                      | -                              | -                          | -                 | -                                                                       | -                   |
| g) Other                | -                                | -                              | -                          | -                 | -                      | -                              | -                          | -                 | -                                                                       | -                   |
| Total                   | -                                | 37,482                         | -                          | -                 | -                      | 29,385                         | -                          | -                 | -                                                                       | -                   |
| Negative fair value     |                                  |                                |                            |                   |                        |                                |                            |                   |                                                                         |                     |
| a) Options              | -                                | -                              | -                          | -                 | -                      | -                              | -                          | -                 | -                                                                       | -                   |
| b) Interest rate swaps  | -                                | 16,556                         | -                          | -                 | -                      | 43                             | -                          | -                 | -                                                                       | -                   |
| c) Cross currency swaps | -                                | -                              | -                          | -                 | -                      | -                              | -                          | -                 | -                                                                       | -                   |
| d) Equity swaps         | -                                | -                              | -                          | -                 | -                      | -                              | -                          | -                 | -                                                                       | -                   |
| e) Forwards             | -                                | -                              | -                          | -                 | -                      | -                              | -                          | -                 | -                                                                       | -                   |
| f) Futures              | -                                | -                              | -                          | -                 | -                      | -                              | -                          | -                 | -                                                                       | -                   |
| g) Other                | -                                | -                              | -                          | -                 | -                      | -                              | -                          | -                 | -                                                                       | -                   |
| Total                   | -                                | 16,556                         | -                          | -                 | -                      | 43                             | -                          | -                 | -                                                                       | -                   |

### A.3 OTC financial hedging derivatives - notional values, positive and negative gross fair value by counterparties

| Underlying assets                             | Central counterparties | Banks     | Other financial companies | Other entities |
|-----------------------------------------------|------------------------|-----------|---------------------------|----------------|
| Contracts not covered by netting agreements   |                        |           |                           |                |
| <b>1) Debt securities and interest rates</b>  |                        |           |                           |                |
| - notional value                              | X                      | -         | -                         | -              |
| - positive fair value                         | X                      | -         | -                         | -              |
| - negative fair value                         | X                      | -         | -                         | -              |
| <b>2) Equity securities and share indices</b> |                        |           |                           |                |
| - notional value                              | X                      | -         | -                         | -              |
| - positive fair value                         | X                      | -         | -                         | -              |
| - negative fair value                         | X                      | -         | -                         | -              |
| <b>3) Currencies and gold</b>                 |                        |           |                           |                |
| - notional value                              | X                      | -         | -                         | -              |
| - positive fair value                         | X                      | -         | -                         | -              |
| - negative fair value                         | X                      | -         | -                         | -              |
| <b>4) Goods</b>                               |                        |           |                           |                |
| - notional value                              | X                      | -         | -                         | -              |
| - positive fair value                         | X                      | -         | -                         | -              |
| - negative fair value                         | X                      | -         | -                         | -              |
| <b>5) Other</b>                               |                        |           |                           |                |
| - notional value                              | X                      | -         | -                         | -              |
| - positive fair value                         | X                      | -         | -                         | -              |
| - negative fair value                         | X                      | -         | -                         | -              |
| Contracts covered by netting agreements       |                        |           |                           |                |
| <b>1) Debt securities and interest rates</b>  |                        |           |                           |                |
| - notional value                              | -                      | 2,421,000 | -                         | -              |
| - positive fair value                         | -                      | 37,482    | -                         | -              |
| - negative fair value                         | -                      | 16,556    | -                         | -              |
| <b>2) Equity securities and share indices</b> |                        |           |                           |                |
| - notional value                              | -                      | -         | -                         | -              |
| - positive fair value                         | -                      | -         | -                         | -              |
| - negative fair value                         | -                      | -         | -                         | -              |
| <b>3) Currencies and gold</b>                 |                        |           |                           |                |
| - notional value                              | -                      | -         | -                         | -              |
| - positive fair value                         | -                      | -         | -                         | -              |
| - negative fair value                         | -                      | -         | -                         | -              |
| <b>4) Goods</b>                               |                        |           |                           |                |
| - notional value                              | -                      | -         | -                         | -              |
| - positive fair value                         | -                      | -         | -                         | -              |
| - negative fair value                         | -                      | -         | -                         | -              |
| <b>5) Other</b>                               |                        |           |                           |                |
| - notional value                              | -                      | -         | -                         | -              |
| - positive fair value                         | -                      | -         | -                         | -              |
| - negative fair value                         | -                      | -         | -                         | -              |

## A.4 Residual life of OTC financial hedging derivatives: notional values

| Underlying assets/Residual life                                  | Up to 1 year   | More than 1 year and up to 5 years | More than 5 years | Total            |
|------------------------------------------------------------------|----------------|------------------------------------|-------------------|------------------|
| A.1 Financial derivatives on debt securities and interest rates  | 946,000        | 1,055,000                          | 420,000           | 2,421,000        |
| A.2 Financial derivatives on equity securities and share indices | -              | -                                  | -                 | -                |
| A.3 Financial derivatives on currencies and gold                 | -              | -                                  | -                 | -                |
| A.4 Financial derivatives on goods                               | -              | -                                  | -                 | -                |
| A.5 Other financial derivatives                                  | -              | -                                  | -                 | -                |
| <b>Total</b> 31/12/2025                                          | <b>946,000</b> | <b>1,055,000</b>                   | <b>420,000</b>    | <b>2,421,000</b> |
| <b>Total</b> 31/12/2024                                          | -              | <b>586,405</b>                     | <b>125,000</b>    | <b>711,405</b>   |

## B. Credit hedging derivatives

The Bank does not hold credit derivatives classified as hedges.

## C. Non-derivative hedging instruments

The Bank does not hold non-derivative instruments classified as hedges.

## D. Hedged instruments

### D.1 Fair value hedges

|                                                                                             |  |  | Specific hedges:<br>book value | Specific hedges<br>- net positions:<br>book value of<br>assets or<br>liabilities<br>(before<br>offsetting) | Specific hedges                                                              |                                                                           |                                                                                     | Generic<br>hedges:<br>Book value |
|---------------------------------------------------------------------------------------------|--|--|--------------------------------|------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|---------------------------------------------------------------------------|-------------------------------------------------------------------------------------|----------------------------------|
|                                                                                             |  |  |                                |                                                                                                            | Cumulative<br>changes in<br>the fair value<br>of the<br>hedged<br>instrument | Hedge<br>cessation:<br>residual<br>cumulative<br>changes in<br>fair value | Changes in the<br>value used to<br>recognise the<br>ineffectiveness<br>of the hedge |                                  |
| A. Assets                                                                                   |  |  |                                |                                                                                                            |                                                                              |                                                                           |                                                                                     |                                  |
| 1. Financial assets measured at fair value through other comprehensive income - hedging of: |  |  | 147,719                        | -                                                                                                          | (708)                                                                        | -                                                                         | -                                                                                   | -                                |
| 1.1 Debt securities and interest rates                                                      |  |  | 147,719                        | -                                                                                                          | (708)                                                                        | -                                                                         | -                                                                                   | X                                |
| 1.2 Equity securities and share indices                                                     |  |  | -                              | -                                                                                                          | -                                                                            | -                                                                         | -                                                                                   | X                                |
| 1.3 Currencies and gold                                                                     |  |  | -                              | -                                                                                                          | -                                                                            | -                                                                         | -                                                                                   | X                                |
| 1.4 Receivables                                                                             |  |  | -                              | -                                                                                                          | -                                                                            | -                                                                         | -                                                                                   | X                                |
| 1.5 Other                                                                                   |  |  | -                              | -                                                                                                          | -                                                                            | -                                                                         | -                                                                                   | X                                |
| 2. Financial assets measured at amortised cost - hedging of:                                |  |  | 496,553                        | -                                                                                                          | (5,664)                                                                      | -                                                                         | -                                                                                   | -                                |
| 1.1 Debt securities and interest rates                                                      |  |  | 496,553                        | -                                                                                                          | (5,664)                                                                      | -                                                                         | -                                                                                   | X                                |
| 1.2 Equity securities and share indices                                                     |  |  | -                              | -                                                                                                          | -                                                                            | -                                                                         | -                                                                                   | X                                |
| 1.3 Currencies and gold                                                                     |  |  | -                              | -                                                                                                          | -                                                                            | -                                                                         | -                                                                                   | X                                |
| 1.4 Receivables                                                                             |  |  | -                              | -                                                                                                          | -                                                                            | -                                                                         | -                                                                                   | X                                |
| 1.5 Other                                                                                   |  |  | -                              | -                                                                                                          | -                                                                            | -                                                                         | -                                                                                   | X                                |
| Total 31/12/2025                                                                            |  |  | 644,272                        | -                                                                                                          | (6,372)                                                                      | -                                                                         | -                                                                                   | -                                |
| Total 31/12/2024                                                                            |  |  | 254,603                        | -                                                                                                          | (918,627)                                                                    | -                                                                         | -                                                                                   | -                                |
| B. Liabilities                                                                              |  |  |                                |                                                                                                            |                                                                              |                                                                           |                                                                                     |                                  |
| 1. Financial liabilities measured at amortised cost - hedging 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                                                                            |  |  | 560,579                        | -                                                                                                          | (1,198)                                                                      | -                                                                         | -                                                                                   | -                                |

**D.2 Cash flow hedges and foreign investments**

The Bank does not hold cash flow hedges or foreign investments.

**E. Effects of hedging operations on Shareholders' equity**

The Bank does not hold cash flow hedges or foreign investments.

**3.3. Other information on (trading and hedging) derivatives****A. Financial and credit derivatives****A.1 Over the counter financial and credit derivatives: net fair value by counterparties**

The portfolio does not contain any netting carried out in the financial statements for derivatives whose netting agreements meet the criteria set out in IAS 32, par. 42.

**Section 4 – Liquidity risk****Qualitative information**

For qualitative information, refer to Part E of the Explanatory Notes to the consolidated financial statements.



## Quantitative information

### 1. Temporal distribution of financial assets and liabilities by residual contractual maturity

[illegible]

## 1. Temporal distribution of financial assets and liabilities by residual contractual maturity (Other)

| Items/Time bands                                        | On demand     | More than 1 day to 7 days | More than 7 days to 15 days | More than 15 days to 1 month | More than 1 month to 3 months | 3 Months to 6 months | More than 6 months to 1 year | More than 1 year to 5 years | More than 5 years | Indefinite duration |
|---------------------------------------------------------|---------------|---------------------------|-----------------------------|------------------------------|-------------------------------|----------------------|------------------------------|-----------------------------|-------------------|---------------------|
| <b>A. Cash assets</b>                                   | <b>18,340</b> | <b>1,930</b>              | <b>5,264</b>                | <b>3,186</b>                 | <b>66,581</b>                 | <b>3,462</b>         | <b>2,513</b>                 | <b>185</b>                  | <b>-</b>          | <b>-</b>            |
| A.1 Government bonds                                    | -             | -                         | -                           | -                            | -                             | -                    | -                            | -                           | -                 | -                   |
| A.2 Other debt instruments                              | -             | -                         | -                           | -                            | -                             | -                    | -                            | -                           | -                 | -                   |
| A.3 Units in UCIs                                       |               |                           |                             |                              |                               |                      |                              |                             |                   |                     |
| A.4 Loans                                               | 18,340        | 1,930                     | 5,264                       | 3,186                        | 66,581                        | 3,462                | 2,513                        | 185                         | -                 | -                   |
| - Banks                                                 | 17,663        | -                         | -                           | -                            | -                             | -                    | -                            | -                           | -                 | -                   |
| - Customers                                             | 677           | 1,930                     | 5,264                       | 3,186                        | 66,581                        | 3,462                | 2,513                        | 185                         | -                 | -                   |
| <b>B. Cash liabilities</b>                              | <b>774</b>    | <b>-</b>                  | <b>110</b>                  | <b>101,506</b>               | <b>14,543</b>                 | <b>-</b>             | <b>-</b>                     | <b>-</b>                    | <b>-</b>          | <b>-</b>            |
| B.1 Deposits and current accounts                       | 774           | -                         | 110                         | 101,506                      | 14,543                        | -                    | -                            | -                           | -                 | -                   |
| - Banks                                                 | -             | -                         | 110                         | 101,506                      | 14,543                        | -                    | -                            | -                           | -                 | -                   |
| - Customers                                             | 774           | -                         | -                           | -                            | -                             | -                    | -                            | -                           | -                 | -                   |
| B.2 Debt instruments                                    | -             | -                         | -                           | -                            | -                             | -                    | -                            | -                           | -                 | -                   |
| B.3 Other liabilities                                   | -             | -                         | -                           | -                            | -                             | -                    | -                            | -                           | -                 | -                   |
| <b>C. "Off-balance sheet" transactions</b>              |               |                           |                             |                              |                               |                      |                              |                             |                   |                     |
| C.1 Financial derivatives with exchange of capital      |               |                           |                             |                              |                               |                      |                              |                             |                   |                     |
| - Long positions                                        | -             | 21,588                    | -                           | 1,162                        | 3,404                         | 3,404                | 1,702                        | -                           | -                 | -                   |
| - Short positions                                       | -             | 315                       | 115                         | 1,162                        | 3,404                         | 3,404                | 1,702                        | -                           | -                 | -                   |
| C.2 Financial derivatives without exchange of principal |               |                           |                             |                              |                               |                      |                              |                             |                   |                     |
| - Long positions                                        | -             | -                         | -                           | -                            | -                             | -                    | -                            | -                           | -                 | -                   |
| - Short positions                                       | -             | -                         | -                           | -                            | -                             | -                    | -                            | -                           | -                 | -                   |
| C.3 Deposits and loans to be collected                  |               |                           |                             |                              |                               |                      |                              |                             |                   |                     |
| - Long positions                                        | -             | -                         | -                           | -                            | -                             | -                    | -                            | -                           | -                 | -                   |
| - Short positions                                       | -             | -                         | -                           | -                            | -                             | -                    | -                            | -                           | -                 | -                   |
| C.4 Commitments to disburse funds                       |               |                           |                             |                              |                               |                      |                              |                             |                   |                     |
| - Long positions                                        | -             | -                         | -                           | -                            | -                             | -                    | -                            | -                           | -                 | -                   |
| - Short positions                                       | -             | -                         | -                           | -                            | -                             | -                    | -                            | -                           | -                 | -                   |
| C.5 Financial guarantees issued                         | -             | -                         | -                           | -                            | -                             | -                    | -                            | -                           | -                 | -                   |
| C.6 Financial guarantees received                       | -             | -                         | -                           | -                            | -                             | -                    | -                            | -                           | -                 | -                   |
| C.7 Credit derivatives with exchange of principal       |               |                           |                             |                              |                               |                      |                              |                             |                   |                     |
| - Long positions                                        | -             | -                         | -                           | -                            | -                             | -                    | -                            | -                           | -                 | -                   |
| - Short positions                                       | -             | -                         | -                           | -                            | -                             | -                    | -                            | -                           | -                 | -                   |
| C.8 Credit derivatives without exchange of principal    |               |                           |                             |                              |                               |                      |                              |                             |                   |                     |
| - Long positions                                        | -             | -                         | -                           | -                            | -                             | -                    | -                            | -                           | -                 | -                   |
| - Short positions                                       | -             | -                         | -                           | -                            | -                             | -                    | -                            | -                           | -                 | -                   |

## 2. Self-Securitisations

Below is a brief illustration of the self-securitisation transactions originated by illimity, existing as of 31 December 2023, in which the Bank subscribed 100% of the securities issued by the related vehicle (self-securitisation).

In December 2022, the Bank entered into a receivable sale agreement with the special-purpose vehicle COLT SPV for the recourse sale, en bloc, of a portfolio of performing variable-rate loans to corporate counterparties originated by illimity. COLT SPV is a vehicle incorporated pursuant to Law 130/1999, not owned by illimity, which, on 19 December 2022, issued senior, mezzanine and junior notes for a total notional value of EUR 570.1 million, fully subscribed by illimity.

In 2023 the Bank subscribed additional notes issued by the vehicle for a total of around EUR 138 million.

In 2024, the Bank entered into another receivable sale agreement with the special-purpose vehicle COLT

SPV for the recourse sale, en bloc, of a portfolio of performing loans to corporate counterparties of the b-ilty Division originated by illimity. Against this, the COLT SPV is structured in two segments.

This transaction falls under transactions without derecognition aimed at expanding the portfolio of assets that can be set aside to constitute a liquidity reserve that can be activated through financing transactions with the ECB, repos or other transactions. The notes subscribed by illimity were used as a guarantee for reverse repurchase agreements in order to ensure that the bank has sufficient liquidity for its funding policies.

In 2022, the Bank subscribed several minibond issues of leading industrial companies, to favour the energy transition and improve issuers' sustainability profiles. Mainly for the purpose of mitigating the risk relating to the Bank's exposure, it was agreed to give priority to issues of minibonds that could benefit from guarantees such as those from SACE and the EIF. It was thus verified, through legal assessments, that the minibonds benefiting from those guarantees cannot be transferred to third parties or to any securitisation vehicle established pursuant to Law 130/99 specifically due to the framework agreements of the guarantors.

In February 2023, the Bank thus structured a synthetic securitisation transaction with the vehicle Energia Sostenibile SPV, established pursuant to Law 130/1999, not held by illimity, which issued single tranche notes fully subscribed by illimity. Using the funds deriving from illimity's (the sole noteholder) subscription of the single tranche notes, the SPV disbursed a limited recourse loan, of which illimity is the sole borrower, whose characteristics were exactly replicated from the minibonds at the single closings (in terms of interest, redemptions, economic terms and conditions, etc.).

This transaction falls under transactions without derecognition ("self-securitisations") typically aimed at expanding the portfolio of assets that can be set aside to constitute a liquidity reserve that can be activated through financing transactions, repos or other transactions.

## Section 5 - Operational Risks

### Qualitative information

For qualitative information, including legal risks and tax litigation, see Part E of the Explanatory Notes to the consolidated financial statements.

### Other risks

For information relating to Other Risks, refer to Part E of the Explanatory Notes to the consolidated financial statements.

# PART F – INFORMATION ON SHAREHOLDERS' EQUITY

## Section 1 – Bank's shareholders' equity

### Qualitative information

Shareholders' equity is defined by the International accounting standards as “what remains of the company's assets after deducting all the liabilities”. From a financial viewpoint, equity is the monetary amount of the funds contributed by the proprietors, or generated by the business.

### B.1 Equity of the entity: breakdown

| Items/Values                                                                                       | Amount<br>31/12/2025 | Amount<br>31/12/2024 |
|----------------------------------------------------------------------------------------------------|----------------------|----------------------|
| 1. Share capital                                                                                   | 54,789               | 54,789               |
| 2. Share premium reserve                                                                           | 624,922              | 624,937              |
| 3. Reserves                                                                                        | 171,418              | 284,933              |
| - earnings                                                                                         | 139,525              | 245,519              |
| a) legal                                                                                           | 10,938               | 10,938               |
| b) statutory                                                                                       | -                    | -                    |
| c) treasury shares                                                                                 | 38                   | 38                   |
| d) others                                                                                          | 128,549              | 234,543              |
| - other                                                                                            | 31,893               | 39,414               |
| 4. Equity instruments                                                                              | -                    | -                    |
| 5. (Treasury shares)                                                                               | (5,070)              | (5,354)              |
| 6. Valuation reserves:                                                                             | (13,063)             | (18,609)             |
| - Equities measured at fair value through other comprehensive income                               | (783)                | 5                    |
| - Hedging of equity securities measured at fair value through other comprehensive income           | -                    | -                    |
| - Financial assets (other than equity securities) at fair value through other comprehensive income | (12,448)             | (18,659)             |
| - Property and equipment                                                                           | -                    | -                    |
| - Intangible assets                                                                                | -                    | -                    |
| - Hedging of foreign investments                                                                   | -                    | -                    |
| - Cash flow hedges                                                                                 | -                    | -                    |
| Hedging instruments (undesignated elements)                                                        | -                    | -                    |
| - Foreign exchange differences                                                                     | -                    | -                    |
| - Non-current assets held for sale and discontinued operations                                     | -                    | -                    |
| - Financial liabilities measured at fair value through profit or loss (changes in credit rating)   | -                    | -                    |
| - Actuarial gains (losses) relating to defined benefit plans                                       | 167                  | 45                   |
| - Share of valuation reserves for equity investments measured at shareholders' equity              | -                    | -                    |
| - Special laws regarding value adjustment                                                          | -                    | -                    |
| 7. Profit (loss) for the year                                                                      | (257,594)            | (103,957)            |
| <b>Total</b>                                                                                       | <b>575,402</b>       | <b>836,739</b>       |

## B.2 Valuation reserves of the financial assets measured at fair value through other comprehensive income: breakdown

| Assets/Values        | Total<br>31/12/2025 |                     | Total<br>31/12/2024 |                     |
|----------------------|---------------------|---------------------|---------------------|---------------------|
|                      | Positive<br>reserve | Negative<br>reserve | Positive reserve    | Negative<br>reserve |
| 1. Debt securities   | 4,814               | (17,262)            | 5,318               | (23,978)            |
| 2. Equity securities | 7                   | (790)               | 5                   | -                   |
| 3. Loans             | -                   | -                   | -                   | -                   |
| <b>Total</b>         | <b>4,821</b>        | <b>(18,052)</b>     | <b>5,323</b>        | <b>(23,978)</b>     |

## B.3 Valuation reserves of the financial assets measured at fair value through other comprehensive income: annual changes

|                                                                                      | Debt<br>securities | Equity<br>securities | Loans    |
|--------------------------------------------------------------------------------------|--------------------|----------------------|----------|
| <b>1. Opening balance</b>                                                            | <b>(18,660)</b>    | <b>5</b>             | <b>-</b> |
| <b>2. Positive changes</b>                                                           | <b>28,777</b>      | <b>3</b>             | <b>-</b> |
| 2.1 Increases in fair value                                                          | 20,308             | -                    | -        |
| 2.2 Value adjustments for credit risk                                                | 2,853              | X                    | -        |
| 2.3 Reclassification through income statement of negative reserves from<br>disposal  | 2,833              | X                    | -        |
| 2.4 Transfers to other items of shareholders' equity (equity securities)             | -                  | -                    | -        |
| 2.5 Other changes                                                                    | 2,783              | 3                    | -        |
| <b>3. Negative changes</b>                                                           | <b>(22,565)</b>    | <b>(791)</b>         | <b>-</b> |
| 3.1 Decreases in fair value                                                          | (10,857)           | (791)                | -        |
| 3.2 Value recoveries for credit risk                                                 | (1,645)            | -                    | -        |
| 3.3 Reclassification through income statement of positive reserves: from<br>disposal | (4,807)            | X                    | -        |
| 3.4 Transfers to other items of shareholders' equity (equity securities)             | -                  | -                    | -        |
| 3.5 Other changes                                                                    | (5,256)            | -                    | -        |
| <b>4. Closing inventories</b>                                                        | <b>(12,448)</b>    | <b>(783)</b>         | <b>-</b> |

## B.4 Valuation reserves on defined benefit plans: annual changes

|                                                                    | 31/12/2025  | 31/12/2024 |
|--------------------------------------------------------------------|-------------|------------|
| <b>1. Opening balance</b>                                          | <b>45</b>   | <b>27</b>  |
| <b>2. Positive changes</b>                                         | <b>169</b>  | <b>26</b>  |
| 2.1 Increases in fair value Actuarial (Gains)/Losses               |             |            |
| 2.2 Reclassification through income statement of negative reserves |             |            |
| 2.3 Other changes                                                  | 169         | 26         |
| <b>3. Negative changes</b>                                         | <b>(46)</b> | <b>(8)</b> |
| 3.1 Decreases in fair value Actuarial (Gains)/Losses               |             |            |
| 3.2 Reclassification through income statement of positive reserves |             |            |
| 3.3 Other changes                                                  | (46)        | (8)        |
| <b>4. Closing inventories</b>                                      | <b>168</b>  | <b>45</b>  |

## Section 2 – Own funds and capital ratios

With regard to own funds and capital adequacy, please refer to the corresponding information sections prepared by the Ifis Group, as well as the specific paragraph of the Directors' Report of illimity Bank S.p.A.

# Part G – Business combinations of companies or business units

## Section 1 - Transactions carried out during the financial year

### 1.1 Business combinations

In 2025, illimity finalised the purchase of 100% of the share capital of iREC Leaseco S.r.l. for a value of EUR 12 thousand.

### 1.2 Transactions between subjects under common control

It should be noted that with legal effect from 1 July 2025 (with accounting and tax effects starting from 1 January 2025) the merger by incorporation of the subsidiary Industrial Discount S.r.l. into Abilio S.p.A. was finalised.

This merger, classified as “*business combination between entities under common control*” and therefore outside the scope of IFRS 3, had no effect on the consolidated financial statements since such companies were already controlled by the Group and included in the consolidated financial statements using the full consolidation method.

During 2025, there were no other transactions between entities under common control.

## Section 2 – Transactions carried out after the end of the financial year

### 2.1 Business combinations

There were no business combinations governed by IFRS 3 after the end of 2025 year.

### 2.2 Transactions between subjects under common control

There were no business combinations between entities under common control after the end of 2025 year.

## Section 3 – Retrospective adjustments

No retrospective adjustment was made during 2025 to business combinations taking place in previous years.

## PART H – Related party transactions

Related party transactions, as identified according to IAS 24, are included within the normal operations of the Bank and are settled at market conditions or on the basis of the costs incurred, if there are no suitable criteria.

In 2025 a material related party transaction was carried out involving an agreement to manage operations with said counterparty related to the liquidity deposited by the latter in current and deposit accounts with illimity Bank S.p.A. (about which adequate disclosure was provided to the market, which should be referred to for further details). There were no further material or minor related party transactions in 2025 which significantly affected the Bank's capital or its financial performance.

It should be noted that transactions or positions with related parties, as classified in the above mentioned IAS 24, have a limited impact on the Bank's economic and financial situation, performance and cash flows.

According to IAS 24, related parties are parties:

- o) that directly or indirectly, through one or more intermediaries,
  - (vii) control the entity, are controlled by it, or are under joint control (including controlling entities, subsidiaries and associates);
  - (viii) hold an ownership interest in the entity to an extent that they may have considerable influence on the latter; or
  - (ix) jointly control the entity;
- p) represent an associate of the entity;
- q) represent a joint venture in which the entity participates;
- r) are one of the key management personnel of the entity or its parent company;
- s) are a close family member of one of the parties in points (a) or (d);
- t) are an entity controlled by, controlled jointly or subject to significant influence by one of the subjects in points (d) or (e), or those parties having directly or indirectly, a significant portion of voting rights;
- or
- u) are a pension fund for employees of the entity or of any related entity.

The Board of Directors of the Bank has approved the "Policy for transactions with entities within the single scope of the illimity Bank Group", which defines the internal policies (and relative controls) regarding transactions with related parties and connected entities.

In this regard, it should be noted that, at its meeting of 25 September 2025, the Board of Directors incorporated the guidelines and principles of the *"Group Policy on transactions with related parties, connected entities and corporate representatives pursuant to art. 136 of the Consolidated Law on Finance"* of the IFIS Group. Therefore, transactions with related parties and connected entities also comply with this last Policy.

### Information on remuneration of key management personnel

The total remuneration and other benefits paid pertaining to the financial year to directors, statutory auditors and other key management personnel is EUR 238 thousand. It should be noted that pursuant to this disclosure, only Key Management Personnel ("KMP") of the parent company Banca IFIS have been identified as KMP. Therefore, the remuneration of the current KMP prior to the acquisition by Banca IFIS is shown as balances "to Other related parties". As required by the new IAS 24, paragraph 17, further information has been provided about the following categories of remuneration for key management personnel and employees:

| (Thousands of euros)                                                                                                 |        |
|----------------------------------------------------------------------------------------------------------------------|--------|
| Category                                                                                                             | Amount |
| a) short-term employee benefits                                                                                      | -      |
| b) post-employment benefits                                                                                          | -      |
| d) share-based payments for employees                                                                                | -      |
| e) remuneration of members of the Board of Directors and the Internal Control Committee/ Board of Statutory Auditors | (238)  |

## Information on related party transactions

With regard to the financial relations, and remembering that key management personnel also include the directors and statutory auditors of the Bank, the situation on the reporting date is that shown in the following table, expressed in thousands of euros.

## BALANCE SHEET ASSETS

| (Thousands of euros)                                               |            |                               |                           |
|--------------------------------------------------------------------|------------|-------------------------------|---------------------------|
| Assets                                                             | 31/12/2025 | of which with related parties | Impact of related parties |
| 10. Cash and cash equivalents                                      | 172,452    | -                             | -                         |
| - Other related parties                                            |            | -                             |                           |
| 20. Financial assets measured at fair value through profit or loss | 932,566    | 77                            | 0%                        |
| a) financial assets held for trading                               | 12,519     | -                             |                           |
| b) financial assets designated at fair value                       | -          | -                             |                           |
| c) other financial assets mandatorily measured at fair value       | 920,047    | 77                            | 0%                        |
| - Other related parties                                            |            | 77                            |                           |
| 40. Financial assets measured at amortised cost                    | 4,847,603  | 147,400                       | 3%                        |
| a) loans to banks                                                  | 98,023     | -                             |                           |
| b) loans to customers                                              | 4749579    | 147,400                       | 3%                        |
| - Other related parties                                            |            | 30,148                        |                           |
| - Subsidiaries                                                     |            | 117,252                       |                           |
| 70. Equity investments                                             | 81,182     | 81,182                        | 100%                      |
| - Subsidiaries                                                     |            | 49,255                        |                           |
| - Companies subject to significant influence                       |            | 31,927                        |                           |
| 110. Assets held for sale                                          | 148,000    | 85,000                        | 57%                       |
| - Companies subject to joint control                               |            | 85,000                        |                           |
| 120. Other assets                                                  | 203,530    | 3,775                         | 2%                        |
| - Other related parties                                            |            | 20                            |                           |
| - Subsidiaries                                                     |            | 3,379                         |                           |
| - Companies subject to significant influence                       |            | 376                           |                           |
| - Companies subject to joint control                               |            | -                             |                           |



**BALANCE SHEET LIABILITIES**

(Thousands of euros)

| Liabilities and shareholders' equity                 | 31/12/2025 | Of which with related parties | Impact of related parties |
|------------------------------------------------------|------------|-------------------------------|---------------------------|
| 10. Financial liabilities measured at amortised cost | 6,334,219  | 400,972                       | 6%                        |
| a) due to banks                                      | 726,627    | 207,132                       | 28%                       |
| - Parent company                                     |            | 207,132                       |                           |
| b) due to customers                                  | 5,038,422  | 193,840                       | 4%                        |
| - Other related parties                              |            | 16,611                        |                           |
| - Subsidiaries                                       |            | 54,416                        |                           |
| - Senior executive managers                          |            | 155                           |                           |
| - Companies subject to significant influence         |            | 1,001                         |                           |
| - Companies subject to joint control                 |            | 121,657                       |                           |
| c) securities issued                                 | 569,171    | -                             |                           |
| 80. Other liabilities                                | 129,166    | 19,958                        | 15%                       |
| - Other related parties                              |            | 787                           |                           |
| - Subsidiaries                                       |            | 4,681                         |                           |
| - Senior executive managers                          |            | 64                            |                           |
| - Companies subject to significant influence         |            | 13,531                        |                           |
| - Companies subject to joint control                 |            | 895                           |                           |
| 90. Employee severance pay                           | 2,532      | 230                           | 9%                        |
| - Other related parties                              |            | 230                           |                           |

**INCOME STATEMENT**

(Thousands of euros)

| Items                                                                         | 31/12/2025 | of which with related parties | Impact of related parties |
|-------------------------------------------------------------------------------|------------|-------------------------------|---------------------------|
| 10. Interest income and similar income                                        | 319,201    | 4,415                         | 1.38%                     |
| 20. Interest expenses and similar charges                                     | (233,657)  | (5,036)                       | 2.16%                     |
| 40. Fees and commission income                                                | 38,282     | 651                           | 1.7%                      |
| 50. Fees and commission expense                                               | (9,692)    | (298)                         | 3.07%                     |
| 130. Net value adjustments for credit risks associated with:                  | (163,205)  | (595)                         | 0%                        |
| a) financial assets measured at amortised cost                                | (161,997)  | (595)                         | 0%                        |
| b) financial assets measured at fair value through other comprehensive income | (1,208)    | -                             | -                         |
| 160. Administrative expenses:                                                 | (170,828)  | (75,070)                      | 44%                       |
| a) personnel expenses                                                         | (53,972)   | (7,201)                       | 13%                       |
| b) other administrative expenses                                              | (116,856)  | (67,869)                      | 58%                       |
| 200. Net other income/expenses                                                | 9,967      | 4,300                         | 43%                       |
| 220. Profit (Losses) on equity investments                                    | (13,030)   | (13,030)                      | 100%                      |

# Part I - Share-Based Payments

## Qualitative information

### Description of share-based payments

With reference to the variable component, the illimity Group's Remuneration Policy had provided for a "*Long Term Incentive*" (LTI) plan.

On 15 December 2021, the illimity Bank S.p.A. Ordinary Shareholders' Meeting, on the premise that remuneration represented one of the most important factors for attracting and retaining individuals with the professional expertise and skills appropriate to the company's medium- and long-term needs, had approved a *Long Term Incentive Plan* ("LTIP", "the Plan") for the 2021-2025 period, associated with the economic, financial and ESG targets set out in the Strategic Plan.

This LTI Plan had replaced:

- the "Stock Option Plan" (also "SOP"), the adoption of which was resolved on 18 January 2019 by the Shareholders' Meeting, reserved for a selected number of employees of illimity and the companies directly and/or indirectly controlled by it; and
- the 2020-2023 Long Term Incentive Plan reserved for the Chief Executive Officer and the rest of illimity's Top Management, whose adoption was resolved upon on 22 April 2020 by the Shareholders' Meeting.

The LTI Plan had the aim of ensuring that the time horizon of the long-term incentive plan for key resources of the Bank is aligned with that of the 2021-25 Strategic Plan presented on 22 June 2021; to ensure strict alignment between the interests of the Bank, its shareholders and the beneficiaries of the LTI Plan, by incentivising commitment to achieving the Strategic Plan goals; and to support the achievement of ESG (Environmental, Social & Governance) targets in addition to economic and financial targets, in accordance with the overall framework of the aforementioned Strategic Plan.

The LTI plan was classified, in accordance with IFRS 2, as *equity-settled*, since it had provided for share-based payments regarding the Bank's shares.

This plan, which expired on 31 December 2025, saw the cancellation of the rights during the year following the failure to achieve the set objectives.

## Quantitative information

Annual changes

| Items / Number of options and exercise prices                   | Number of options | 31/12/2025              |                         | Number of options | 31/12/2024              |                         |
|-----------------------------------------------------------------|-------------------|-------------------------|-------------------------|-------------------|-------------------------|-------------------------|
|                                                                 |                   | Average exercise prices | Average expiration date |                   | Average exercise prices | Average expiration date |
| <b>A. Opening balance</b>                                       | <b>533,148</b>    | -                       | <b>31/12/2025</b>       | <b>1,499,146</b>  | -                       | <b>31/12/2025</b>       |
| <b>B. Increases</b>                                             | -                 | -                       | X                       | -                 | -                       | X                       |
| B.1 New issues                                                  | -                 | -                       | 31/12/2025              | 87,224            | -                       | 31/12/2025              |
| B.2 Other changes                                               | -                 | -                       | X                       | -                 | -                       | X                       |
| <b>C. Decreases</b>                                             | <b>(533,148)</b>  | -                       | X                       | <b>(966,028)</b>  | -                       | X                       |
| C.1 Derecognised                                                | (533,148)         | -                       | X                       | (845,905)         | -                       | X                       |
| C.2 Exercised                                                   | -                 | -                       | X                       | (120,123)         | -                       | X                       |
| C.3 Past-due                                                    | -                 | -                       | X                       | -                 | -                       | X                       |
| C.4 Other changes                                               | -                 | -                       | X                       | -                 | -                       | X                       |
| <b>D. Closing inventories</b>                                   | -                 | -                       | <b>31/12/2025</b>       | <b>533,148</b>    | -                       | <b>31/12/2025</b>       |
| <b>E. Options exercised as of the end of the financial year</b> | -                 | -                       | X                       | -                 | -                       | X                       |

## PART L - SEGMENT DISCLOSURE

illimity S.p.A., exercising the option provided for in IFRS 8, prepares segment disclosure in Part L of the Explanatory Notes to the Consolidated Financial Statements, to which reference is made.

# PART M – LEASE DISCLOSURE

## Section 1 - Lessee

### Qualitative information

The Bank has Lease contracts in place which can be classified into the following two categories:

1. Lease of Properties for business and personal use;
2. Long-term rental of cars;
3. Long-term equipment rental.

As of 31 December 2025, there were 66 lease contracts, of which 13 related to real estate leases, with a total value of rights of use of EUR 15.6 million, of which 52 related to cars, with a total value of rights of use of EUR 963 million and 1 related to equipment, with a total value of rights of use of EUR 155 thousand.

Real estate lease contracts refer to the leasing of buildings intended for instrumental (office) use and personal use.

Contracts, as a rule, have a duration of greater than 12 months, and typically have renewal and termination options that can be exercised by the parties according to the provisions of law or specific contractual provisions.

Contracts referring to other leases relate to cars and equipment. The former are long-term rental contracts available to employees. Generally, these contracts have a four-year duration, with monthly or quarterly payments, without the option of renewal and do not include the option of purchasing the asset.

*Sub-lease* transactions are attributable to properties intended for residential use.

As previously specified in the accounting policies, the scope of application of IFRS 16 excludes contracts that have terms of less than 12 months or that refer to leased assets with low unit values when new.

### Quantitative information

The following table provides a summary of the components of the Balance Sheet relating to *lease* contracts; for further information, see Part B of the Explanatory Notes:

| TYPE OF CONTRACT           | Right of use  | Lease Liability |
|----------------------------|---------------|-----------------|
| Real estate leasing        | 15,580        | 19,440          |
| Long-term Cars Rental      | 963           | 991             |
| Long-term Equipment Rental | 155           | 162             |
| <b>Total</b>               | <b>16,698</b> | <b>20,593</b>   |

The following table shows a summary of the components of the Income Statement relating to *lease* contracts; for further information refer to the contents of Part C of the Explanatory Notes:

| TYPE OF CONTRACT           | Interest expenses | Net adjustments on property and equipment value |
|----------------------------|-------------------|-------------------------------------------------|
| Real estate leasing        | 1,241             | 2,271                                           |
| Long-term Cars Rental      | 50                | 538                                             |
| Long-term Equipment Rental | 9                 | 50                                              |
| Total                      | 1,300             | 2,859                                           |

As of 31 December 2025 there were no material amounts relating to lease commitments not yet entered into.

Section 2 - Lessor

Qualitative information

At the reporting date, the Bank had no leases in the role of lessor to third parties.

# Certification of the Financial Statements pursuant to Article 154-bis of Italian Legislative Decree 58/1998

1. The undersigned Raffaele Zingone, as Chief Executive Officer, and Massimo Luigi Zanaboni, as Financial Reporting Officer of illimity Bank S.p.A. certify, also considering Article 154-bis, paragraphs 3 and 4, of Italian Legislative Decree 58 of 24 February 1998:
  - the adequacy in relation to the characteristics of the enterprise and
  - the effective application of the administrative and accounting procedures used to prepare the annual financial statements during financial year 2025.
2. The adequacy of the administrative and accounting procedures used in the formation of the annual financial statements as of 31 December 2025 is checked according to the “Internal Control – Integrated Framework” (CoSO) and the “Control Objective for IT and related Technologies” (Cobit), which are the benchmarks for the internal control system applicable to financial reporting and generally accepted at international level.
3. We can also certify that:
  - 3.1 the annual financial statements:
    - a) were drafted in conformity with the applicable international accounting standards endorsed by the European Community under the terms of Regulation (EC) 1606/2002 of the European Parliament and Council, of 19 July 2002;
    - b) correspond to the accounting records;
    - c) provide a true and fair view of the financial position and performance and cash flows of the issuer.
  - 3.2 The Report on Operations includes a reliable analysis of the progress and results of operations as well as the issuer’s situation, together with a description of the key risks and uncertainties the issuer is exposed to.

Milan, 9 March 2026

Signature of the Chief Executive  
Officer

Raffaele  
Zingone Signed

Financial Reporting Officer’s  
signature

Massimo Luigi Zanaboni  
Signed

## REPORT OF THE BOARD OF STATUTORY AUDITORS TO THE SHAREHOLDERS' MEETING

Financial statements as at 31 December 2025  
(pursuant to article 2429, paragraph 2, of the Italian Civil Code)

*(Translation from the original Italian text)*

### Sole Shareholder of illimity Bank S.p.A.

The Board of Statutory Auditors of illimity Bank S.p.A. (hereinafter also referred to as 'illimity Bank', the 'Bank' or the 'Company') hereby submits its report on the financial statements for the year ended 31 December 2025, prepared pursuant to Article 2429, paragraph 2, of the Italian Civil Code and in accordance with the legal and regulatory provisions applicable to credit institutions.

### Composition, appointment and duties of the Board of Statutory Auditors

The current Board of Statutory Auditors of illimity Bank, comprising Chair Andrea Balelli, Annunziata Melaccio and Franco Olivetti, was appointed by the Shareholders' Meeting on 25 September 2025 for FYs 2025–2027.

Furthermore, at the meeting of the Board of Directors of illimity Bank S.p.A. held on 25 September 2025, the same composition of the Board of Statutory Auditors was confirmed, including for the purposes of appointing the Supervisory Body pursuant to Legislative Decree No. 231/2001. This decision, aimed at ensuring an approach of continuity and consistency motivated both by the need to complete the due diligence on the Bank and by the prospect of the Company's corporate integration into the parent company, differs from the organisational structure adopted at Banca Ifis S.p.A. ('Banca Ifis') and its subsidiaries (where the Supervisory Board is established as a separate and autonomous structure from the Control Body).

### Operational context and changes to the corporate structure

The Shareholders' Meeting held on 25 September followed a complex series of corporate transactions and events, triggered by the voluntary takeover bid (OPAS) for all the shares of illimity Bank S.p.A. announced to the market by Banca Ifis S.p.A. on 8 January 2025, pursuant to Article 102, paragraph 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 envisaged the acquisition by Banca Ifis of 100% ownership of the shares of illimity Bank listed on Euronext Milan, Segment Euronext STAR Milan, Segment Euronext STAR Milan, and recorded the phases detailed in the financial statements and which can be summarised as follows:

- Acquisition by Banca Ifis of 70.694.489 illimity Bank shares, representing 84,092% of the share capital, on 4 July 2025;



- Ownership by Banca Ifis (following the reopening of the public offer period) of 77.752.504 illimity Bank shares, representing 92,488% of its share capital (taking into account treasury shares), on 18 July 2025;
- Ownership by Banca Ifis (following the sell-out procedure) of 80.198.852 illimity Bank shares, representing 95,398% of illimity Bank's share capital (taking into account treasury shares), on 29 August 2025;
- Ownership by Banca Ifis (following the squeeze-out procedure) of 100% of illimity Bank's share capital (taking into account treasury shares), on 19 September 2025.

From 4 July 2025, Banca Ifis began issuing specific directives and instructions to illimity Bank, primarily concerning the alignment of the newly acquired bank's internal regulations with the Banca Ifis Group's principles and guidelines.

On 25 September 2025, the Extraordinary Shareholders' Meeting approved the amendments to the Articles of Association aimed at changing the Bank's governance and control system from the one-tier system to the traditional system, which, in turn, led to the appointment of the Board of Statutory Auditors (in its current composition) and the renewal of the composition of the Board of Directors.

Furthermore, the Board of Statutory Auditors in office reviewed the minutes of the Management Control Committee up to 24 September 2025.

### **Statutory audit engagement**

Furthermore, on 25 September 2025, the Shareholders' Meeting resolved:

- the consensual termination of the statutory audit relationship with KPMG S.p.A.;
- to appoint as the statutory auditor for the financial years 2025 to 2033 and to carry out a limited review of the consolidated sustainability statement for FYs 2025 to 2027, PricewaterhouseCoopers S.p.A. (PwC), the auditor of the Banca Ifis Group.

This decision was made on the basis of a reasoned recommendation from the Management Control Committee, following the Committee's favourable opinion, in order to ensure alignment with the Banca Ifis Group's governance practices and to guarantee the efficiency and effectiveness of the audit processes.

The Board of Statutory Auditors therefore discussed the content of the 2025 Audit Plan with the auditing firm PwC. Subsequently, the Board of Statutory Auditors received a report from the auditing firm on the activities carried out in relation to i) the preliminary results approved by the Board of Directors on 9 February 2026 and ii) the draft financial statements for the year ended 31 December 2025.

### **Supervisory activities**

The Board of Statutory Auditors in office carried out its supervisory activities during the period between the date of its appointment and the date of approval of the draft financial statements by the Board of Directors, also taking into account the activities carried out by the Management Control Committee during the period from 1 January 2025 to 24 September 2025.

The supervisory activities were carried out in accordance with the principles of conduct for boards of statutory auditors recommended by the Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili (Italian Professional Order of Tax Advisors), and also taking into account the Prudential Supervisory Provisions for Banks issued by the Bank of Italy.

We monitored compliance with the law and the Articles of Association, adherence to the principles of proper administration and, in particular, the adequacy of the organisational, administrative and accounting structure adopted by the Company and its actual functioning.

In particular, the Board of Statutory Auditors:

- attended the meetings of the Board of Directors (and obtained the minutes of the Board meetings held from 1 January to 24 September 2025);
- Periodically obtained from the Directors, the control functions and the management information on the activities carried out and on the most significant economic, financial and equity transactions undertaken by the Company;
- met with the acting Heads of the Internal Audit Function, the Risk Management Function, the Compliance Function and the Anti-Money Laundering Function (the latter within the Compliance Function);
- met with the Head of Human Resources to monitor the changes in certain senior roles in parallel with the evolution of the organisational structure following the acquisition of illimity Bank by Banca Ifis and the appointment of new representatives by the Shareholders' Meeting on 25 September;
- met with the Head of Sustainability and monitored the approval process for i) the dual-materiality assessment of sustainability issues for the purposes of the 2025 financial year reporting, and ii) the update of the Consolidated Sustainability Statement Procedure, also examining in detail i) the results of the 2023–2025 Action Plan with regard to the Bank of Italy's expectations on climate and corporate risks, and ii) the content of the Sustainability Statement, which forms an integral part of the Management Report;
- discussed in detail with the Manager Charged with preparing the company's financial reports (as well as the Head of Administration, Accounting & Control) both the preliminary results of the sub-consolidated financial statements of illimity Bank at 31 December 2025 and the content of the draft financial statements for the year ended 31 December, also taking note of the activities carried out by the Manager Charged with preparing the company's financial reports pursuant to Article 154-bis, paragraph 2, of the Consolidated Law on Finance;
- met on numerous occasions with the statutory auditor to ensure the timely exchange of data and information relevant to the performance of our supervisory activities;
- did not issue any opinions or observations required by law.

In the course of the supervisory activity performed and on the basis of the information obtained, no omissions, reprehensible facts, limitations, exceptions, irregularities or in any case other significant circumstances were detected that would require reporting to the Supervisory Authorities or mention in this Report.

## Inspection findings and relations with the Supervisory Authorities

The Board of Statutory Auditors obtained and examined the following documentation relating to the inspections carried out by the Bank of Italy at illimity Bank between 4 March 2024 and 21 June 2024:

- the inspection report, in which 17 findings had been identified, with an overall opinion that was partially unfavourable;
- the Considerations set out in relation to the individual inspection findings and the Remedial Action Plan, approved by the Board of Directors at its meeting on 19 December 2024;
- the Written Observations and Counter-Arguments relating to the administrative sanction proceedings initiated pursuant to Article 145 of Legislative Decree No. 385/1993 (TUB) and Article 65 of Legislative Decree No. 231/2007, which were reviewed and approved by the Board of Directors on 6 August 2025 and submitted to the Bank of Italy on the same date;
- the Internal Audit Reports on the progress of the Remedial Action Plan as at 31 March 2025 and 30 June 2025, which were reviewed by the Board of Directors on 8 May and 6 August 2025, respectively;
- Internal Audit's review of the *'correct classification and valuation, for accounting and prudential purposes, of the securitisation notes and AIF units subject to inspection findings, taking into account the actual prospects for recovering the underlying exposures'*.

Furthermore, following the appointment of its current members by the Shareholders' Meeting on 25 September 2025, the Board of Statutory Auditors held discussions:

- with the Head of Internal Audit on the progress of the Action Plan as at 30 September 2025;
- with the owners/contact persons for the individual actions (relating to the findings that were still 'open' as at 30 September) regarding their status of implementation as at 31 December 2025.

## Process of integrating illimity Bank S.p.A. into the Banca Ifis Group

Thanks in part to its composition (identical to that of the Board of Statutory Auditors of the parent company, Banca Ifis), the Board of Statutory Auditors has kept itself continuously informed about the parent company Banca Ifis' discussions with the Supervisory Authorities, and in particular about the process of integrating illimity Bank into the Banca Ifis Group and about the due diligence process required by the European Central Bank as part of the authorisation process for Banca Ifis' acquisition of control of the former illimity Group. This process was concluded with the presentation of the contents of the due diligence at the meetings of the Boards of Directors of illimity Bank on 11 December 2025 and of Banca Ifis on 18 December 2025, and with the submission of the results to the Bank of Italy, also on 18 December. In the same letter, the Bank of Italy was also provided with the most recent update of the action plan for the integration of illimity Bank into the Banca Ifis Group.

## Financial statements as at 31 December 2025

The draft financial statements of illimity Bank S.p.A. for the year ended 31 December 2025 have been prepared in accordance with the IAS/IFRS international accounting standards issued by the International Accounting Standards Board (IASB) and endorsed by the European Commission, and in accordance with the provisions of Bank of Italy Circular No. 262 of 22 December 2005 (as amended), entitled 'Bank financial statements: formats and rules for preparation'.

The net result attributable to illimity Bank as at 31 December 2025 is a loss of 305,1 million Euro, a significant deterioration compared to the loss of 38,4 million Euro recorded as at 31 December 2024.

The negative result is primarily attributable to:

- A decrease in net banking income, amounting to 201,5 million euro (335,1 million euro as at 31.12.2024), mainly due to declines in net interest income (-47,6 million euro) and net fee and commission income (-19,2 million euro), closely linked to the sharp fall in loans and the reduction in benchmark market interest rates;
- An increase in total net value adjustments on portfolio positions, amounting to 210,6 million euro (134,3 million euro as at 31.12.2024), related to individual and collective assessments of receivables due from customers and to value adjustments on securitisation notes pertaining to transformed POCI assets;
- Recognition of grants and other non-recurring charges amounting to 83,1 million euro, mainly related to OPAS (Public Tender Offer) costs and integration charges, value adjustments on equity investments, and value adjustments on goodwill.

## Reports pursuant to Art. 2408 of the Italian Civil Code

The Board of Statutory Auditors hereby certifies that no complaints have been received from Shareholders pursuant to Article 2408 of the Italian Civil Code.

## Final considerations and proposals to the Shareholders' Meeting

On the basis of the considerations set out in this report and the audits carried out during FY 2025, the Board of Statutory Auditors certifies that:

- the financial statements of illimity Bank S.p.A. as at 31 December 2025 have been prepared in accordance with the legal provisions governing their structure and content and with the applicable IAS/IFRS international accounting standards;
- to the best of our knowledge, in preparing the financial statements, the directors did not depart from the provisions of the law pursuant to Art. 2423, paragraph (5) of the Italian Civil Code;
- the measurement criteria adopted appear reasonable and consistent with the applicable accounting standards and with the best practices in the sector;

- overall, the Bank's organisational structure, system of internal controls, and administrative and accounting system are appropriate for the size and operational complexity of the Bank;
- the transactions carried out during the financial year were found to comply with the law and the Articles of Association and did not appear to be manifestly imprudent, risky, in potential conflict of interest or such as to compromise the integrity of the company's assets;
- the auditing firm PricewaterhouseCoopers S.p.A. issued its Audit Report on the financial statements and consolidated financial statements as at 31 December 2025 today, without making any reservations or requesting further information.

Therefore, the Board of Statutory Auditors does not raise any objections to the approval of the financial statements of illimity Bank S.p.A. for the year ended 31 December 2025 or to the proposed allocation of the operating result as formulated by the Board of Directors.

However, the Board of Statutory Auditors wishes to draw the Shareholders' Meeting's attention to the following points of concern:

- Bank of Italy Action Plan: The proper and timely completion of the implementation of the Remedial Action Plan following the Bank of Italy's inspections is a priority for the Bank, with particular reference to credit risk, ICT and anti-money laundering controls;
- outsourcing of the IT system and integration into the Banca Ifis Group: Following the 'take control' phase by Banca Ifis, and pending the timely and operationally detailed definition (also based on the Group's three-year Strategic Plan) of the plan for the integration of illimity Bank into Banca Ifis, the management of the full outsourcing contract with AltermAlnd S.r.l. and the ongoing negotiations with IT service providers are of paramount importance and require ongoing monitoring of the service levels provided and of the ICT and operational risks associated with the outsourcing, ensuring full compliance with contractual obligations and supervisory provisions regarding the outsourcing of critical functions.

Milan, 23 March 2026

## THE BOARD OF STATUTORY AUDITORS

Andrea Balelli (Chairman)

Annunziata Melaccio (Standing Auditor)

Franco Olivetti (Standing Auditor)

# **Independent auditor's report in accordance with article 14 of Legislative Decree 39/2010 and article 10 of Regulation (EU) 537/2014**

To the Shareholder of

illimity Bank SpA

## **Report on the audit of the financial statements**

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### **Opinion**

We have audited the financial statements of illimity SpA (the "Bank"), which comprise the balance sheet as of 31 December 2025, the income statement, the statement of comprehensive income, the statement of changes in shareholders' equity, the cash flows statement for the year then ended, and explanatory 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.

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### **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 illimity Bank SpA pursuant to the regulations and standards on ethics and independence applicable to audits of financial

PricewaterhouseCoopers SpA

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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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
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| <p><b>Measurement of loans to customers measured at amortised cost other than government bonds</b></p> <p>Explanatory notes:</p> <p>Part A – Accounting policies</p> <p>Part B – Information on the balance sheet – Assets, Section 4</p> <p>Part C – Information on the income statement, Section 8</p> <p>Loans to customers measured at amortised cost other than government bonds, represent, as of 31 December 2025, the largest part of financial position line item 40 b) “Financial assets measured at amortised cost – Loans to customers” which shows a balance of Euro 3,760 million, corresponding in aggregate to 53.1 per cent of total assets.</p> <p>Net value adjustments for credit risks recognised during the year for these loans amount to Euro 162 million and represent directors’ best estimate of expected credit losses at the reporting date in accordance with the applicable reporting standards.</p> <p>These amounts show a significant portion of the debt securities component, mainly relating</p> | <p>In performing our audit procedures, we considered internal control relevant to the financial reporting process.</p> <p>To address this key audit matter, we performed the following main procedures, also with the support of experts of the PwC network as needed:</p> <ul style="list-style-type: none"> <li>• 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 loans to customers.</li> <li>• Understanding and evaluation of the design of controls relevant to monitoring, classification and measurement of loans to customers and testing of the operating effectiveness of certain controls.</li> <li>• Understanding and assessing 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 changes to the estimation processes introduced during the year.</li> </ul> |

| Key audit matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Auditing procedures performed in response to key audit matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>to investments in securitisation notes also backed by distressed assets.</p> <p>The process for classifying loans into different risk categories and measuring expected credit losses are characterized by a high degree of complexity and 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), for estimating the future cash flows, recovery times and the recoverable amount of any collateral.</p> <p>For the current year, in addition to the recurring process of updating the input data and risk parameters, the Bank implemented a number of changes to the estimation processes also in order to align them with those adopted by the new parent company.</p> <p>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.</p> | <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> <li>• 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 evidence including external information.</li> <li>• 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.</li> <li>• Assessment of the control activities carried out during the year by the internal control functions (in particular, by the Internal Audit), the related results and any remedial actions undertaken.</li> <li>• Performance of comparative and trend analyses of the volumes of loans to customers and related coverage ratios, also by comparison with previous years data and publicly available industry information.</li> </ul> |



| Key audit matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Auditing procedures performed in response to key audit matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
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|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <ul style="list-style-type: none"> <li>• Examination of ECL sensitivity analyses to the macroeconomic scenarios that influence the risk parameters of the models used.</li> <li>• 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.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <p><b>Measurement of financial assets mandatorily measured at fair value not quoted in active markets</b></p> <p>Explanatory notes:</p> <p>Part A – Accounting policies</p> <p>Part B – Information on the balance sheet – Assets, Section 2</p> <p>Part C – Information on the income statement, Section 7</p> <p>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 (Levels 3 instruments of the fair value hierarchy) amount to Euro 920 million, corresponding to approximately 13 per cent of total assets.</p> <p>This amount represents directors' best estimate of the fair value of the financial assets at the reporting date determined in accordance with the applicable reporting standards,</p> <p>In our audit, we paid particular attention to the measurement of these financial assets and, in</p> | <p>In performing our audit procedures, we considered internal control relevant to the financial reporting process.</p> <p>To address this key audit matter, we performed the following relevant procedures, also with the support of the experts of the PwC network:</p> <ul style="list-style-type: none"> <li>• Analysis of the adequacy of the IT environment and testing the operating effectiveness of the applicable relevant controls over the systems and computer applications.</li> <li>• Understanding and evaluation of the design of controls relevant to identification and measurement of financial assets and testing the operating effectiveness of certain controls.</li> <li>• Understanding and assessment of the policies adopted for determining the fair value of financial assets, in order to verify their appropriateness.</li> <li>• Analysis of the valuation techniques and models used as well as of the methods for determining significant assumptions and input data required.</li> <li>• Performance of specific substantive procedures on the related account balances, including the assessment, on a sample basis, of the</li> </ul> |

| Key audit matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Auditing procedures performed in response to key audit matters                                                                                                                                                                                                                                                                                                                      |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>particular, to those characterised by a high degree of complexity.</p> <p>This was considered to be a key audit matter in 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.</p> | <p>reasonableness of the qualitative and quantitative assumptions made by the management and of the inputs data used for the determination the fair values.</p> <ul style="list-style-type: none"> <li>• Testing of the completeness and adequacy of disclosures in accordance with International Financial Reporting Standards and the applicable regulatory framework.</li> </ul> |

#### Other matters

The financial statements of the illimity Group for the year ended 31 December 2024 were audited by another auditor, who expressed an unmodified opinion on those statements on 26 March 2025.

#### Responsibilities of the directors and the board of statutory auditors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005 and article 43 of Legislative Decree 136/2015 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Bank's ability to continue as a going concern and, in preparing the financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate the Bank or to cease operations or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Bank's financial reporting process.

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#### **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

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.

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#### Additional disclosures required by article 10 of Regulation (EU) 537/2014

On 25 September 2025, the shareholders of illimity Bank 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 2025 to 31 December 2033.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) 537/2014 and that we remained independent of the Bank in conducting the statutory audit.



We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

## **Report on compliance with other laws and regulations**

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### **Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 815/2019**

The directors of illimity Bank 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.

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### **Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree 39/2010**

The directors of illimity Bank SpA are responsible for preparing a report on operations, including its 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 with the financial statements;
- express an opinion on the compliance with the law of the report on operations;
- issue a statement on material misstatements, if any.

In our opinion, the report on operations is consistent with the financial statements of illimity Bank SpA as of 31 December 2025.

Moreover, in our opinion is 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, 23 March 2026

PricewaterhouseCoopers SpA

Signed by

Pierfrancesco Anglani

(Partner)

As disclosed by the directors, the accompanying financial statements of illimity Bank 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.

# Annex 1 – Reconciliation between the reclassified balance sheet and income statement and financial statements

Below are the reconciliation schemes used for the preparation of the reclassified balance sheet and income statement. Any discrepancies between the figures presented are due solely to rounding.

## Reclassified Balance sheet

| Assets                                                                 | Values as of 31/12/2025 |
|------------------------------------------------------------------------|-------------------------|
| <b>Cash and cash equivalents</b>                                       | <b>172,452</b>          |
| <b>Loans to banks, financial entities and other institutions</b>       | <b>118,033</b>          |
| Item 40. a) Loans to banks                                             | 98,023                  |
| Loans to financial entities                                            | 20,010                  |
| <b>Loans to customers and investments</b>                              | <b>3,740,171</b>        |
| Item 40. b) Loans to customers                                         | 4749579                 |
| <i>To be deducted:</i>                                                 |                         |
| <i>Loans to financial entities</i>                                     | <i>(20,010)</i>         |
| <i>Government Bonds</i>                                                | <i>(989,398)</i>        |
| <b>Government Bonds</b>                                                | <b>989,398</b>          |
| <b>HTCS Financial assets</b>                                           | <b>544,166</b>          |
| <b>FVTPL Financial assets</b>                                          | <b>932,566</b>          |
| <b>Equity investments</b>                                              | <b>81,182</b>           |
| <b>Goodwill</b>                                                        | <b>-</b>                |
| <b>Other intangible Assets</b>                                         | <b>10,039</b>           |
| Item 100. Intangible assets                                            | 10,039                  |
| <i>To be deducted:</i>                                                 |                         |
| <i>Goodwill</i>                                                        | <i>-</i>                |
| <b>Other assets</b>                                                    | <b>497,272</b>          |
| Item 50. Hedging derivatives                                           | 37,482                  |
| Item 90. Property and equipment                                        | 16,856                  |
| Item 110. Tax assets                                                   | 91,404                  |
| Item 120. Non-current assets held for sale and discontinued operations | 148,000                 |
| Item 130. Other assets                                                 | 203,530                 |
| <b>Total Assets</b>                                                    | <b>7,085,281</b>        |

| Liabilities and shareholders' equity                                      | Values as of 31/12/2025 |
|---------------------------------------------------------------------------|-------------------------|
| <b>Due to banks</b>                                                       | <b>726,465</b>          |
| Item 10. a) Amounts due to banks                                          | 726,627                 |
| <i>To be deducted:</i>                                                    |                         |
| <i>Lease Liability (IFRS 16) to Banks</i>                                 | (162)                   |
| <b>Due to customers</b>                                                   | <b>5,017,990</b>        |
| Item 10. b) Amounts due to customers                                      | 5,038,422               |
| <i>To be deducted:</i>                                                    |                         |
| <i>Lease Liability (IFRS 16) to customers</i>                             | (20,432)                |
| <b>Securities issued</b>                                                  | <b>569,171</b>          |
| Item 10. c) Securities issued                                             | 569,171                 |
| <b>Other liabilities</b>                                                  | <b>196,254</b>          |
| Item 80. Other Liabilities                                                | 129,166                 |
| <i>Increase:</i>                                                          |                         |
| <i>Lease Liability (IFRS 16) to customers</i>                             | 20,432                  |
| <i>Lease Liability (IFRS 16) to banks</i>                                 | 162                     |
| Item 20. Financial liabilities held for trading                           | 12,742                  |
| Item 40. Hedging derivatives                                              | 16,556                  |
| Item 50. Value adjustments of generic hedging financial liabilities (+/-) | (2,861)                 |
| Item 60. Tax liabilities                                                  | 1,167                   |
| Item 70. Liabilities associated with assets held for sale                 | -                       |
| Item 90. Employee severance pay                                           | 2,532                   |
| Item 100. Funds for risks and charges                                     | 16,358                  |
| <b>Shareholders' equity</b>                                               | <b>575,402</b>          |
| <i>Share capital and reserves</i>                                         |                         |
| Item 120. Valuation reserves                                              | (13,063)                |
| Item 150. Reserves                                                        | 171,418                 |
| Item 160. Share premium reserves                                          | 624,922                 |
| Item 170. Share capital                                                   | 54,789                  |
| Item 180. Treasury shares (-)                                             | (5,070)                 |
| Item 190. Equity attributable to minority interests (+/-)                 | -                       |
| Item 200. Profit (Loss) for the period                                    | (257,594)               |
| <b>Total liabilities and shareholders' equity</b>                         | <b>7,085,281</b>        |



## Reclassified Income Statement

| Income Statement items                                                                                    | Values as of<br>31/12/2025 |
|-----------------------------------------------------------------------------------------------------------|----------------------------|
| <b>Net interest margin</b>                                                                                | <b>81,361</b>              |
| Item 10. Interest income and similar income                                                               | 319,201                    |
| <i>To be deducted:</i>                                                                                    |                            |
| <i>Reclassification from item 140. Profits (Losses) on changes in contracts without derecognition</i>     | (788)                      |
| Item 20. Interest expenses and similar charges                                                            | (233,657)                  |
| <i>Reclassification of Raisin operating components</i>                                                    | (4,695)                    |
| <i>To be deducted:</i>                                                                                    |                            |
| <i>IFRS 16 interest expenses</i>                                                                          | 1,300                      |
| <b>Net fees and commissions</b>                                                                           | <b>31,346</b>              |
| Item 40. Fees and commission income                                                                       | 38,282                     |
| Item 50. Fees and commission expense                                                                      | (9,692)                    |
| <i>Reclassification of HFS fees and commission expense</i>                                                | -                          |
| <i>To be deducted:</i>                                                                                    |                            |
| <i>Raisin operating components</i>                                                                        | 2,756                      |
| <b>Net profit (loss) in hedge accounting, trading and sale of financial assets</b>                        | <b>165</b>                 |
| Item 70. Dividends and similar income                                                                     | 20,007                     |
| Item 80. Net profit (loss) on trading                                                                     | 392                        |
| Item 90. Net hedging result                                                                               | 67                         |
| Item 100. Profits (losses) from disposal or repurchase                                                    | 5,180                      |
| Item 110. Net profit (loss) on other assets and liabilities measured at fair value through profit or loss | (25,481)                   |
| <b>Net profit (loss) on closed positions</b>                                                              | <b>11,762</b>              |
| <i>of which: Net profit (loss) on closed positions - Clients - POCI</i>                                   | 11,762                     |
| <i>of which: Net profit (loss) on closed positions - Clients - PPC</i>                                    | -                          |
| <i>of which: Net profit (loss) on closed positions - Clients - Energy performing</i>                      | -                          |
| <i>Reclassification from item 280. Profit (Loss) from disposal of investments</i>                         | -                          |
| <b>Profits (Losses) on changes in contracts without derecognition</b>                                     | <b>-</b>                   |
| Item 140. Profits (Losses) on changes in contracts without derecognition                                  | (788)                      |
| <i>Reclassification to item 10. Interest income and similar income</i>                                    | 788                        |
| <b>Other profits (losses) from the disposal of investments</b>                                            | <b>-</b>                   |
| Item 250. Profit (Loss) from disposal of investments                                                      | -                          |
| <i>To be deducted:</i>                                                                                    |                            |
| <i>Reclassification to Net profit (loss) on closed positions</i>                                          | -                          |
| <b>Other operating expenses and income (excluding taxes)</b>                                              | <b>209</b>                 |
| Item 200. Net other income/expenses                                                                       | 9,967                      |
| <i>To be deducted:</i>                                                                                    |                            |
| <i>Reclassification of recovery of other operating income/expenses to Other administrative expenses</i>   | (9,758)                    |
| <i>Reclassification from item 290. Profit (loss) from discontinued operations after tax</i>               | -                          |
| <b>Total net operating income</b>                                                                         | <b>124,842</b>             |
| <b>Personnel expenses</b>                                                                                 | <b>(44,959)</b>            |
| Item 160. Administrative expenses: a) personnel expenses                                                  | (53,972)                   |
| <i>To be deducted:</i>                                                                                    |                            |
| <i>Reclassification from item 290. Profit (loss) from discontinued operations after tax</i>               | -                          |
| <i>Reclassification of HR expenses from other administrative expenses</i>                                 | 9,013                      |
| <b>Other administrative expenses</b>                                                                      | <b>(83,806)</b>            |
| Item 160. Administrative expenses: b) other administrative expenses                                       | (116,856)                  |
| <i>Reclassification of IFRS 16 interest expenses</i>                                                      | (1,300)                    |
| <i>Reclassification of HR expenses to personnel expenses</i>                                              | 229                        |
| <i>Reclassification of recovery of other operating income/expenses to Other administrative expenses</i>   | 10,292                     |
| <i>Raisin operating components</i>                                                                        | 1,939                      |
| <i>Reclassification of contributions and other non-recurring expenses</i>                                 | 21,890                     |
| <b>Net value adjustments on property and equipment and intangible assets</b>                              | <b>(9,172)</b>             |
| Item 180. Net value adjustments on property and equipment                                                 | (2,998)                    |
| Item 190. Net value adjustments on intangible assets                                                      | (6,174)                    |
| <b>Operating expenses</b>                                                                                 | <b>(137,937)</b>           |
| <b>Operating profit (loss)</b>                                                                            | <b>(13,095)</b>            |

| Income Statement items                                                                                                                  | Values as of 31/12/2025 |
|-----------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| <b>Net value adjustments for credit risk - HTC Banks and financial entities</b>                                                         | <b>146</b>              |
| <b>Net value adjustments for credit risk - HTC Clients</b>                                                                              | <b>(173,676)</b>        |
| Item 130. Value adjustments for credit risk: a) financial assets measured at amortised cost                                             | (161,997)               |
| <i>Reclassification of Net profit (loss) on closed positions - HTC&amp;S Clients - POCI to item 130b</i>                                | -                       |
| <i>Reclassification of Net profit (loss) on closed positions - HTC Clients - POCI off-balance to item 170</i>                           | 229                     |
| <i>To be deducted:</i>                                                                                                                  |                         |
| <i>Net value adjustments for credit risk - HTC Banks and financial entities</i>                                                         | (146)                   |
| <i>Value adjustments for credit risk: a) financial assets measured at amortised cost - Write-backs on Datio in solutum transactions</i> | -                       |
| <i>Net profit (loss) on closed positions - Clients - PPC</i>                                                                            | -                       |
| <i>Net profit (loss) on closed positions - Clients - Energy performing</i>                                                              | -                       |
| <i>Net profit (loss) on closed positions - Clients - POCI</i>                                                                           | (11,762)                |
| <b>Net value adjustments for credit risk - HTCS</b>                                                                                     | <b>(1,208)</b>          |
| Item 130. Value adjustments for credit risk: b) financial assets measured at fair value through other comprehensive income              | (1,208)                 |
| <i>To be deducted:</i>                                                                                                                  |                         |
| <i>Net profit (loss) on closed positions - HTC&amp;S Clients - POCI</i>                                                                 | -                       |
| <b>Net value adjustments for commitments and guarantees</b>                                                                             | <b>(194)</b>            |
| Item 170. Net provisions to allowances for risks and charges: a) commitments and guarantees issued                                      | 35                      |
| <i>To be deducted:</i>                                                                                                                  |                         |
| <i>Net profit (loss) on closed positions - HTC Clients - POCI off-balance</i>                                                           | (229)                   |
| <b>Total net value adjustments</b>                                                                                                      | <b>(174,932)</b>        |
| <b>Other net provisions</b>                                                                                                             | <b>(3,967)</b>          |
| Item 170. Net provisions to allowances for risks and charges: b) other net provisions                                                   | (17,108)                |
| Reclassification of one-off components of the income statement related to extraordinary transactions                                    | 13,141                  |
| <b>Other income (expenses) on equity investments</b>                                                                                    | <b>(12,060)</b>         |
| Item 220. Profit (Losses) on equity investments                                                                                         | (13,030)                |
| <i>Reclassification to Contributions and other non-recurring expenses</i>                                                               | 970                     |
| <b>Contributions and other non-recurring expenses</b>                                                                                   | <b>(45,777)</b>         |
| <i>of which: Institutional contributions and banking system</i>                                                                         | (1,202)                 |
| <i>Reclassification of one-off components of the income statement related to extraordinary transactions (FRO)</i>                       | (13,141)                |
| <i>Reclassification of one-off components of the income statement related to extraordinary transactions (AOP)</i>                       | (266)                   |
| <i>Reclassification of one-off components of the income statement related to extraordinary transactions (AOP)</i>                       | (610)                   |
| <i>of which: Public Tender and Exchange Offer costs</i>                                                                                 | (9,240)                 |
| <i>of which: Personnel expenses related to integration</i>                                                                              | (8,900)                 |
| <i>of which: Other administrative expenses related to integration</i>                                                                   | (11,448)                |
| <i>of which: Value adjustments on equity investments</i>                                                                                | (970)                   |
| <i>of which: Goodwill value adjustments</i>                                                                                             | -                       |
| <b>Other profits (losses) from the disposal of investments</b>                                                                          | <b>-</b>                |
| Item 250. Profit (Loss) from disposal of investments                                                                                    | -                       |
| <i>To be deducted:</i>                                                                                                                  |                         |
| <i>Reclassification to Net profit (loss) on closed positions</i>                                                                        | -                       |
| <b>Profit (Loss) from operations before taxes</b>                                                                                       | <b>(249,831)</b>        |
| <b>Income taxes for the year on continuing operations</b>                                                                               | <b>(7,763)</b>          |
| Item 270. Income taxes for the year on continuing operations                                                                            | (7,763)                 |
| <b>Item 280. Profit (loss) from discontinued operations after tax</b>                                                                   | <b>-</b>                |
| Item 280. Profit (loss) from discontinued operations after tax                                                                          | -                       |
| <b>Profit (loss) for the year</b>                                                                                                       | <b>(257,594)</b>        |

## Annex 2 - Statements of the Parent Company Ifis

### PARENT COMPANY

Banca Ifis S.p.A.

Registered and administrative office: Via Terraglio, 63 30174 Mestre – Venice

Article 2497 bis of the Italian Civil Code provides that the companies subject to management and control present, within their financial statements file, a summary statement of the salient data of parent company. Below are the balance sheet and income statement formats from the most recently approved financial statements.

#### Balance Sheet

| ASSETS<br>(in euro units) |                                                                            | 31/12/2024            | 31/12/2023            |
|---------------------------|----------------------------------------------------------------------------|-----------------------|-----------------------|
| 10.                       | Cash and cash equivalents                                                  | 334,189,908           | 599,016,467           |
| 20.                       | Financial assets measured at fair value through profit or loss             | 233,919,927           | 216,049,105           |
|                           | a) financial assets held for trading                                       | 3,488,967             | 583,205               |
|                           | c) other financial assets mandatorily measured at fair value               | 230,430,960           | 215,465,900           |
| 30.                       | Financial assets measured at fair value through other comprehensive income | 701,824,564           | 749,171,044           |
| 40.                       | Financial assets measured at amortised cost                                | 10,081,194,814        | 9,836,784,565         |
|                           | a) loans to banks                                                          | 760,944,739           | 634,802,491           |
|                           | b) loans to customers                                                      | 9,320,250,075         | 9,201,982,074         |
| 50.                       | Hedging derivatives                                                        | 7,404,271             | -                     |
| 70.                       | Equity investments                                                         | 699,511,343           | 672,528,343           |
| 80.                       | Property and equipment                                                     | 163,013,951           | 140,810,946           |
| 90.                       | Intangible assets                                                          | 40,099,548            | 32,993,043            |
| 100.                      | Tax assets:                                                                | 173,773,896           | 238,924,453           |
|                           | a) current                                                                 | 21,491,338            | 29,269,663            |
|                           | b) deferred                                                                | 152,282,558           | 209,654,790           |
| 120.                      | Other assets                                                               | 332,417,381           | 376,895,638           |
|                           | <b>Total Assets</b>                                                        | <b>12,767,349,603</b> | <b>12,863,173,604</b> |

| LIABILITIES AND SHAREHOLDERS' EQUITY<br>(in euro units) |                                                     | 31/12/2024            | 31/12/2023            |
|---------------------------------------------------------|-----------------------------------------------------|-----------------------|-----------------------|
| 10.                                                     | Financial liabilities measured at amortised cost    | 11,034,158,033        | 11,117,517,248        |
|                                                         | a) due to banks                                     | 1,327,383,534         | 2,604,466,155         |
|                                                         | b) due to customers                                 | 8,199,423,428         | 7,077,198,747         |
|                                                         | c) securities issued                                | 1,507,351,071         | 1,435,852,346         |
| 20.                                                     | Financial liabilities held for trading              | 13,765,045            | 14,005,340            |
| 40.                                                     | Hedging derivatives                                 | 14,868,050            | 11,643,727            |
| 60.                                                     | Tax liabilities:                                    | 36,198,492            | 38,268,504            |
|                                                         | a) current                                          | 9,137,977             | 8,799,355             |
|                                                         | b) deferred                                         | 27,060,515            | 29,469,149            |
| 80.                                                     | Other liabilities                                   | 219,927,675           | 259,976,018           |
| 90.                                                     | Employee severance pay                              | 5,080,658             | 5,321,717             |
| 100.                                                    | Allowances for risks and charges:                   | 48,984,871            | 51,804,638            |
|                                                         | a) commitments and guarantees issued                | 5,438,975             | 5,248,405             |
|                                                         | b) post-employment benefits and similar obligations | 217,506               | 189,344               |
|                                                         | c) other allowances for risks and charges           | 43,328,390            | 46,366,889            |
| 110.                                                    | Valuation reserves                                  | (22,822,809)          | (33,085,299)          |
| 140.                                                    | Reserves                                            | 1,222,739,288         | 1,201,177,993         |
| 145.                                                    | Interim dividends                                   | (63,083,736)          | (62,961,692)          |
| 150.                                                    | Share premium reserve                               | 85,390,743            | 84,107,651            |
| 160.                                                    | Share capital                                       | 53,811,095            | 53,811,095            |
| 170.                                                    | Treasury shares (-)                                 | (20,970,793)          | (21,817,335)          |
| 180.                                                    | Profit (loss) for the year (+/-)                    | 139,302,991           | 143,403,999           |
|                                                         | <b>Total liabilities and shareholders' equity</b>   | <b>12,767,349,603</b> | <b>12,863,173,604</b> |

## Income Statement

| ITEMS<br>(in euro units) |                                                                                                           | 31/12/2024           | 31/12/2023           |
|--------------------------|-----------------------------------------------------------------------------------------------------------|----------------------|----------------------|
| 10.                      | Interest income and similar income                                                                        | 613,512,957          | 563,632,166          |
|                          | <i>of which: interest income calculated according to the effective interest method</i>                    | 596,001,233          | 557,601,255          |
| 20.                      | Interest expenses and similar charges                                                                     | (413,119,643)        | (324,542,772)        |
| 30.                      | <b>Net interest income</b>                                                                                | <b>200,393,314</b>   | <b>239,089,394</b>   |
| 40.                      | Fees and commission income                                                                                | 96,447,722           | 98,701,387           |
| 50.                      | Fees and commission expense                                                                               | (12,140,179)         | (10,819,465)         |
| 60.                      | <b>Net fees and commissions</b>                                                                           | <b>84,307,543</b>    | <b>87,881,922</b>    |
| 70.                      | Dividends and similar income                                                                              | 94,543,393           | 105,172,263          |
| 80.                      | Net profit (loss) on trading                                                                              | 1,939,050            | 2,915,709            |
| 90.                      | Net profit (loss) in hedge accounting                                                                     | (1,139,886)          | (100,442)            |
| 100.                     | Profits (losses) on disposal or repurchase of:                                                            | 24,866,619           | 6,210,284            |
|                          | a) financial assets measured at amortised cost                                                            | 16,598,480           | 2,527,346            |
|                          | b) financial assets measured at fair value through other comprehensive income                             | 8,203,768            | 2,656,229            |
|                          | c) financial liabilities                                                                                  | 64,371               | 1,026,709            |
| 110.                     | Net profit (loss) on other financial assets and liabilities measured at fair value through profit or loss | 24,043,775           | 14,331,719           |
|                          | b) other financial assets mandatorily measured at fair value                                              | 24,043,775           | 14,331,719           |
| 120.                     | <b>Operating income</b>                                                                                   | <b>428,953,808</b>   | <b>455,500,849</b>   |
| 130.                     | Net value adjustments for credit risks associated with:                                                   | (33,393,739)         | (54,974,424)         |
|                          | a) financial assets measured at amortised cost                                                            | (33,876,530)         | (54,894,049)         |
|                          | b) financial assets measured at fair value through other comprehensive income                             | 482,791              | (80,375)             |
| 150.                     | <b>Net profit (loss) from banking activities</b>                                                          | <b>395,560,069</b>   | <b>400,526,425</b>   |
| 160.                     | Administrative expenses:                                                                                  | (252,657,090)        | (247,493,455)        |
|                          | a) personnel expenses                                                                                     | (127,287,102)        | (123,267,457)        |
|                          | b) other administrative expenses                                                                          | (125,369,988)        | (124,225,998)        |
| 170.                     | Net provisions to allowances for risks and charges                                                        | (3,005,085)          | (3,555,354)          |
|                          | a) commitments and guarantees issued                                                                      | (256,743)            | 3,670,763            |
|                          | b) other net provisions                                                                                   | (2,748,342)          | (7,226,117)          |
| 180.                     | Net value adjustments on property and equipment                                                           | (11,109,808)         | (8,716,206)          |
| 190.                     | Net value adjustments on intangible assets                                                                | (9,382,478)          | (6,866,125)          |
| 200.                     | Net other income/expenses                                                                                 | 54,613,469           | 42,061,072           |
| 210.                     | <b>Operating costs</b>                                                                                    | <b>(221,540,992)</b> | <b>(224,570,068)</b> |
| 220.                     | Profit (losses) on equity investments                                                                     | (3,017,000)          | (3,740,072)          |
| 260.                     | <b>Profit (loss) from continuing operations before tax</b>                                                | <b>171,002,077</b>   | <b>172,216,285</b>   |
| 270.                     | Income taxes for the year on continuing operations                                                        | (31,699,086)         | (28,812,286)         |
| 280.                     | <b>Profit (loss) from continuing operations after tax</b>                                                 | <b>139,302,991</b>   | <b>143,403,999</b>   |
| 300.                     | <b>Profit (loss) for the year</b>                                                                         | <b>139,302,991</b>   | <b>143,403,999</b>   |