

GRUPPO CREDEM

2026 HALF-YEAR FINANCIAL REPORT

Giovanni Antonio Burrini (Bologna 1656 - 1727), *Mercury*, detail, Credem art collection.

HALF-YEAR FINANCIAL REPORT

2026

GRUPPO CREDEM

Credito Emiliano S.p.A.
Credito Emiliano Banking Group - Credem
3032 - Joint stock company

Registered Office and Headquarters:

Via Emilia San Pietro n. 4 - 42121 Reggio Emilia
Fully paid-up share capital € 341,320,065
Taxpayer's Code 01806740153 - VAT Number 02823390352
ABI Code 03032
Bank enrolled in the Banking Register under no. 5350
Bank enrolled in the Banking Group Register under no. 03032
Member of the Interbank Deposit Protection Fund
Tel. +39 0522 5821 - Telefax +39 0522 433969 - Telex BACDIR 530658 – Swift Code BACRIT22
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The present document is the English translation of the Italian Half-year Financial Report prepared for and used in Italy, and has been translated only for the convenience of international readers. Half-year condensed consolidated financial statements were prepared using International Reporting Standards (IAS/IFRS); therefore they are not intended to present the financial position and results of operations and cash flows according to accounting principles and practices other than IAS/IFRS

GOVERNING AND CONTROL BODIES

BOARD OF DIRECTORS

Chairman	Lucio Igino Zanon di Valgiurata	
Vice-Chairmen	Enrico Corradi (*)	Luigi Maramotti
Directors	Paola Agnese Bongini(**)	Giorgia Fontanesi(*)
	Mariaelena Fontanesi	Elisabetta Gualandri(**)
	Alessandro Merli(**)	Ernestina Morstofolini(*)
	Edoardo Prezioso(*)	Anna Chiara Svelto(**)
	Giovanni Viani	

(*) Members of the Executive Committee

(**) Independent directors pursuant to Art. 148, paragraph 3, of Italian Legislative Decree no.

BOARD OF STATUTORY AUDITORS

Chairman	Massimiliano Bonfiglio	
Standing auditors	Giulio Morandi	Maria Paglia
Alternate auditors	Patrizia Gentil	Monica Montanari

CENTRAL MANAGEMENT

General Manager	Stefano Morellini	
Co-General Managers	Stefano Pilastri	Giuliano Cassinadri
Deputy General Managers	Paolo Magnani	Francesco Reggiani
Central Co-Managers	Maurizio Giglioli	Alessandro Cucchi
Deputy Central Managers	Massimo Arduini	Roberto Catellani
	Ettore Corsi	Daniele Morlini

MANAGER RESPONSIBLE for preparing the company's financial reports

Giuseppe Malato

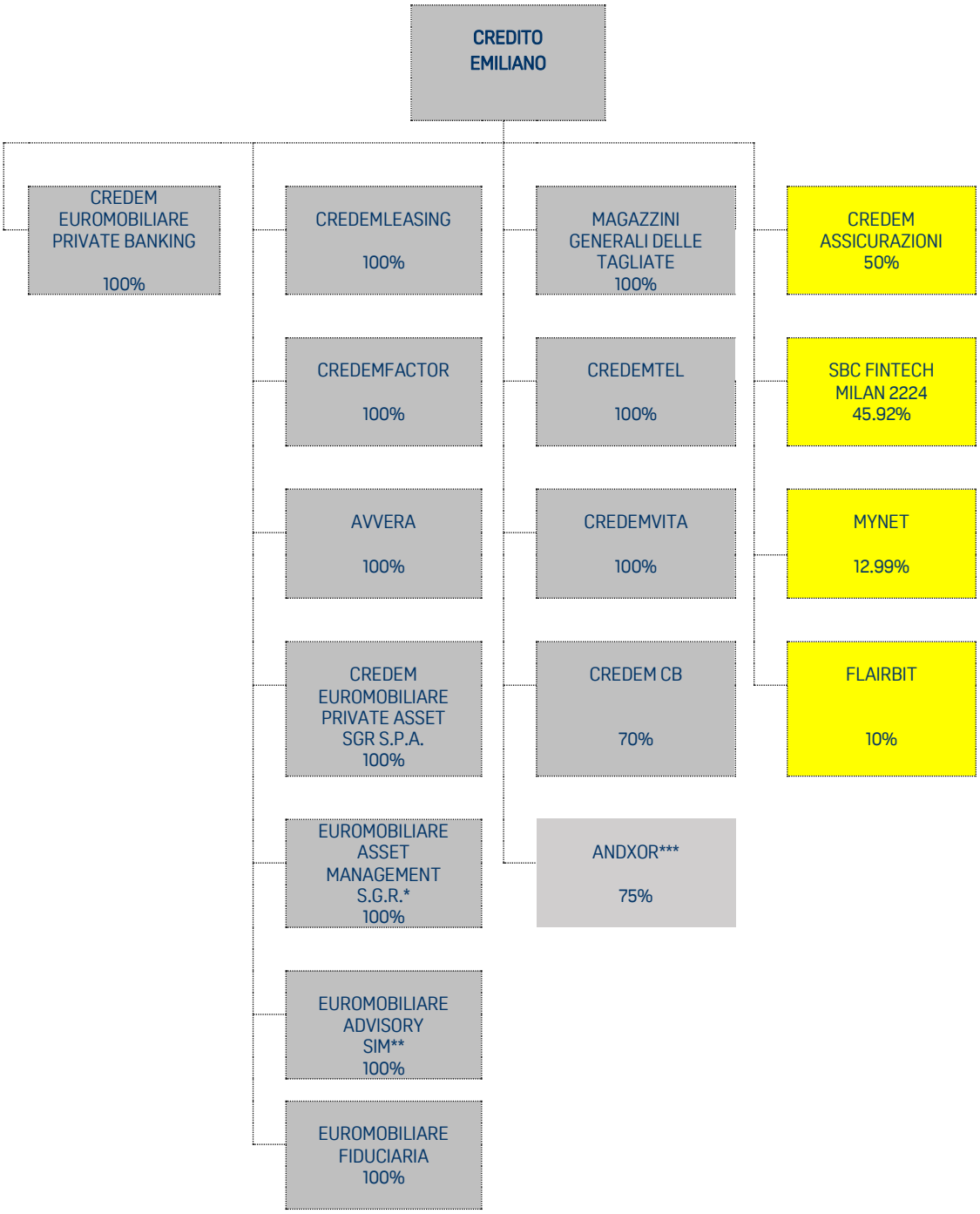
INDEPENDENT AUDITOR

Deloitte & Touche S.p.A.

Any non-reconciliation between the data shown in this file depends exclusively on rounding.

INTERIM DIRECTORS' REPORT ON OPERATIONS

SCOPE OF CONSOLIDATION



Notes:
the percentages refer to directly or indirectly exercisable voting rights;
the highlighted equity investments are valued under the equity method.

* From 01/07/2026 CREDEM EUROMOBILIARE ASSET MANAGEMENT S.G.R

** From 01/07/2026 CREDEM EUROMOBILIARE ADVISORY SIM

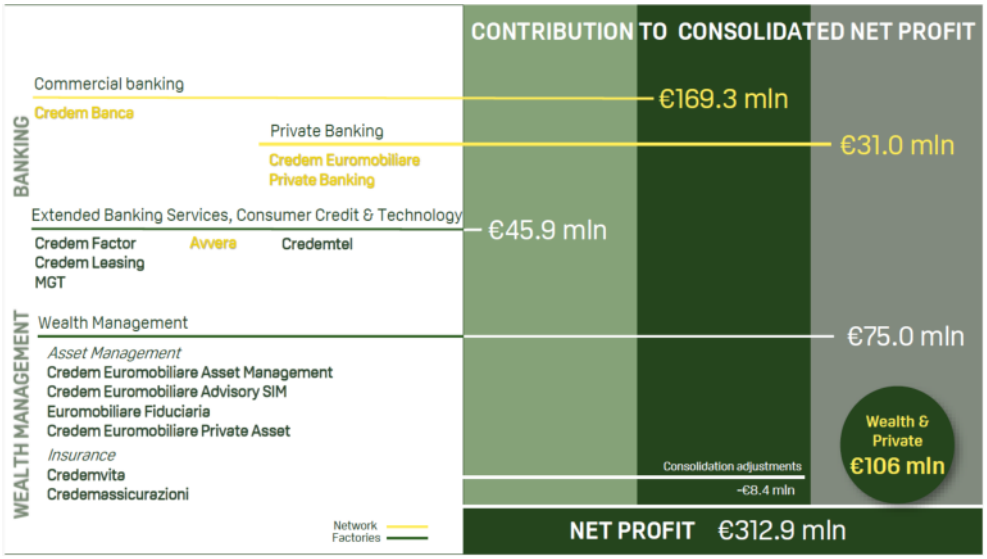
***On 11 February 2026, the purchase by Credemtel S.p.A. of an additional stake in the share capital of Andxor Soluzioni Informatiche S.R.L. was signed; the equity investment therefore increased from 40.00% to 75.00%.

To our Shareholders,
We would like to provide a brief preliminary overview of the main factors of the first half of 2026:

EXECUTIVE SUMMARY

- The Group closed the half year with a net profit of € 312.9 million, with a return on equity for the period of 7%, driven by an increase in volumes which was reflected in growth across the main revenue streams.
- This result compares with the € 371.8 million recorded in the first half of 2025, which included a net capital gain of € 93.7 million realised following the transfer of the merchant acquiring activities to Worldline Italia.

The table shows the contribution to the consolidation of the various business areas*:



- The Commercial Bank confirms a contribution of € 169.3 million to the Group, in line with the previous year, net of the capital gain indicated above.
- Credem Euromobiliare Private Banking closes the first half of the year with a profit of € 31 million, an increase compared to the € 22.8 million from the first half of 2025. It marks a significant increase in net inflows and an improvement in profitability driven by both the financial margin and non-interest margin.
- Companies operating in the non-banking and consumer credit sectors contributed a total of € 45.9 million to the half-year profit, marking an upward trend compared with the € 43.4 million recorded in the previous year.
- Wealth's asset management businesses achieved an extraordinary result of € 75.0 million, driven by growth in assets under management and a significant increase in performance fees.
- The ability to generate capital organically made it possible for the Group to reach a CET1 ratio (Supervisory scope) of 16.22% (17.45% at Banking Group level).

*) As better represented in Part L - Segment Information of the Explanatory notes, which provides information on the performance of the business areas.

MACROECONOMIC SCENARIO

The international scenario continues to be characterised by persistent geopolitical instability and ongoing conflicts even if, in the meantime, global economic activity has continued to show good resilience. The truce between the United States and Iran, announced in mid-June, was supposed to bring the war to an end and permanently reopen the Strait of Hormuz, but subsequent attacks and incursions have rendered the agreement ineffective. In March 2026, real GDP growth in the United States stood at 0.4% compared with the previous period. This trend was driven by public consumption and investment, whilst private consumption slowed. Private fixed investment remained robust, driven by AI-related expenditure on IT equipment and software. The euro area economy (excluding volatile Irish data) also grew moderately in the first quarter of 2026, supported by domestic demand and exports. In the first quarter, the labour market remained resilient, with new jobs being created, albeit at a slower pace than in the fourth quarter of 2025.

In the first quarter of 2026, Italian GDP, expressed in relation to the base year 2020, adjusted for the impact of calendar differences and seasonal factors, grew by 0.3% with respect to the previous quarter and by 0.8% compared to the first quarter of 2025. The change expected for 2026 is +0.6%. Compared with the previous quarter, all the main components of domestic demand showed an increase, with national final consumption rising by 0.4% and gross fixed investment by 0.7% (following the release of the "Transizione 5.0" tax credits and the peak in spending under the National Recovery and Resilience Plan). Imports decreased by 0.7%, while exports rose by 2.2%. Preliminary data for the second quarter confirm the resilience of the Italian economy, with Italian GDP growing in the quarter by 0.2% and 1% year-on-year. [In June 2026, inflation was +3.0% (from +3.2% in May). The slight slowdown is linked to the easing of price pressures on unprocessed food, transport services and recreational, cultural and personal care services. On the other hand, support for inflation came from the moderate acceleration in energy prices. The year-on-year rate of change in "shopping basket" prices has fallen (from +1.9% to +1.6%), as has core inflation (from +1.7% to +1.6%). As of June, the year-to-date inflation rate for 2026 remains stable at +2.6%.

Turning to monetary policy, it should be noted that the Governing Council of the European Central Bank (ECB), at its meeting on 11 June 2026, decided to raise the ECB's three key interest rates by 25 basis points, in order to counter the inflationary pressures caused by the conflict in the Middle East.

With regard to the financial markets:

- In the first quarter of 2026, the increased uncertainty surrounding the conflict between the United States, Iran and Israel was immediately reflected in the financial markets: government bond yields and risk premiums rose, share prices fell and the dollar appreciated against the major currencies.
- In the second quarter of 2026, long-term interest rates on government bonds rose in the major advanced economies, reflecting developments in tensions in the Middle East and expectations of a more restrictive monetary policy stance. In the Eurozone, yields on 10-year government bonds have remained stable since April. Share prices in the United States and Japan have risen to levels significantly higher than those seen before the outbreak of hostilities. The EU markets also recovered, albeit with a lower performance than the countries mentioned above. The differences in market performance between countries can be attributed largely to varying exposure to the technology sector, which has been buoyed by the strong performance of sectors linked to the development of AI. The dollar has strengthened against the major currencies.
- The FTSE Italia All Shares index closed the first half of 2026 up 14% on December 2025, having recovered from the falls recorded following the outbreak of the war in the Middle East. The recovery was driven by the profits posted by companies, the performance of financial sector shares and the boost provided by the artificial intelligence trend.

REGULATORY CONTEXT AND BANKING INDUSTRY PERFORMANCE*

During the year, the European legislator and the Supervisory Authorities continued to work on the legislative framework.

With regard to Banking Supervision, we recall:

- On 26 March 2026, the Governing Council of the ECB published its proposals to strengthen the competitiveness of banks and support the real economy. This document constitutes the official response to the European Commission's public consultation on the competitiveness of the EU banking sector and is based on the simplification proposals already put forward by the ECB in December 2025. The proposal aims to create a genuine single market (by taking concrete steps towards the European Deposit Insurance Scheme (EDIS)) and to simplify the regulatory framework, without however, compromising the soundness of the banks. The Governing Council proposes five key regulatory measures: fewer directives and more regulations; reduce and merge the current 5 macro-prudential capital buffers into just 2 buffers; greater proportionality for small banks; simplified reporting; a holistic view of capital.
- On 26 June, a communication was published recalling how the ECB is completing a review of around 130 publications (guides, reports, letters and methodologies) on banking supervision. The aim is to improve transparency and simplify communication.

The EBA (European Banking Authority) has focused its efforts on reducing operating costs and improving the efficiency of information provision. In particular, it has reviewed its reporting activities by reducing the volume of information (in terms of data points, frequency and scope) in order to streamline prudential reporting requirements and align them with accounting frameworks. The content of Pillar 3 has also been updated with the introduction of new disclosures on exposures to NBFIs (non-bank financial institutions) and the alignment of ESG risk reporting with the European Sustainability Reporting Standards (ESRS). For small and non-complex banks, the EBA will produce and publish the Pillar 3 disclosures directly on its Data Hub using data already collected, thereby eliminating duplication of effort and administrative costs for smaller institutions. Finally, please note that the EBA has published the draft methodology for the 2027 European stress tests, which provides for a reduction of around 55% in the number of data points compared with the 2025 exercise, thanks to the removal of certain templates and the use of data that is already available. The test will include a module dedicated to climate risks (physical and transition risks).

The European Commission has introduced temporary measures to offset the impact on regulatory capital ratios of the new rules on market risks until 2029 (Fundamental Review of the Trading Book). The aim is to safeguard the competitiveness of European banks in the investment banking sector compared with the United States and the United Kingdom, which have not yet adopted this global standard. Although the regulation on crypto-assets has only recently come into force (2024), the European Commission has launched a consultation (closing at the end of August 2026) to assess its adequacy, the extension of its scope to decentralised finance (DeFi) and the legal framework for tokenised deposits.

The Financial Stability Board (FSB) has launched a global consultation to set out non-binding practices and recommendations on the use of financial AI, balancing analytical benefits against risks (governance, data quality, third parties). In Europe, the phased implementation of the AI Act is currently being streamlined as part of the Digital Omnibus package, which provides for the postponement of certain obligations.

With regard to the performance of the Italian banking industry, in May 2026, loans to the private sector, adjusted to consider the harmonised methodology agreed within the European System of Central Banks (ESCB), were up by 3.1% year-on-year (they were +0.7% in May 2025). More specifically, loans to businesses rose by 3.5% year-on-year (compared with -1.4% in May 2025): growth strengthened in the spring in response to increased liquidity needs arising from rising energy prices and the flow of investment linked to Industry 4.0 and 5.0. Credit growth increased for firms in the manufacturing and services sectors, whilst it declined for those in the construction sector.

Update no. 52 of Circular no. 285/2013 of Banca d'Italia was published, which implements the regulations introduced at European level by Directive (EU) 2024/1619 ("CRD6") and the

amendments introduced by Directive (EU) 2024/2994 with regard to the treatment of concentration risk of exposures to CCPs (central counterparties).

With regard to lending to households, again in May 2026, growth stood at +2.6% year-on-year (compared with +1.5% in May 2025). This trend is attributable to demand for loans for house purchases (supported by certain tax incentives for renovation and the favourable conditions in the property market) and to a slight acceleration in consumer loans. Going into detail, mortgages showed a trend of +3.4% on an annual basis and consumer credit recorded a +4.3% (+4.4% in May 2025). Other loans to households fell by 2.4% year-on-year (-5.9% in May 2025).

With regard to risk, in March 2026, non-performing loans amounted to € 45.7 billion, -9.5% YoY.

Turning to Italian banks' direct deposits, the trend in private sector deposits continued to show positive growth, albeit at a slower pace than at the start of the year: deposits grew by 2.7% in May 2026 (compared with +3.8% in May 2025). The trend in resident deposits was positively influenced by precautionary purposes in a geopolitical context of high uncertainty, and negatively by a gradual increase in the opportunity cost of holding liquid assets. In detail, household deposits rose by 2.8% in May 2026, while corporate deposits rose by 3.7%. With regard to technical forms, on-demand liquidity held in current accounts gradually recovered (up 3.4% YoY in May 2026). Refundable deposit accounts showed an increase (+2.2% in May 2026). In May 2026, the bond market recorded a year-on-year increase of 4.1% (compared with -0.3% in May 2025). At the same time, in May 2026, household securities deposits (at nominal value) recorded a strong growth (+10.0% YoY), compared with 2025 (+2.0% in May).

With regard to assets under management, open-end mutual funds saw inflows of € 4.3 billion in May 2026. According to data provided by Assogestioni, net inflows were positive for monetary funds (€ +3.5 billion, accounting for 4% of open-end fund assets), followed by bond funds (€ +0.5 billion, accounting for 35% of assets) and equity funds (€ +0.3 billion, accounting for 32% of assets). Outflows were recorded by balanced funds (€ -1.2 billion, accounting for 9% of the assets of open funds) and flexible funds (€ -0.7 billion, accounting for 14% of the assets). The total assets of open-end funds stood at € 1,375 billion in May 2026 (compared with € 1,280 billion in May 2025). Italian funds recorded negative net inflows of around € -3.0 billion, while foreign funds recorded a positive value of € 7.3 billion.

In May 2026, according to ANIA data, new business in individual life policies in Italy amounted to € 47.5 billion, up by 2.4% YoY. Segment I products were down by 4.1% (representing 64% of total business), while Segment III products recorded an increase of +9.1% YoY (representing 35% of total business). With regard to life policy distribution channels, bank and post office branches grew by 2.1% YoY, accounting for 70% of the total, while networks fell by 5.4% YoY, accounting for 16% of total distribution flows.

(*) The main sources of system data relating to the macroeconomic scenario, regulatory context and performance of the banking industry are: Economic Bulletin no. 2 and 3 of 2026, prepared by Banca d'Italia; ECB press releases (from the ECB website); Prometeia "Rapporto di Previsione" July 2026; websites: www.borsaitaliana.it; www.istat.it; www.ilsole24ore.it; www.bankingsupervision.europa.eu; www.bancaditalia.it; www.assogestioni.it; www.ania.it; Banks and Money: National Data - 9 July 2026, Banca d'Italia.

MAIN AREAS OF ATTENTION

- *Implications of the conflicts in Ukraine and the Middle East (*)*

The conflicts in Ukraine and in the Middle East are not having direct repercussions on the Group, as there are no significant exposures to the countries involved in the conflict. However, sudden tensions both in terms of the prices of raw materials and on the financial markets could have consequences for customers. In terms of credit, the Group has ramped up its supervision through mechanisms for the segmentation of customers and the relative levels of risk, in relation to the greater exposure in the sectors most directly affected or most exposed to geopolitical risks or impacted by the increase in the prices of raw materials. The repercussions of the scenario on the main economic and equity figures are reviewed on a quarterly basis to take into account any deterioration or anomalies.

From an operational point of view, following the developments in the sanctions framework, the Group has maintained a restrictive approach towards operations involving Russia, Belarus and Ukraine, providing for: freeze on transactions and the acquisition of new customers; geographic, commodity and financial restrictions with stringent relevance thresholds.

- *Impact of US/EU tariffs*

Added to this picture of geopolitical uncertainty is the United States' strategy regarding the imposition of trade tariffs. During the meeting between the United States and the European Union held on 27-28 July 2025, an agreement was reached to avert the imposition of new generalised tariffs. The parties agreed to apply a single tariff of 15% on most European exports to the US, thereby avoiding higher tariffs previously announced by the US administration. Certain strategic sectors, such as pharmaceuticals, aerospace and semiconductors, have been excluded from the agreement and will continue to benefit from preferential access. In return, the EU has committed to purchasing large quantities of US energy and increasing investment in the country. The agreement represents a compromise aimed at preserving transatlantic commercial relations, while maintaining some open critical issues that are periodically subject to announcements between the parties, contributing to maintaining an area of uncertainty on the topic.

(*) On 13 May 2022, ESMA published the Public Statement "Implications of Russia's invasion of Ukraine on half-yearly financial reports", concerning the effects of the invasion of Ukraine by Russia on the half-yearly cash flow statements and, on 28 October 2022, published the Public Statement "European common enforcement priorities for 2022 annual financial reports", which highlights the priorities relating to disclosure on annual reports.

MAIN EVENTS OF THE CREDEM GROUP

The main events relating to the Credem Group in the first half of 2026 are illustrated below:

- *Rating*

On 12 May 2026, Fitch Ratings upgraded Credito Emiliano S.p.A.'s long-term and short-term deposit ratings to "A" from "A-" and to "F1" from "F2". This rating action follows the publication, on 8 May 2026, of Fitch's updated Bank Rating Criteria. Fitch has upgraded the bank's deposit ratings to reflect its updated assessment of enhanced deposit protection, due to the "depositor preference" principle in force in Italy, the bank's individual resolution buffer requirement and the relevant resolution strategy applicable.

On 6 July 2026, Fitch Ratings confirmed the Long-Term Issuer Default Rating (IDR) of Credito Emiliano S.p.A. at "BBB+", with Stable Outlook, and the Viability Rating (VR) at "bbb+".

- *Senior preferred green bond issue (ISIN: XS3074457196)*

On 26 May 2026, Credem completed a bond issue comprising a senior preferred green bond ("Green Bond"), aimed at institutional and professional investors, for a total amount of € 500 million. The bond was issued under the EMTN programme, approved on 22 May 2026, as part of the Green, Social & Sustainability Bonds Framework. The Green Bond, rated Baa2 by Moody's and BBB+ by Fitch, has a maturity of 6 years and an option for early redemption at the 5-year mark, in order to maximise regulatory efficiency. The issue highlights the Group's commitment to financing ESG projects, bringing the amount of current green and social issues to a total of approximately € 3 billion.

- *Rebranding*

The Group has launched a major rebranding process involving the companies in the wealth management division, with the aim of further strengthening the "federation of business" model. The process involves the integration of the Credem brand with that of Euromobiliare under the new company names. In particular, the evolution affects the following companies: Credem Euromobiliare Asset Management Sgr (former Euromobiliare Asset Management Sgr), Credem Euromobiliare International Fund Sicav (former Euromobiliare International Fund Sicav) and Credem Euromobiliare Advisory Sim (former Euromobiliare Advisory Sim). Alongside these is Credem Euromobiliare Private Asset (formerly Credem Private Equity), which had already approved the name change last February.

CONSOLIDATED FINANCIAL RESULTS

The table shows the reclassified income statement for the first half of 2026 compared to the figures for the first half of the previous year. The result for the half year amounted to € 312.9 million, compared to a profit of € 371.8 million, however which incorporated the capital gain realized following the sale of the merchant acquiring activities (€ 93.7 million). Excluding this component, net profit rose by 12.5%.

INCOME STATEMENT €/million	06/26	06/25	*% change*
- financial margin	501.5	474.4	5.7
- non-interest margin (*) (**)	547.2	462.7	18.3
Net interest and other banking income	**1,048.7**	**937.0**	**11.9**
- personnel expenses	-323.5	-306.6	5.5
- other administrative expenses (*)	-163.5	-155.6	5.0
Operating expenses	**-487.0**	**-462.2**	**5.4**
Gross operating profit	**561.7**	**474.8**	**18.3**
- amortisation/depreciation	-57.5	-54.3	6.0
Operating profit	**504.2**	**420.5**	**19.9**
- provisions for risks and charges	-1.7	0.8	-319.1
- extraordinary income/charges	3.3	90.9	-96.3
- net value adjustments to loans (**) (***)	-17.0	-5.2	224.6
Profit before tax	**488.7**	**507.0**	**-3.6**
- minority interest profit/loss	0.0	0.0	0.0
- income taxes for the year	-175.8	-135.2	30.1
Net profit	**312.9**	**371.8**	**-15.8**

The reclassification was made also considering management accounting figures, which could not be directly deduced from the financial statements' schedules (see attached Key).

(*) other administrative expenses and the non-interest margin are shown net of indirect taxes and taxes recovered from customers (€ 78.7 million in June 2026; € 72.6 million in June 2025).

(**) value adjustments to/recoveries on loans relating to financial assets measured at amortised cost, specifically securities (€ -0.1 million in June 2026; € 1.3 million in June 2025) and those relating to the disposal of NPLs (€ 7.5 million in June 2026; € 11.2 million in June 2025) are recognised in the non-interest margin.

(***) the result from the sale of NPLs was reclassified to net value adjustments to loans and financial transactions (€ 7.5 million in June 2026; € 11.2 million in June 2025).

Analysing the main income statement aggregates:

- *Financial margin*

The financial margin rose by 5.7%, driven mainly by volume growth in loans and the securities portfolio, as well as by the hedging decisions taken. In the first part of the year, rates remained at lower levels than in the first half of 2025: the increase was announced only in June and is still not fully reflected in the economic components.

The customer spread remained stable despite the fall in the average loan rate, which stood at 3.63% compared with 3.74% in the first half of 2025. The average cost of funding has in fact fallen to 0.64%, compared with 0.86% in the comparison period. From a commercial perspective, the trend in loan volumes contributed positively to the performance of the margin, in particular it remains high in loans granted by Avvera, which have high margins, while direct customer deposits have fallen slightly.

RATES (%)	Jun-26	Jun-25
Average interest rate on loans	3.63	3.74
Average interest rate on deposits	0.64	0.86
Customer "spread"	**3.00**	**2.87**

- *Non-interest margin:*

The non-interest margin was up by 18.3% compared to June 2025. The table below highlights the contribution of the various components to the non-interest margin.

BREAKDOWN BY AREA OF CONTRIBUTION	Jun-26	Jun-25	% change compared with Jun-25
- Management and brokerage	321.6	254.9	26.2%
- Banking services (*)	102.1	102.4	-0.3%
NET FEE AND COMMISSION INCOME (**)	**423.8**	**357.3**	**18.6%**
Securities trading, exchange rates and derivatives	60.2	51.3	17.4%
Life segment insurance management (**)	54.4	42.4	28.1%
Reclassified balance of other operating income/charges (*)	8.8	11.6	-24.3%
NON-INTEREST MARGIN	**547.2**	**462.7**	**18.3%**

(*) The revenues resulting from fast track applications, classified under operating income for accounting purposes, have been reclassified in net fee and commission income.

(**) The items are net of the corresponding items for Credemvita, which are summarised in "life segment insurance management".

Both recurring income and other revenue made an excellent contribution: in particular, the performance of commission income (+18.6% compared with the first half of 2025) and the growth in trading income (+17.4%) were very positive.

Bank commissions amounted to € 102.1 million, substantially stable, while management and brokerage commissions, which rose by 26.2%, amounted to € 321.6 million, incorporating the excellent net funding production and the market effect, which in the last quarter made it possible to recover the negative effect of March. This figure is also positively influenced by placements and performance fees.

Thanks to excellent premium income and market trends, the result from insurance management stood at € 54.4 million, compared with € 42.4 million recorded in June 2025.

- *Expenses and amortisation/depreciation*

Costs show a progression that originates mainly from the growth in size of the Group and from the diversification of the operating areas. In detail:

- personnel expenses amounted to € 323.5 million, up 5.5% compared to the first half of 2025;
- other administrative expenses amounted to € 163.5 million, up by 5%. The growth in administrative expenses is **linked to the development of revenues and** mainly **driven by intense planning and development activities;**
- amortisation and depreciation, equal to € 57.5 million, increased by 6%.

- *Non-operating components*

The item "extraordinary income/charges" shows a positive value of € 3.3 million, compared with a figure for the first half of 2025 which included the capital gain for the sale of the merchant acquiring activities for € 95.0 million gross.

- *Credit risk*

Value adjustments to loans stood at € -17.0 million, confirming the bank's excellent performance in terms of the ratio of credit costs to loans. As explained in greater detail in the section on loans, these consist mainly of analytical adjustments relating to Credembanca and Avvera, and are set against a first half of 2025 characterised by significant recoveries.

- *Profit (loss) for the year*

Net profit amounted to € 312.9 million, resulting from the figures described above and net of tax expenses, more penalising than the first half of 2025, up 12.5% when compared with the result of the first half of 2025, net of the capital gain from the sale of the merchant acquiring activities.

MAIN BALANCE SHEET AGGREGATES

In this section, the latest system data available are used for "Loans and direct deposits to customers" and "Total deposits".

LOANS TO CUSTOMERS*

As at 30 June, the Credem Group's loans stood at € 37.5 billion. A comparison with the figures as at 31 December 2025 reveals a slight decline, which is to be expected and attributable to the usual seasonal effect that characterises the first part of the year. This also reflects the Group's strategic decision to prioritise short-term financing to support working capital and businesses' expenditure requirements, which naturally decline in the early months of the year.
As shown in the table below, the year-on-year growth in the Group's loans takes place against a backdrop in which the banking system as a whole recorded, according to data from Banca d'Italia, a year-on-year increase of 2.61% (figures updated to May 2026).
This performance is particularly significant in a macroeconomic environment that remains challenging and is affected by adverse external factors. Over the last quarter, in fact, the European Central Bank has raised interest rates by 25 basis points. The rise in the cost of borrowing, combined with ongoing geopolitical tensions and uncertainty surrounding international trade, has continued to dampen overall demand for credit and to have a negative impact on businesses' willingness to invest. Against this backdrop of tighter financial conditions, the Credem Group has reaffirmed its financial strength, providing consistent and robust support to the real economy.
*The numbers shown in the tables refer to sub-item 40 b) of loans to customers net of the securities component and repurchase agreements

LOANS TO CUSTOMERS (€/million)	Volumes		% change compared with 2025
	Jun-26	Dec-25	
Loans	37,458	37,674	-0.6%

At the same time, the Group has maintained a proactive and rigorous approach to risk management, operating within a geopolitical and macroeconomic environment characterised by ongoing global uncertainties. In a scenario of rising interest rates, attention was focused on financial sustainability and the overall resilience of customers, constantly monitoring the sectors most sensitive to the slowdown in demand and the geopolitical dynamics underway.
In detail:

- **CredemBanca**: outstanding loans (excluding bad loans) stand at € 27 billion, remaining broadly stable compared with December 2025. Analysing the composition of the portfolio, all segments show substantial stability compared to June of last year. All business-related sectors have remained resilient, as has the residential mortgage segment, which has seen slight growth compared with December; in the latter, in particular, there has been a gradual slowdown in the trend of customers switching to other lenders, despite particularly aggressive pricing strategies from competitors.

- **Credemleasing**: outstanding loans amounted to € 3.5 billion, an increase of roughly 2.3% compared to 30 June 2025. They are unchanged compared with December.

- **Credemfactor:** outstanding loans stand at € 1.2 billion, showing solid growth of +9.1% compared with June 2025. In comparison with the December closing figure, there was a decline strongly affected by the marked seasonality that characterises the company's operations and business model.

- **Avvera:** the company continued its path of strong expansion also in the first half of 2026, recording an increase in loans of 7.1% compared to the December 2025 figure, continuing to grow better than the reference consumer credit market. Although the targeted loan, driven by the automotive sector, is confirmed as the company's core product, the most dynamic contribution to growth came from Personal Loans. The latter have benefited from the strategic decision to focus business development on the company, enabling it to effectively capitalise on

demand in this specific segment. The threshold of personal loans rose to € 703 million while, at the same time, the salary-backed loan segment remained at substantially stable levels. Transaction volumes relating to Buy Now Pay Later (BNPL) services remain at very low levels.

- **Credem Euromobiliare Private Banking:** loans amounted to € 917 million, showing a decidedly positive trend. During the half year, growth amounted to € 51 million (+5.9% compared with the year-end figure), whilst the year-on-year comparison confirms the sharp acceleration and the solid growth trend, with an increase of € 150 million (+21.1% compared with June 2025).

The aggregate data confirm the long-term trend and a concentration on counterparties with excellent credit quality, highlighting the Credem Group's constant attention to the solidity and stability of its credit portfolio over time.
With reference to Credembanca, during 2026, the concentration on the positions with the best ratings increased further (the top 4 of a total of 8 internal rating categories; specifically: C1-C4 for corporate regulatory function, C1-C5 for retail regulatory function), which account for approximately 92% of outstanding loans. More specifically, we point out:

- with regard to larger corporate entities (large and mid-corporate segments managed by corporate centres), the excellent credit quality of the portfolio was confirmed, 95% of which is composed of companies with the best ratings, in line compared to December 2025;
- with regard to the other companies included in the corporate regulatory function (small corporate segment) and also managed by the corporate centres, it should be noted that, as at 30 June, drawdowns on the highest-rated companies totalled approximately 89% of the total, an increase of approximately 1% compared with the end of the previous year;
- with regard to the companies included in the SEO segment (small economic operators with a retail regulatory function), which are managed by the subsidiaries, around 84% of exposures fall within the highest rating categories, an increase of 1.5% compared with the end of the previous year.
- Finally, the loan portfolio has once again demonstrated excellent resilience in the private individual segment as well. As a proportion of total exposures, the private individual segment with a portion placed on the best ratings remained substantially stable compared to the previous year, standing at 92%.

The table shows the classification of the Group's loans to customers by stage:

CLASSIFICATION OF NET LOANS BY STAGE		Jun-26	Dec-25
Stage 1	€ million	34,674	34,803
Stage 2	€ million	2,532	2,620
Stage 3	€ million	252	251
Stage 1	%	92.5	92.3
Stage 2	%	6.8	7.0
Stage 3	%	0.7	0.7

The Stage 2 component shows a slight decline compared with the end of the previous year, with the figure still below the Italian and European averages (as shown by the EBA Risk Dashboard data).

During the first half of 2026, despite a global macroeconomic scenario still characterised by elements of uncertainty and a restrictive interest rate framework, the stock of non-performing loans (Stage 3) of the Group recorded a further and progressive contraction, proof of the efficiency of the internal collection structures, assisted by the targeted and strategic recourse to the transfer transactions on the market of unsecured portfolios of Credembanca and Avvera, which guaranteed a constant proactive and transversal management of non-performing positions.

The effectiveness of these measures is clearly demonstrated by the trend in the gross NPL ratio, which stood at 1.53% as at 30 June 2026, a further improvement on the 1.61% recorded at the end of the previous year. This indicator confirms that the Group maintains standards of absolute excellence, both within the national banking sector and across Europe. The high asset quality and the continuous improvement of the risk indicators further consolidate the Group's leadership in loan management, reaffirming its distinctive position in terms of structural solidity and performance management.

The following table shows the evolution of non-performing loans and the trend in performing loans:

NON-PERFORMING LOANS						Performing loans	TOTAL LOANS
€ million		Bad loans	Unlikely to pay	"Past-due exposures"	Tot. Non-performing loans		
Nominal values	06/26	198	345	37	579	37,300	37,879
	12/25	231	337	47	615	37,516	38,131
Expected losses	06/26	158	155	14	327	93	420
	12/25	194	150	20	364	93	457
Estimated recoveries	06/26	40	190	22	252	37,206	37,458
	12/25	37	186	27	251	37,423	37,674
Coverage	06/26	79.9%	44.8%	39.5%	56.4%	0.3%	
	12/25	83.8%	44.7%	41.8%	59.2%	0.2%	

The overall coverage ratio for non-performing loans (NPLs) stands at 56.4%, down slightly from 59% at the end of 2025. This trend is primarily attributable to the technical impact of portfolio disposals, which resulted in the removal of bad loans characterised by particularly high levels of provisioning. Despite this impact, the Group's level of coverage remains characterised by the utmost prudence, consistently ranking among the highest in the banking sector.

As regards the trend in Credem Banca's non-performing loans, the following is noted:

- The gross stock of bad loans fell by € 34.06 million over the half year compared with the start of the year, bringing the total volume down to € 186.38 million (from an initial € 220.44 million). This positive trend was driven both by the effective use of strategic disposals with a gross book value (GBV) of € 43.2 million (a decisive factor, without which the stock would have increased by € 9.18 million) and by total proceeds of € 23.11 million (of which € 16.38 million were ordinary proceeds). Write-offs totalling € 11.81 million also contributed to the decline, whilst on the inflow side, there was a positive trend in inflows from unlikely-to-pay loans, which fell to € 33.70 million, down 18.94% compared with the same period last year.

- The total volume of unlikely-to-pay loans continued to improve over the period, falling by € 3.9 million since the start of the year, bringing the final total down to € 275.4 million. This positive trend was underpinned by a marked improvement in debt recovery activities, which rose to € 32.6 million (+10.52%), with the excellent performance of loans returning to performing status standing out in particular, having increased by 43.87% to € 7.10 million, whilst collections remained broadly stable at € 18.1 million (+0.57%). At the same time, effective monitoring measures have helped to reduce the number of loans slipping into the bad loan portfolio, which fell to € 33.4 million (-18.96%). This overall operational efficiency has made it possible to absorb the increase recorded in gross inflows, with transfers from performing loans rising to € 47.3 million (+49.6%) and those from past-due loans to € 14.85 million (+30.5%).

- Finally, with regard to past-due non-performing loans, the stock fell sharply compared with December 2025 by approximately € 10 million, reaching an all-time low (€ 37 million) since the regulatory introduction of the new definition of default.

In relation to the other Group companies, the stock of NPLs recorded the following changes:

- Avvera recorded an increase in the stock of non-performing loans of around € 7.5 million compared to December 2025, standing at € 62.4 million. This evolution, which mainly involved the personal loans segment, in the wake of the substantial expansion of the volumes disbursed, is considered natural and consistent with the company's business model: in fact, the latter makes structural provision for a risk profile higher than the commercial bank, fully offset by significant profitability levels that guarantee margin sustainability. With a view to actively managing the portfolio, in 2026 the company continued its de-risking strategy, finalising transactions involving the assignment of non-performing loans for a total amount of approximately € 7.2 million (€ 5.7 million in the first half of 2025).
- Credemfactor recorded an increase of approximately € 3 million in NPLs.
- Credemleasing is down by approximately € 5 million compared to December 2025.

In June 2026, the Group's cost of credit stood at € 17 million (0.09% of total loans – annualised figure for the period), remaining at levels of absolute excellence and showing a further improvement on the 0.13% recorded at the end of 2025. A comparison with June 2025 (0.03%) shows an increase in the indicator, attributable solely to the significant recovery in value that characterised the first half of last year following a major mortgage disposal transaction. This result places the Group at the forefront of the sector, with credit quality indicators significantly better than the average for both the Italian and European banking systems, demonstrating the effectiveness of its risk management policies and the high quality of its assets.
The cost of credit can be broken down as follows:

- Analytical write-downs on CredemBanca's non-performing loans amount to almost € 9.3 million, excluding gains on disposals. This result is attributable to two main factors: cash flows from performing loans, which remained modest although they showed a slight increase compared with the first half of 2025, and the excellent performance of the debt collection operations in terms of recoveries.

- Gains on disposals: gains arising from disposal transactions amounted to approximately € 4.8 million, once again proving to be a significant factor in mitigating the cost of credit. The figure shows a decline compared with the first half of 2025, as the comparative period had benefited from the significant impact of a major mortgage disposal transaction (€ 10.6 million);

- Avvera S.p.A.'s analytical adjustments amount to € 11.6 million, a trend structurally linked to the expansion of total stocks. More specifically, the half-year figure is driven by the Personal Loans

segment (around € 5.7 million) and Special-Purpose Loans (around € 4.1 million), whilst the impact of Salary-Backed Loans and Buy Now Pay Later schemes is significantly more marginal. This trend reflects the typical dynamics of the company's core business, which continues to demonstrate a favourable risk/return profile;

- The other Group companies' analytical adjustments have an impact on the cost of credit of approximately € 1 million;

- The overall impact at consolidated level of the collective write-downs as at June 2026 is essentially nil. Specifically, the net value adjustments recognised by Avvera, amounting to € 1.2 million, were fully offset by the recoveries recognised by the Group's other companies.

The IFRS 9 methodological framework is subject to continuous monitoring by the Group in order to assess its consistency with macroeconomic and portfolio developments on a quarterly basis.

The strategy for the management of Non-Performing Loans will continue to be directed towards a reduction of the "vintage" in line with regulatory provisions (SREP letter, Addendum, Calendar Provisioning) that penalise the oldest non-performing exposures.

FUNDINGS

The Group's total Funding amounted to € 139.8 billion, compared to € 133.8 billion in December 2025. With regard to "customers" components, these amounted to € 120.8 billion:

- direct customer deposits grew by 0.8% to € 41.0 billion;
- indirect customer deposits, including insurance reserves, showed a very positive increase of 8.8% compared with December 2025, whilst insurance reserves alone stood at € 11.4 billion, up 7.9% compared with December 2025.

CUSTOMER AND INSTITUTIONAL DEPOSITS (€/million)	Jun-26	Dec-25	% change compared with 2025
- Current accounts and savings accounts (*)	40,499	41,118	-1.5%
- Other holdings	297	271	9.6%
Deposits	40,797	41,389	-1.4%
Bonds and subordinated debts	4,664	4,519	3.2%
Direct banking deposits (**)	45,460	45,908	-1.0%
Insurance reserves (**)	11,354	10,518	7.9%
Indirect deposits	83,021	77,344	7.3%
Total Funding	**139,836**	**133,770**	**4.5%**
Direct customer deposits (***)	**41,030**	**40,723**	**0.8%**
Indirect customer deposits with insurance reserves (***)	**79,809**	**73,351**	**8.8%**
Total customer deposits (***)	**120,840**	**114,074**	**5.9%**

(*) This item does not include loans stipulated in the form of repurchase agreements with the Clearing House and Guarantee Fund; it includes certificates of deposit.
(**) The "direct banking deposits" include the contribution of the companies belonging to the banking group, while "insurance reserves" include Credemvita insurance reserves and financial liabilities designated at fair value.
(***) For all reference periods, debt securities issued on institutional markets and indirect deposits of a financial nature have been deducted. "Total customer deposits" also includes Insurance Reserves.

According to ABI data, in June 2026 in Italy, the trend in direct deposits increased by 3.6% on an annual basis. As regards the Credem Group, direct bank deposits decreased by 1% compared to December, while bonds increased by 3.2% following the issue of € 500 million in Green Bonds, as mentioned in the introduction. Regarding the other forms of institutional deposits and the use of the ECB refinancing channel, please refer to the chapter on financial assets.

As shown in the table below, assets under indirect management grew by 5.9% (excluding the insurance component) in the half year, while assets under administration maintained a stronger trend, growing by 13.5% compared to the end of 2025.

As regards assets under management, funds grew by 6.2%, reaching € 12.6 billion in volumes, in line with the good performance reported at system level. SICAVs also grew by 15.5%, while portfolio management volumes declined (-2.2%).

Indirect deposits, broken down by product type, show the following trend (€/million):

BREAKDOWN OF INDIRECT DEPOSITS (€/million)	Jun-26	Dec-25	% compared with 2025
Portfolio management	6,893	7,045	-2.2%
Mutual investment funds	12,611	11,869	6.2%
SICAV	5,739	4,969	15.5%
Other and third-party products	14,677	13,817	6.2%
Indirect customer deposits - assets under management (**)	**39,920**	**37,701**	**5.9%**
Indirect customer deposits - assets under administration	**28,535**	**25,132**	**13.5%**
Total indirect customer deposits	**68,455**	**62,833**	**8.9%**
Total indirect deposits (*)	**83,021**	**77,344**	**7.3%**

(*) includes institutional assets under administration

(**) net of the insurance component

The Group's companies operating in the wealth management sector (Credem Euromobiliare Asset Management Sgr, Credem Euromobiliare Advisory Sim, Credem Euromobiliare Private Asset Sgr, Euromobiliare Fiduciaria and Credemvita) achieved significant volumes as at 30 June 2026, driven both by strong new business and by the recovery in market performance seen in the last quarter.

The development of a wide and diversified range of investment solutions continues, also with a focus on sustainability. At the end of June, approximately € 16.7 billion was recorded in total assets relating to the Group's investment products and services with ESG* (environmental, social and governance) characteristics (up by 10.7% compared to the same period of 2025).
To support the strategic evolution of its business model within the wealth management services sector, the Group has launched a major rebranding project involving Credem Private Equity, Euromobiliare Asset Management Sgr and Euromobiliare Advisory Sim, with the aim of further strengthening the Group's corporate model and enhancing its brand recognition.
During the first half of the year, preparatory work was carried out for the launch of the rebranding of Euromobiliare Asset Management Sgr and Euromobiliare Advisory Sim, which, with effect from 1 July 2026, have adopted the new names Credem Euromobiliare Asset Management Sgr and Credem Euromobiliare Advisory Sim.

Credemvita's strategy is driven by its ability to interpret the changing insurance needs of its customers, as reflected in its performance for the first half of 2026, which closed with total premiums written of € 1,137 million (+11% year-on-year).
The trend across all the main business lines is having a positive impact on the results. Segment I grew by 8% compared with the same period in 2025, driven by the "Risparmio Protetto by Credemvita" policy, which aims to deliver stable returns through investment in two separate funds. Excellent performance was also recorded in Segment III (+16%), driven by the strong performance of the Premium Collection policy, whilst the success of the multi-segment sector continued at a sustained pace (+101% compared with the same period in 2025), supported by the excellent market response to the Orizzonte by Credemvita solution.

Rounding off the half-year results is growth in supplementary pensions (+10%), driven by the "Destinazione Futuro" Open-End Pension Fund by Credemvita, and in insurance cover, with premiums up 14% compared with the same period in 2025.

(*) the total value of the Credem Group's products and services that promote ESG characteristics and fall within the Article 8 and Article 9 classifications defined by EU Regulation 2088/19 (so-called SFDR).

MARKET SHARES

In view of the timeframe for the approval of this report, the latest industry data available are therefore used for "Loans and direct deposits to customers" and "Total deposits". As for the core direct deposits, the "deposits" figure was used (updated at the reporting date), given the different timings of the return flows of bonds and repurchase agreements broken down by counterparty.

The national market shares related to the Italian banks show the following evolution (in %):

LOANS MARKET SHARES relating to Italian banks (%)	May-26	May-25	Dec-2025
Total cash loans (*) of which:	2.234	2.260	2.372
– Non-financial companies	2.226	2.224	2.325
– Consumer households	2.143	2.200	2.172
– Income generating households	1.160	1.265	1.198
– Total "core" share	2.132	2.162	2.191

(*) Includes "repurchase agreements with institutional counterparties"; does not include loans to Public Administrations.

DEPOSITS MARKET SHARE (%)	May-26	May-25	Dec-2025
Direct deposits (*)	1.837	1.838	1.932
Indirect deposits	1.820	1.561	1.834
Overall customer deposits (*)	1.820	1.655	1.868
of which:			
Direct deposits of consumer and income generating households	1.722	1.722	1.711
Indirect deposits of consumer and income generating households	3.485	3.582	3.467

(*) Includes institutional counterparties

FINANCIAL ASSETS

Customer deposits continue to represent the Credem Group's preferred overall funding channel.

With regard to funding from the ECB, at the end of June 2026 there were no open market transactions in place.

During the first half of 2026, the Banking Group maintained an average balance of liquidity deposited in accounts held with the ECB of approximately € 890 million, which at the end of June stood at € 590 million.

In May 2026, the annual renewal of the EMTN Programme was finalised.
In May 2026, Credem placed a Senior Preferred Green bond issue on the market for € 500 million, maturing in June 2032 and with an option for early redemption in June 2031.
As part of the Covered Bond programme by Credem CB, the nominal value of the issues outstanding at the end of June 2026 stood at € 3.6 billion, of which € 1.75 billion represented by self-retained issues.
As for money market operations under the Credito Emiliano Commercial Paper Programme, four issues were placed during the first half of 2026, for a total amount of approximately € 95 million. At the end of June 2026, there were outstanding issues with a nominal value of € 225 million.
The Group continues to be active in funding transactions involving short-term unsecured deposits with the Ministry of Economy and Finance (MEF), through two transactions of € 500 million each, each with a duration of one week, which took place in the first and second quarters, whilst at the end of June 2026 there were no outstanding transactions.
In the same period, the refinancing, mainly involving government bonds and European Supras in euro, saw transactions involving repurchase agreements, which at the end of June recorded net inflows of roughly € 740 million. The excess liquidity over cash requirements was partly reinvested in the money market and partly deposited with the European Central Bank. Part of the excess liquidity was re-invested in repurchase agreements secured by bonds issued by financial institutions, amounting to € 500 million at the end of June.

With regard to transactions in currencies other than the euro (and in particular in US dollars) the position remained predominantly in a net inflow during the half year; however, at the end of June, following a change in the net customer position, the overall position closed with a net outflow. Furthermore, during the period, following the purchase of € 45 million of UK government securities denominated in pounds sterling, repurchase agreements were entered into for the same amount.

The management of the bond portfolio favoured the investment in securities of Italian and European issuers. The percentage of the total portfolio represented by Italian issuers was about 45% at the end of June 2026.

As at June 2026, the holding of US Treasury bonds denominated in US dollars had risen slightly to approximately 470 million in euro terms, compared with the holding at the end of 2025, which stood at 461 million in euro terms.

The portfolio is therefore mainly composed of government bonds and securities issued by Supranational Bodies, denominated in both Euro and dollars (and to a lesser extent, sterling), as well as bonds issued by banks and a portion of securities issued under securitisation and covered bond transactions.

FINANCIAL ASSETS - SECURITIES *(millions of euro)	Jun-26	2025
Held for trading (HFT)	42	41
HTCS	5,441	5,163
HTC (**)	6,770	6,702
	12,253	**11,906**
LOANS AND DEPOSITS FROM BANKS (millions of euro)		
Loans to banks (***)	1,542	1,814
Bank deposits	2,222	3,089

(*) For further information on fair value, please refer to Part A of the Explanatory notes to the Consolidated Financial Statements
The table includes only figures relating to the Banking Group, excluding the Credemvita portfolio
(**) Assets held to collect contractual cash flows, measured at amortised cost
(***) Loans to banks excluding the securities component, shown under financial assets

EXPOSURES HELD IN SOVEREIGN DEBT SECURITIES (BANKING GROUP AND CREDEMVITA):

In compliance with the provisions of IFRS 7 and taking into account the indications contained in Consob Communication no. DEM/11070007 of 5 August 2011 (which refers to document ESMA no. 2011/266 of 28 July 2011) regarding disclosures to be made in financial reports regarding "sovereign debt", the following disclosure is provided relating to the exposure in bonds issued by central and local governments and government authorities.

Exposures held in sovereign debt securities (millions of euro)			
Government Issuer	**30/06/2026**		
	HFT	**HTCS**	**HTC**
Italy	9	3,254	3,848
Spain	1	925	474
Portugal	-	195	92
Belgium	-	768	-
France	1	1,346	300
U.K.	1	52	-
U.S. Treasury	3	469	-
European Union	1	1,176	871
Germany	1	34	-
Ireland	-	17	-
The Netherlands	-	-	-
Other	3	48	-
Total	**20**	**8,284**	**5,585**

(information relating to the consolidated scope, inclusive of Credemvita)

GROUP STRUCTURE AND CONTRIBUTION OF COMPANIES

KEY VALUES

The following table shows the evolution of the Group's local presence:

LOCAL PRESENCE	Jun-26	2025
Credembanca	410	408
Credem Euromobiliare Private Banking (CEPB)	56	56
Credem Euromobiliare Private Banking (light branches*)	8	10
TOTAL BRANCHES	**474**	**474**
"Credempoint"	67	68
CEPB financial outlets	10	10
TOTAL FINANCIAL OUTLETS	**77**	**78**
Financial Advisors with Credembanca mandate	556	544
Financial Advisors with CEPB mandate	322	317
TOTAL EXTERNAL FINANCIAL ADVISORS WITH MANDATE	**878**	**861**
CORPORATE CENTRES	**44**	**46**
FINANCIAL AGENTS RESIDENTIAL MORTGAGES	**233**	**237**
FINANCIAL AGENTS "SALARY-BACKED LOANS", SPECIAL PURPOSE AGENTS (WITH COLLABORATORS) and DIRECT AGENTS	**431**	**449**

The total number of branches has remained stable, whilst the number of authorised advisors for both Credembanca and Credem Euromobiliare Private Banking is growing, following the major recruitment effort the Group is currently undertaking.

(*) Credem Euromobiliare Private Banking corner within Credem branches

The Credem Group comprises two operating segments, Banking and Wealth Management, which aggregate the main business areas in which the various Group companies operate. In particular, within the first sector:

- *Commercial banking*

Commercial Banking contributed € 169.3 million to the Group, in line with the previous year, bearing in mind that the profit for the first half of 2025 included the capital gain on the disposal of the merchant acquiring activities.

- *Private banking*

Credem Euoromobiliare Private Banking contributed € 31 million in the half year, up from € 22.8 million in the first half of 2025, marking a significant increase in net inflows and an improvement in profitability driven by both the financial margin and the non-interest margin.

- *Non-banking, Consumer Credit and other*

Companies operating in the non-banking and consumer credit sectors contributed a total of € 45.9 million to the half-year profit, marking an upward trend compared with the € 43.4 million recorded in the previous year.

It should be noted that the Group also includes companies that are not strictly related to banking, which are significant in terms of the services they are able to provide to customers and also in relation to their contribution to and exchanges with the rest of the Group. With this in mind, during the last quarter, the Andxor company (a software house specialising in digital data security solutions, in which CredemTel already held a stake) was also included in the consolidated accounts; CredemTel now holds a 75% stake in the company.

Wealth Management:

- *Asset Management and Insurance*

The companies in the area are all wholly owned subsidiaries of Credem except Credemassicurazioni, which is 50/50 jointly owned with Reale Mutua, and operate in support of the Group's commercial networks in investment services, financial and asset management consulting, insurance and fiduciary services.

As at 30 June 2026, these companies represent 13% of consolidated net interest and other banking income and accounted for 24% of consolidated profits in the first half of the year.

CONTRIBUTION BY COMPANY TO THE CONSOLIDATION (millions of euros)	COMMERCIAL BANKING			PRIVATE BANKING			NON BANKING, CONSUMER CREDIT AND OTHER			ASSET MANAGEMENT and INSURANCE			CONSOLIDATED*		
	06/26	06/25	% change	06/26	06/25	% change	06/26	06/25	% change	06/26	06/25	% change	06/26	06/25	% change
NET INTEREST AND OTHER BANKING INCOME	678.8	632.9	*7.3%*	153.4	131.5	*16.7%*	147.9	136.7	*8.2%*	139.5	105.8	*31.9%*	1,048.7	937.0	*11.9%*
OPERATING EXPENSES AND AMORTISATION/DEPRECIATION	-411.6	-390.2	*5.5%*	-102.9	-95.9	*7.3%*	-63.4	-59.0	*7.4%*	-27.0	-27.1	*-0.5%*	-544.5	-516.5	*5.4%*
OPERATING PROFIT	267.2	242.7	*10.1%*	50.6	35.6	*42.0%*	84.5	77.7	*8.8%*	112.5	78.6	*43.1%*	504.2	420.5	*19.9%*
PROFIT BEFORE TAXES	269.2	345.9	*-22.2%*	49.7	35.0	*42.1%*	71.7	65.0	*10.3%*	108.4	75.1	*44.4%*	488.7	507.0	*-3.6%*
NET PROFIT	169.3	264.1	*-35.9%*	31.0	22.8	*36.1%*	45.9	43.4	*5.9%*	75.0	52.4	*43.2%*	312.9	371.8	*-15.8%*

(*) Consolidation adjustments, not highlighted in the table, concern dividends collected from consolidated companies, the contribution of investments valued under the equity method and revenues from services provided to other companies of the Group.

The tables below show the main indicators relating to Group companies and the percentage changes in aggregates compared to the first half of 2025:

CUSTOMER VOLUMES	LOANS	% change YoY	DIRECT	% change YoY	UNDER MANAGEMENT	% change YoY	UNDER ADMIN.	% change YoY
COMMERCIAL and PRIVATE BANKING	36,712	2%	41,383	5%	50,860	13%	28,547	26%
	35,795	*2%*	*32,902*	*4%*	*23,580*	*11%*	*10,633*	*30%*
	917	*20%*	*8,481*	*6%*	*27,279*	*15%*	*17,914*	*23%*
NON-BANKING, CONSUMER CREDIT and OTHER	8,756	7%	132					
	3,510	*2%*	49					
	1,274	*4%*	83					
	3,972	*14%*						
ASSET MANAGEMENT and INSURANCE	33	26%			29,704	87%		
	33	29%			*12,384*	*16%*		
					5,739	*15%*		
	0.064	-90%			*0*	*-100%*		
					227	*1%*		
					11,354	*#DIV/0!*		
Other	0.0000		22					
Aggregate	45,502	3%	41,537	5%	80,564	32%	28,547	26%
Consolidation adjustments	-8,043		-506		-29,290		-12	
CONSOLIDATED	**37,458.492**	2%	**41,030**	5%	**51,274**	45%	**28,535**	26%

In this table, the institutional assets under administration of € 14.6 billion are not represented, while the volumes of the Parent Company include intercompany services to the other companies.

COMMENTS ON THE RESULTS OF GROUP COMPANIES

In the following pages, we report the analysis of the main aggregates and the contribution of the individual companies (in € millions), taken from accounting situations drawn up in accordance with IAS/IFRS international standards for all the companies examined. The figures presented have been reclassified, in line with those of the Group, as indicated in the key at the end of the Consolidated Report and in the Explanatory Notes.

CREDEM BANCA	Jun-26	Jun-25	% change YoY
ECONOMIC INDICATORS: millions of euro/%			
Net interest and other banking income	678.7	632.8	*7.3%*
Financial margin	365.9	354.6	*3.2%*
Non-interest margin	312.8	278.2	*12.4%*
Costs (Overheads + Amortisation/Depreciation)	-411.5	-390.2	*5.5%*
Personnel	-238.4	-223.8	*6.5%*
Administrative	-127.2	-122.5	*3.9%*
Amortisation/depreciation	-45.9	-43.8	*4.7%*
Operating profit	267.2	242.6	*10.1%*
Losses on loans	-4.0	7.9	*-150.6%*
Net profit excluding capital gain from disposal of merchant acquiring activities	169.3	170.5	*-0.7%*
Net Profit	169.3	264.1	*-35.9%*
VOLUMES millions of euro/%			
Direct and indirect "customer" deposits	70,346	60,953	*15.6%*
of which: Managed + Third parties (*)	*23,580*	*21,287*	*10.8%*
Loans (net of intercompany transactions)	26,803	26,753	*0.2%*
Cost/Income ratio, including amor./dep. *% / bps*	60.6%	61.7%	

(*) The term "Third parties" refers to the range of products from companies outside the Group

In the first half of the year, Credembanca reported a net profit of € 169.3 million, compared with € 264.1 million in the previous year, which included a capital gain from the disposal of its merchant acquiring activities (€ 93.7 million) and a more favourable tax rate, following the increase in taxation on banks brought about by the latest Finance Act.

Thanks to its 410 retail branches, 44 corporate centres and a network of 556 financial advisors, the commercial bank has seen growth in indirect customer deposits of over 15%, whilst also maintaining its stock of loans to customers. Growth was also driven by the recruitment of new professionals and the development of digital channels (the Credem Link account), which helped to accelerate the acquisition of new customers.

Operating profit stood at € 267.2 million, marking an increase of more than 10% compared with the previous year. The non-interest margin proved to be a key driver, underpinned by solid growth in management and brokerage fees. The network has successfully channelled its large customer

base, benefiting both from new business and from the market recovery, which have helped to boost overall volumes. We point out, as already noted in the commentary on the consolidated income statement, that the non-interest margin also benefited from an increase in trading profit.

Costs, including depreciation and amortisation, rose by 5.5%, driven by both the increase in administrative expenses and the trend in personnel expenses.

Net losses on loans amounted to € -4 million in the first half of the year, whereas in the comparison period they had made a positive contribution, thanks to recoveries and cumulative gains on disposals.
With regard to the evolution of Credembanca's volumes, the main aggregates relating to commercial banking (retail and corporate) are shown below, based on internal management data.

RETAIL and CORPORATE (millions of euro)	Jun-26	Jun-25	% change
Gross loans (*)	26,803	26,967	-0.6%
Direct deposits	31,358	29,986	4.6%
Indirect deposits	32,739	29,348	11.6%
Total deposits	**64,097**	**59,334**	**8.0%**
Assets under management	23,684	21,360	10.9%
Assets under administration	9,055	7,988	13.4%

(*) The figure excludes € 8.3 billion in loans (€ 7.4 billion in 2025) attributable to loans to Group companies and other smaller centres.

The performance in the loan portfolio was supported by the expansion of corporate loans, particularly in the small business segment, with the portfolio maintaining its characteristics of credit quality, sector diversification and risk distribution.
In the retail sector, the half year saw a strong performance in residential mortgages, whilst the short-term segment has seen a decline in private customers, who are increasingly turning to alternative forms of financing.

As regards asset inflows, performance remained very strong, both in direct deposits and assets under management and administration: assets were further bolstered by markets that had recovered from the volatility seen in the first part of the year.

EUROMOBILIARE PRIVATE BANKING	Jun-26	Jun-25	% changes
ECONOMIC INDICATORS: millions of euro/%			
Net interest and other banking income	153.4	131.5	*16.7%*
Financial margin	40.6	33.5	*21.1%*
Non-interest margin	112.9	98.0	*15.2%*
Costs (Overheads + Amortisation/Depreciation)	-102.9	-95.9	*7.3%*
Personnel	-55.4	-52.3	*5.9%*
Administrative	-43.1	-39.3	*9.7%*
Amortisation/depreciation	-4.3	-4.3	*1.4%*
Operating profit	50.6	35.6	*42.0%*
Losses on loans	-0.1	0.0	*n.s.*
Net Profit	31.0	22.8	*36.1%*
VOLUMES (end-of-period balances): millions of euro/%			
Direct and indirect "customer" deposits	53,674	46,261	*16.0%*
of which: Managed + Third parties (*)	*27,279*	23,780	*14.7%*
Loans	917	763	*20.2%*

(*) The term "Third parties" refers to the range of products from companies outside the Group

Customer deposits reached € 53.7 billion at the end of June 2026, with a very positive contribution from both net inflows, equal to € 1,356 million, and a +2.9% market effect in the first six months of the year. Assets under management stand at € 27.3 billion. Loans to customers totalled € 917 million.

The net profit in June 2026 was equal to € +31.0 million compared to € +22.8 million in the previous year.
Net interest and other banking income amounted to € 153.4 million, compared with € 131.5 million in the first six months of 2025, with the financial margin rising by approximately 21%, mainly due to higher profitability from direct customer deposits, and non-interest margin increasing by approximately 15%. Within the non-interest margin, there has been a particular increase in fees relating to the core business (assets under management, assets under administration and advisory services). The net result of trading, hedging and gains/losses on disposals was almost zero (which in the previous year benefited from gains realised on the sale of certain securities in the portfolio).
Administrative expenses, personnel expenses and amortisation/depreciation rose from € 96.0 million to € 102.9 million, mainly due to the bank's growth in size.

The recruitment of top professionals with high per capita portfolios continued, in contrast to some exits (also linked to retirements, generational transfers and role changes), bringing the final balance to 373 private bankers and 322 financial advisors, distributed across 64 branches and 10 financial centres.

AVVERA GRUPPO CREDEM	Jun-26	Jun-25	% changes
ECONOMIC INDICATORS: millions of euro/%			
Net interest and other banking income	61.6	53.6	*14.8%*
Financial margin	36.1	28.5	*26.6%*
Non-interest margin	25.5	25.1	*1.5%*
Costs (Overheads + Amortisation/Depreciation)	-20.4	-18.9	*8.1%*
Personnel	-8.1	-7.7	*5.4%*
Administrative	-9.4	-8.6	*9.4%*
Amortisation/depreciation	-2.9	-2.6	*11.7%*
Operating profit	41.1	34.7	*18.5%*
Losses on loans	-12.8	-11.9	*7.9%*
Net Profit	17.9	15.3	*17.0%*
VOLUMES (end-of-period balances): millions of euro/%			
Net balance sheet receivables	3,972	3,481	14.1%

In the first half of 2026, the mortgage market recorded lower volumes than in the same period of 2025 (-8.5%, of which "Purchase" mortgages were up 0.9%). The consumer credit segment recorded a growth trend of +5.5% (in detail: Personal Loans +4.2%, Special-Purpose Loans +6.4% and Salary-Backed Loans +9.4%).

As regards the company, the results achieved in the mortgage business show a downward trend, with volumes totalling € 384.5 million, down by 14% compared with the same period last year. However, in the consumer credit segment, the growth trend in Special-Purpose Loans is confirmed, with € 421.9 million in volumes disbursed (+9.4% year-on-year), whilst Salary-Backed Loans saw a slight decline, with volumes totalling € 239.3 million (-3.7% year-on-year), as did Personal Loans, which stood at € 184.8 million (-1.9% year-on-year).

Net interest and other banking income amounted to € 61.6 million (+14.8% compared to the same period of the previous year). The increase was driven by a greater contribution of the net interest income, amounting to € 36.1 million, up by +26.6% compared to the first half of 2025, where in contrast to a significant rise in interest income (+20.5% and € +14.6 million) with an increased stock and profitability, there was a more modest increase in interest expense (+16.4% and € +7.1 million) relating mainly to medium/long-term loans in place with Credembanca to finance the core business. Net fee and commission income rose slightly compared with the previous year (+1.5%), with the decline in the contribution from mortgages being offset by the increase in insurance commissions on Special-Purpose Loans and after-sales activities relating to Loans and Salary-Backed Loans.

Loans and Salary-Backed Loans contribute to an increasing extent to the establishment of the net interest and other banking income thanks to a continuously growing stock.

Losses on loans totalling € 12.8 million are reported, which include a capital gain of € 1.2 million from the disposal of bad loans (a slight increase compared with the previous year (+7.9%)) with a general rise in the analytical component (most significant for Personal Loans) not offset by the decline in the collective component.

In the first half of 2026, there was an increase in operating expenses equal to 8.1%, due to the increase in operations and business volumes, but it remains significantly lower than the growth in revenues and lower than had been recorded in previous years.

The net result for the period was positive for € 17.9 million, compared to € 15.3 million in the same period of the previous year (+17.0% YoY).

CREDEMLEASING	Jun-26	Jun-25	% changes
ECONOMIC INDICATORS: millions of euro/%			
Net interest and other banking income	43.1	42.0	*2.7%*
Financial margin	38.1	36.4	*4.6%*
Non-interest margin	5.0	5.6	*-10.0%*
Costs (Overheads + Amortisation/Depreciation)	-11.2	-10.9	*3.0%*
Personnel	-5.9	-5.8	*1.8%*
Administrative	-4.4	-4.3	*2.1%*
Amortisation/depreciation	-1.0	-0.8	*15.5%*
Operating profit	31.9	31.0	*2.6%*
Losses on loans	0.4	-0.7	*-154.4%*
Net Profit	20.6	20.2	*2.0%*
VOLUMES (end-of-period balances): millions of euro/%			
Net balance sheet receivables	3,510	3,441	2.0%

In the first half of 2026, the lease and long-term rental market finalised investments totalling over € 18.9 billion, up 4.4% compared to 2025. The biggest segment is confirmed to be vehicles (64.0% of the total stipulated), an increase by 2.4% compared to the previous year, supported for 54.9% by the Long-Term Rental component. The equipment segment accounts for 24.6% of the market, a figure that has remained stable since 2025. The aviation, nautical and rail segments have performed well (+50.5% in value), accounting for 2.3% of total signed contracts, with the recreational boating transactions alone accounting for 75.5% of this figure. In June 2026, the property segment showed growth of 29.9% compared with the same period the previous year and accounted for 8.7% of leasing investments. The growth trend is confirmed for both "off-plan" property (+20.9%) and "completed" property (+34.8%); the latter accounts for 66.9% of property transactions, with transactions worth more than € 2.5 million having a particularly significant impact.

Operating exclusively in the financial lease sector, Credemleasing recorded total new business of € 559.5 million in the first half of 2026, down 7.9% on the previous year. 70.7% of new contracts relate to the movable property segment (-4.6% compared with 2025), driven mainly by equipment leasing (45.3% of the sector's volume), followed by the vehicle segment (31.6%) and the nautical segment (23.0%). In this context, the nautical segment is showing growth (+28.2%), whilst the vehicle segment remains stable (+1.3%) and the equipment segment is contracting (-18.3%). Bucking the market trend, the property segment has seen an overall decline of 15.3% compared with 2025. In particular, there has been a fall in volumes in the "completed" segment (-40.4%), partially offset by growth in the "off-plan" segment (+20.9%).

The main trends in core business show an increase in net interest and other banking income, particularly supported by the trend in average production capital (+2% compared to the previous year) and from the current financial trends in market rates.

The item "Losses on loans" shows a recovery of € 387 thousand, attributable mainly to the performing component. Administrative expenses recorded an overall increase in line with the structural evolution of the Company.

The Cost/Income ratio at 26.1% confirms operating efficiency. Net profit amounted to € 20.6 million.

CREDEMFACTOR	Jun-26	Jun-25	% change
ECONOMIC INDICATORS: millions of euro/%			
Net interest and other banking income	14.9	15.0	*-0.8%*
Financial margin	8.8	9.4	*-7.1%*
Non-interest margin	6.1	5.6	*9.9%*
Costs (Overheads + Amortisation/Depreciation)	-7.7	-7.5	*2.0%*
Personnel	-4.7	-4.7	*0.4%*
Administrative	-2.3	-2.3	*3.9%*
Amortisation/depreciation	-0.6	-0.5	*7.7%*
Operating profit	7.2	7.5	*-3.6%*
Losses on loans	-0.5	-0.6	*11.9%*
Net Profit	4.2	4.6	*-6.9%*
VOLUMES (end-of-period balances): millions of euro/%			
Net balance sheet receivables	1,274	1,225	4.0%

According to the summary preliminary indicators of May 2026, the Italian factoring market showed an increase in all three summary indicators compared to the previous year: turnover (+2.2%), outstanding (+1.7%) and investment (+1.5%).
Compared with the market as a whole, Credemfactor recorded more significant improvements across all indicators on the same date. At the same time, market shares, compared with the same period of the previous year, showed the following changes:

- Turnover: up by 8.7%, with a market share of 1.87% (1.72% in the first half of 2025);
- Outstanding: an increase of 7.4%, bringing its market share to 2.04%, up from 1.90%;
- Investment: up by 6.9%, reaching a market share of 2.18%, compared with 2.04% the previous year.

Net receivables at book value amounted to € 1,274 million, an increase of 4.0% compared to the same period of the previous year.

From an asset quality point of view, non-performing loans at book value amounted to € 15.2 million, an increase of 17.2% compared to December 2025 and of 15.9% over the same period of the previous year. The increase compared with December of the previous year is largely attributable to the "unlikely to pay without recourse" component.

Net interest and other banking income amounted to € 14.9 million, compared to € 15 million in the same period of the previous year: financial margin, against an increase in average capital (+8.2%), was negatively affected by the applied spreads; non-interest margin was affected by the higher turnover (+13.1%) despite the reduction in the commission rate applied. Costs, including depreciation and amortisation, amounted to € 7.7 million, up 2% on the previous year. Net losses on loans had a negative impact on the income statement of € 0.5 million (compared to € 0.6 million, also a negative impact in the previous year), due to € 0.76 million relating to analytical net adjustments to non-performing loans and € 0.25 million relating to recoveries on performing loans. Operating income and expenses, which had a positive impact of € 86 thousand, were primarily driven by the recovery of stamp duty on invoices, extraordinary income relating to receivables from previous years and the recovery of legal costs, as well as extraordinary expenses amounting to € 3 thousand. Net profit amounted to € 4.2 million, a decrease of 6.9% compared to the previous year.

The main areas of strategic innovation, in line with the Group's guidelines, relate to the increase in the digitalisation of multi-channel customer service processes, the efficiency of internal operating processes to reduce the cost to serve and optimise the service, and to reducing technical obsolescence through a progressive internal management process.

EUROMOBILIARE ASSET MANAGEMENT	Jun-26	Jun-25	% change
ECONOMIC INDICATORS: millions of euro/%			
Net interest and other banking income	76.1	46.4	*64.2%*
Financial margin	5.6	6.1	*-9.0%*
Non-interest margin	70.6	40.3	*75.3%*
Costs (Overheads + Amortisation/Depreciation)	-15.0	-10.8	*38.2%*
Personnel	-6.4	-4.5	*42.1%*
Administrative	-8.3	-6.2	*34.8%*
Amortisation/depreciation	-0.2	-0.1	*60.0%*
Operating profit	61.2	35.6	*72.1%*
Net Profit	43.0	25.3	*69.6%*
VOLUMES (end-of-period balances): millions of euro/%			
Funds	12,384	10,690	*15.8%*
Sicav	5,739	5,007	*14.6%*
Group discretionary portfolio management	7,504	6,911	*8.6%*

Credem Euromobiliare Asset Management Sgr's net inflows as at 30 June 2026 stood at € +903 million (-7.8% compared with 30 June 2025), of which UCITS (Italian funds and SICAV sub-funds) accounted for € +898 million, pension products for € +21 million, portfolio management for € -28 million, and LPS insurance policies for € +12 million.

Net inflows into UCITS rose by 9.8% compared with 30 June 2025, showing a stronger trend than the market as a whole, where positive inflows were lower than last year's. In particular, inflows were recorded in equity products (€ +158 million), bond/life cycle products (€ +697 million) and flexible products (€ +78 million). Outflows were recorded only on balanced products (€ -35 million).

The total assets of UCITS increased compared to the end of the previous year, with an increase in the weighting of equity products (15.1% vs. 13.4% at the end of 2025) at the expense of flexible products (22.9% vs. 23.8% at the end of 2025) and balanced products (10.8% vs. 11.5% at the end of 2025). The proportion of bond/life cycle products remained stable (51.3%).

With regard to Group discretionary portfolio management, it should be noted that the figure reported as at 30 June 2025 includes the portfolio management previously held by Euromobiliare Advisory SIM (transferred to the asset management company following the demerger described below) to ensure consistency in the comparison of the data.

The Company's market share, in terms of asset management (including Italian funds and SICAVs), is 1.30%, up against the figure recorded at the end of 2025.

The income statement shows management fees of € 35.7 million, up (+16.6%) compared with the same period last year, thanks to the acquisition of mandates for portfolio management and LPS insurance policies resulting from the creation of the single management centre headed by Credem Euromobiliare Asset Management Sgr.
Performance fees also showed a positive trend, thanks to the favourable market conditions and the management activities carried out in the first half of 2026.
Overheads, including depreciation and amortisation, amounted to € 15 million, an increase resulting from the incorporation of new business lines from Credem Euromobiliare Sim (discretionary portfolio management and advisory support). Excluding the impact of the new business lines, normalised costs on a like-for-like basis are in line with those for the first half of 2025.

Net profit for the period amounted to € 43.0 million (up 69.6% compared with 30 June 2025), thanks to the incorporation of new business lines and the contribution from performance fees.

EUROMOBILIARE ADVISORY SIM	Jun-26	Jun-25	% changes
ECONOMIC INDICATORS: millions of euro/%			
Net interest and other banking income	3.2	11.0	*-70.7%*
Financial margin	0.0	0.5	*-96.0%*
Non-interest margin	3.2	10.4	*-69.4%*
Costs (Overheads + Amortisation/Depreciation)	-2.6	-7.2	*-64.1%*
Personnel	-1.2	-3.7	*-66.6%*
Administrative	-1.3	-3.3	*-60.4%*
Amortisation/depreciation	0.0	-0.2	*-77.8%*
Operating profit	0.6	3.8	*-83.4%*
Net Profit	0.4	2.6	*-83.3%*

During the first half of the year, the financial effects of the demerger that took place on 1 January 2026 became apparent; under this demerger, the mandate to manage the portfolio management service was transferred to Credem Euromobiliare Asset Management Sgr, and financial advisory services relating to both "basic" and "advanced" advisory were also transferred; the results for the period are therefore not comparable with those for the corresponding period of the previous year. The current year is therefore characterised as a year in which the scope of financial and wealth management services provided to the Group is being consolidated.

Revenue from financial and asset management services provided to the Group's Advanced Networks is determined on a fixed basis and is inelastic with respect to volumes and engagements received.
The first half of the year closed with a profit for the period of € 0.432 million, a figure that reflects the disciplined approach taken to managing administrative expenses.

CREDEMVITA	Jun-26	Jun-25	% change
ECONOMIC INDICATORS: *millions of euro/%*			
Net interest and other banking income	58.7	45.6	*28.8%*
Costs (Overheads + Amortisation/Depreciation)	-11.8	-10.6	*11.7%*
Personnel	-4.4	-3.9	*11.5%*
Administrative	-6.3	-5.7	*10.3%*
Amortisation/depreciation	-1.1	-0.9	*20.9%*
Operating profit	46.9	35.0	*34.0%*
Net Profit	27.9	20.3	*37.2%*
VOLUMES Group networks (end-of-period balances): *millions of euro/%*			
Segment I	6,070	5,383	*12.8%*
Segment III	5,026	4,392	*14.5%*
Segment VI	650	558	*16.6%*

The figures as at 30 June 2025 have been reclassified in line with the presentation adopted as at 30 June 2026, which is consistent with the insurance financial statements.

As at 30 June 2026, Credemvita reported an increase in net inflows, driven in particular by:

- total gross premiums collected which amounted to € 1,137.4 million, up by 11% compared to the same period of the previous year (of which € 680.2 million was attributable to revaluable Segment I and V policies; € 402.7 million to Unit-Linked products; € 15.2 million to life insurance and credit protection policies; and € 39.3 million to the Pension Fund);
- services rendered amounted to approximately € 579.9 million, up by 18% compared to the same period of last year;
- net inflows equal to € +557.4 million, up sharply compared to the previous year (+5%).

The economic result as at 30 June 2026, in terms of contribution to the Consolidated Financial Statements, shows a net profit of € 27.9 million, up compared to the result as at 30 June 2025 (€ 20.3 million).

This result is attributable to:

- Margin from Traditional and Multi-segment Products, which is higher YoY following higher profit releases from consolidated production in 2025 and new production in 2026.
- The profitability of the company's own securities portfolio, which increased compared with 2025, driven by improved market conditions, and in particular, the performance of the equity market.
- Profitability on Unit-Linked products and the Pension Fund, which is on the rise, driven by new business in 2026 and the recovery in financial market conditions.
- Overall costs, including amortisation and depreciation, which increased year-on-year.
- Accounting for the cost associated with the advance stamp duty on Segment III contracts under IFRS 9.

IFRS shareholders' equity increased compared to 31 December 2025 by € 51.3 million and includes the entire profit for the year 2025 (€ 52.5 million) and the change in valuation reserves for financial assets net of components attributed to insured parties (€ -1.2 million after tax).

CREDEMASSICURAZIONI

ECONOMIC INDICATORS: *millions of euro/%*	Jun-26	Jun-25	
Insurance revenues	27.4	23.0	*19.0%*
Insurance costs	-16.3	-13.2	*23.6%*
Result of reinsurance contracts held	-1.5	-0.7	*133.8%*
Insurance result	**9.6**	**9.2**	***4.3%***
Financial result	**2.8**	**2.8**	***2.0%***
Technical result	**12.4**	**11.9**	***3.7%***
Other net costs and revenues	-1.4	-1.4	*-2.0%*
Gross Profit	**11.0**	**10.5**	***4.5%***
Taxes	-3.6	-3.3	*11.5%*
Net Profit	**7.4**	**7.3**	***1.3%***

(*) Technical balance + Amortisation/Depreciation + Financial income

Credemassicurazioni collected premiums of € 44.8 million as at 30 June 2026, up by 15% on the previous year:

- Individual Protection Products recorded premiums of € 29.6 million, up 12% compared to the end of June 2025, accounting for approximately 61% of total premiums collected, with a decreasing incidence;
- CPI Products, with premiums of € 11.8 million, accounted for 26% of total volumes and were up 19% on the previous year;
- Lease Products recorded premiums of € 3.5 million (+34% YoY).

Credemassicurazioni recorded a net profit, calculated in accordance with IFRS, of € 7.4 million, up by 1% compared to the previous year (which posted a net profit of € 7.3 million).
This result is attributable to:

- insurance result on the rise due to increased business volume, which offsets the higher costs associated with commissions (a consequence of the growth in business volume) and the higher claims rate;
- financial result in line with that of June 2025.

IFRS 9-17 shareholders' equity as at 30 June 2026 amounted to € 95.7 million (including the result for the period), down € 3.0 million compared to 31 December 2025 following the payment of the dividend on the 2025 results in May.

EUROMOBILIARE PRIVATE ASSET	Jun-26	Jun-25	% change
ECONOMIC INDICATORS: *millions of euro/%*			
Shareholders' equity	9.4	9.3	*+1.3%*
Profit before tax	-0.1	0.5	*n.s.*
Net profit	-0.1	0.3	*n.s.*

There are currently three funds managed by Credem Euromobiliare Private Asset: two Closed-end Alternative Funds placed on 10 January 2019 (Élite for € 72.8 million and Credem Venture Capital II for € 25.8 million), and an ELTIF Fund (called Eltifplus) with assets amounting to € 132.2 million.

Credem Euromobiliare Private Asset continues its efforts to support the growth of Italian small and medium-sized enterprises: during the first half of 2026, further investments were finalised in a portfolio company and a new investment was completed; a new investment transaction is currently under consideration.

The company closed the half year with a loss of € 84.5 thousand, attributable to the impact of abort costs of non-finalised investments, fixed costs incurred in connection with the necessary strengthening of the organisational structure and prudential provisions.

EUROMOBILIARE FIDUCIARIA		Jun-26	Jun-25	% changes
ECONOMIC INDICATORS:	*millions of euro/%*			
Fiduciary mandates	No.	776	762	*1.8%*
Securities under administration		1,905	1,741	*9.4%*
Profit before tax		0.16	0.21	*-24.8%*
Net profit		0.11	0.15	*-24.0%*

Fiduciary assets under administration amounted to € 1,905 million, up compared to 2025; the number of mandates increased by 14 to 776, a slight increase compared to the first half of 2025.

Net fee and commission income in the first half of 2026 was up slightly compared to the figure of 2025 and equal to € 977 thousand, while administrative expenses were equal to € 938 thousand; the increase in the first half of the year is due to internal organisational restructuring, while the costs of outsourced services provided by external suppliers and Group companies remain stable.

Gross profit for the period amounted to € 157 thousand.

MAGAZZINI GENERALI DELLE TAGLIATE	Jun-26	Jun-25	% changes
ECONOMIC INDICATORS: millions of euro/%			
Storage revenues	3.1	3.2	*-1.5%*
Profit before tax	0.4	0.6	-28.4%
Net profit	0.3	0.4	-24.2%

Production of Parmigiano Reggiano rose by 6.4% compared with the same period last year, whilst production of Grana Padano rose by 0.7%. Despite these figures, prices for Parmigiano Reggiano remain high due to a shortage of matured cheese, whilst Grana Padano, following a dip linked to extra production in 2025, is returning to highly profitable levels, albeit still a long way from those of the Emilia-Romagna PDO cheese.

Sales in the first six months of 2026 were characterised by a weak domestic market, which is favouring the lower price of Grana Padano, though this is offset by continued growth in exports, up 2.6% in the first four months. Compared with 2023 figures, exports of Grana Padano and Parmigiano Reggiano rose by 22.8%. Exports now account for around 55% of sales.

Market forecasts suggest that prices for both PDO products will remain stable until the end of the year; thereafter, the performance of the Christmas season and the stability of overseas markets will determine the outlook for 2027. The rise in the spot price of milk recorded from May onwards is enabling a reduction in the production of so-called "similar" products, which will soon be appearing on the shelves of large-scale retailers. This trend, too, is bound to have an impact on the hard cheese market in the coming months.

On the investment front, the extension to the Montecavolo building was completed (30 June) and the second solar power plant in Castelfranco Emilia became operational (4 June).

Plans are currently being drawn up to refurbish two of the five sections of the Montecavolo plant in order to improve the buildings' seismic resilience. Roof repair work is also planned in the near future at both plants.

The results for the first half of the year show a slight fall in revenues, partly due to the construction work on the extension of the Montecavolo warehouse. On the cost front, we have seen an increase in energy costs, insurance costs and amortisation/depreciation, resulting from the significant investments made, which are also having an impact on our financial performance. On the other hand, maintenance costs are falling.

The outlook for the second half of the year is that we will be operating with full warehouses, and profitability is therefore expected to recover.

CREDEMTEL	Jun-26	Jun-25	% changes
ECONOMIC INDICATORS: millions of euro/%			
Revenues from services and sale of software	24.5	23.0	+6.5%
Profit before tax	3.8	4.0	*-5.6%*
Net profit	2.7	2.8	*-4.5%*

The first half of 2026 closed with a pre-tax operating profit (gross profit) of € 3.797 million. Net profit stood at € 2.717 million, affected in particular by the increase in depreciation and amortisation arising from investments in technological upgrades to support services.

Operating revenue is showing strong growth momentum, with a marked acceleration during the second quarter and a target of double-digit growth for 2026. All services are expanding, and there has been a sharp rise in revenue from cyber security. Revenue from AI (Artificial Intelligence) is taking its first steps.

During this period, the operational structure and expertise were significantly strengthened through two key actions: the e-procurement business unit of Niuma S.r.l. was successfully integrated (with the addition of 23 high-value-added professionals); furthermore, the specialist know-how of ACE Credem's robotics organisational unit was brought in-house.

During the half year, the complex migration of the infrastructure to the cloud (which was completed by the end of 2025) has been further consolidated. Although the migration involved a planned increase in operating costs, it has led to a marked improvement in performance and service levels (SLAs), directly benefiting our customers. A programme is currently underway to optimise cloud costs, which will be closely monitored.

In summary, the company is heading into the second half of the year with a resilient governance structure and a technologically advanced market position, with a strong focus on supply chain, workflow and document management, hyper-automation and AI, and cyber security.

ANDXOR SRL

On 11 February 2026, Credemtel acquired an additional stake in Andxor S.r.l., a company operating in the IT sector, bringing its total stake to 75% of the share capital. The transaction marks the completion of a strategic process that began in 2020 with an initial 20% stake, which was subsequently increased to 40% in 2021. The company therefore falls within the scope of consolidation.

Andxor is a software company specialising in solutions for the security of digital workflows; in other words, it ensures that every online document has legal validity and remains secure over time. With twenty years' experience behind it, the company provides technologies already chosen by major industrial groups to manage digital processes.

The contribution to the Group's financial and equity performance over the half year was modest.

To conclude our illustration of Group companies, note that due to its limited contribution to the balance sheet and income statement, the company Credem CB, special purpose vehicle established for the covered bond programme, is not analysed separately; it should also be noted that the separate loan portfolio related to the aforementioned bonds is not subject to derecognition.

For a more detailed examination of the breakdown of these aggregates by business segment and by geographical area please refer to Part L of the Explanatory notes to the consolidated financial statements.

We provide here (in €/thousand) the reconciliation between the shareholders' equity and the profit for the year of the Parent Company with the results of the Consolidated Financial Statements.

	SHAREHOLDERS' EQUITY	of which: PROFIT FOR THE YEAR
Balances of Credembanca as at 30 June 2026	**2,896,640**	**169,309**
Surpluses compared with book values:		
Companies consolidated line-by-line	1,870,599	148,226
Companies valued under the equity method	36,688	3,712
Dividends collected during the period		-4,998
Goodwill	15,913	
Elimination of intercompany profits and other adjustments	-96,902	-3,374
Group balances as at 30 June 2026	**4,722,938**	**312,875**

OWN FUNDS, REGULATORY RATIOS AND LIQUIDITY RATIO

"STATUTORY" OWN FUNDS		Jun-26	Dec-25
Consolidated shareholders' equity net of distributable dividends	millions of euro	4,550.9	4,407.8

The following table illustrates the capital adequacy of the reference scope for prudential supervisory purposes, namely the scope of consolidation of CredemHolding (€/million):

CREDEMHOLDING SCOPE OF CONSOLIDATION		Jun-26	Dec-25
Total own funds	millions of euro	4,450	4,322
. of which Common Equity Tier 1		3,868	3,729
Total RWA		23,839	23,568
Total capital requirement		1,907	1,885
. credit and counterparty		1,621	1,600
. market		6	5
. operational		280	280
CET1 capital ratio	**%**	**16.22**	**15.82**
Total capital ratio		**18.67**	**18.34**

In general, the Group's capital position improved further. The CET1 Ratio at Banking Group and CredemHolding level (prudential scope) stood at 17.45% and 16.22%, respectively, driven by excellent organic capital generation in the face of expanding RWAs linked to volume growth.

The additional requirement assigned by the Supervisory Authority (the Pillar 2 Requirement), compared to the regulatory capital levels in force, is equal to 1.25%, and according to Article 104-bis of the CRDV it must be met with a minimum of 56.25% of CET1 capital and 75% of Tier 1 capital.

The minimum ratios for 2026 are 8.55%, 10.28% and 12.59% at the level of CET1 Ratio, Tier 1 Ratio and Total Capital Ratio, respectively. The minimum CET1 requirement also includes the SyRB when fully implemented, the new buffer introduced by Banca d'Italia equal to 0.81% and calculated on the basis of credit and counterparty risk-weighted exposures to Italian residents.

The current level of CET1 Ratio guarantees a high capital buffer (768 bps to meet the SREP 2026 requirement, which includes the overall impact of the SyRB).

The following table shows the capital adequacy also relating to the Banking Group (€/million)

BANKING GROUP		Jun-26	Dec-25
Total own funds	millions of euro	4,577	4,437
. of which Common Equity Tier 1		4,163	4,010
Total RWA		23,853	23,595
Total capital requirement		1,908	1,888
. credit and counterparty		1,623	1,602
. market		6	5
. operational		280	280
CET1 capital ratio	**%**	**17.45**	**16.99**
Total capital ratio		**19.19**	**18.80**

Specific reporting with regard to the capital adequacy of the financial conglomerate (also headed up by CredemHolding) is shown (in €/million):

CONGLOMERATE MARGIN	Jun-26	Dec-25
A. Total shareholders' equity of the conglomerate	4,674	4,544
B. Capital requirements of the banking components	2,790	2,710
C. Required solvency margin of the insurance components	319	323
D. Total capital requirements of the conglomerate (B+C)	**3,109**	**3,033**
E. Surplus (deficit) of the conglomerate (A-D)	**1,564**	**1,511**

As from October 2017, the Group was included by the Supervisory Authority among the financial conglomerates, in other words among the parties which carry out significant activities both in the banking and investment services sector, and in the insurance sector. This measure reflected the situation as at December 2016, the date on which the Group exceeded the thresholds envisaged by the relevant regulations. The insurance companies subject to additional supervision are Credemvita, controlled exclusively by the Group and Credemassicurazioni, controlled jointly with Reale Mutua Assicurazioni.

The shareholders' equity of the Credem financial conglomerate exceeds the total of the capital requirements by € 1,564 million. In the calculation of the capital requirements of the financial conglomerate, for June 2026, a Total Capital Ratio of 11.5% was adopted, as communicated by the European Central Bank.

The profit margin of the conglomerate was also impacted considerably by the banking Group's capital situation, as illustrated above.

To fulfil regulatory provisions, we report that the Group holds treasury shares, with relation to management's remuneration plans.

As part of the disclosure required for CRR/CRD4, in addition to the already-mentioned regulatory ratios, the following are illustrated below (again with reference to the scope of consolidation of CredemHolding): the regulatory indicators aimed at ascertaining the adequacy of the short-term liquidity situation (level of immediate liquidity for covering requirements at 30 days), the medium/long-term liquidity situation (stability of the funding profile in relation to the composition of the assets) and the ratio between equity and banking assets.

REGULATORY INDICATORS %	Jun-26	Dec-25
Liquidity coverage ratio (LCR)	171	177
Net stable funding ratio (NSFR)	140	141
Leverage ratio (*)	6.8	6.5
Minimum supervisory requirements		
Liquidity coverage ratio (LCR)	100	100
Net stable funding ratio (NSFR)	100	100
Leverage ratio(*)	3	3

(*) Mandatory reporting according to the "CRR". With the capital relief measures, having chosen to exclude the amount of the compulsory reserve from the total exposure, the target level of leverage was calculated at 3.45%.

As far as the Group is concerned, the indicators are above the regulatory limits.

Finally, it should be noted that from 1st January 2022, the MREL requirement (Minimum requirement for own funds and eligible liabilities), required of banks in order to improve their resolvability, is binding. The Group shows a an MREL ratio based on RWA of 30%, with a good margin with respect to the requirement requested by the Single Resolution Board (20.7%).

At the end of March 2026, as set forth in Circular 285 of 17 December 2013, in the part regarding "supervisory review process" (Pillar II), the ICAAP ("Internal Capital Adequacy Assessment Process") report, together with the various specific documents requested, was sent to the Supervisory Authority. The purpose of this report is to assess capital adequacy in relation to the total risks assumed in current and ordinary operations, it concerns the situation at the end of 2025 with a forward-looking assessment of the situation, on a three-year basis.

Again at the end of March 2026, based on the provisions of Directive no. 2013/36 (CRD IV), the ILAAP Report was submitted to the Supervisory Authority.

Both documents were drafted on the basis of the indications of the Supervisory Authorities and include an overview:

- of the capital margins available to face risks that are difficult to measure, the effects of

stress tests, as well as maintaining a capital base in line with the expectations of the financial markets and of national and European authorities;

- of the Group's liquidity profile, both under expected and stressed conditions.

Lastly, please note that transactions with related parties are discussed in Part H of the Explanatory notes.

FORECAST ON OPERATIONS

At the moment, the global economy is showing resilience and is able to absorb the volatility linked to geopolitical uncertainty. The escalation of the conflict between the United States and Iran has had repercussions on the stock markets, on oil and gas prices. There was high volatility, which had a negative impact on the markets and on banking shares in the immediate aftermath of the hostilities, with share prices recovering during periods of truce. The direct impact on European institutions is currently limited, whilst indirect effects on the economy could emerge as a result of rising commodity prices, inflation and interest rates, as well as the escalation in the Middle East, which continues to threaten strategic shipping routes and the security of energy supplies.

The main prospective risks can be attributed to:

- the choices of the US administration;
- geopolitical, commercial and financial risks that could lead to an economic slowdown. The renewed tensions in the Strait of Hormuz and the disputes over US tariffs may affect supply chains and keep commodity prices high;
- a scenario of persistent, higher-than-expected inflation, which could reduce corporate profit margins and households' disposable income; a more restrictive monetary policy could also further slow down the economic cycle.

The macroeconomic data projections (Prometeia, Forecast Report, July 2026) point to annual global GDP growth in 2026 of +2.6%, annual US GDP growth of +2.3% and an annual increase of 0.9% in EMU GDP (excluding Ireland).

With regard to the Italian economy, the main expected dynamics for 2026 are as follows:

- Gross domestic product could end the year up 0.7% year-on-year, broadly in line with 2025, thanks to the trend in consumption and investment. The second half of 2026 is expected to see a slower pace of growth than in the first half of the year, due to the impact of energy prices on households and businesses.
- Household spending is expected to rise by 0.8%, in line with the trend seen in the first half of the year.
- Investments for the machinery and plant component should close with an increase of +3,4%, supported by investments related to the NRRP (National Recovery and Resilience Plan) and also the effects of the approved tax incentives. The property sector is expected to end the year up 1.6%, due to the continued availability of certain renovation incentives.
- Exports are expected to rise by 1.4% in 2026, building on the positive momentum seen in the first half of 2026.
- Inflation is forecast to peak at the end of 2026, at +3.1% when the "second-round" effects of energy prices are expected to materialise.

Moving on to the main banking aggregates:

- With regard to funding, banks will continue to support a shift towards managed and insurance products. Deposits as a whole should close the year with an increase of +1.1% (current accounts +1.6% and term deposits -0.6%), while bonds should record an increase of +3.9% in 2026.
- Investment dynamics will support the growth of credit to businesses (+2.3% on an annual basis in 2026), including for Industry 4.0 and 5.0 incentives.
- As regards households, the trend will be affected by the impact of inflation on disposable income and the slowdown in the property market (growth of 2.3% is expected in 2026).

Considering the scenario described above and the risks highlighted, banking management may be influenced by various factors:

- Dynamics of the economy.
- Interest rate curve and banking spread trends, also related to the evolution of inflation.
- Development of financial and equity markets and impacts on managed funding.
- Trends in government bond spreads.
- Measures implemented by the Government, European Authorities and Monetary and Supervisory institutions.

- Evolution of credit risk, also due to the effects of the economic trend on the ability to deal with debt.
- Impacts of numerous rules and regulatory measures that are affecting the European financial system.
- Digital transformation, cyber risk and artificial intelligence.
- Climate risk, sustainability and support for the green transition.

Within this challenging general framework, the main guidelines are confirmed for the Credem Group:

- Commercial development of the banking aggregates in line or above the market average, through the ability to attract new customers and volumes, taking advantage of a comprehensive and diversified business model with specialised networks, factories, a broad range of offers and strong synergies within the Group.
- Search for a balance between operational efficiency and continuation of significant investments in projects, to maintain competitiveness in the various business areas.
- Continuation of the process of integration of ESG (Environmental, Social, Governance) elements and, in particular, of the Climate and Environment issues in the processes, risk monitoring and definition of products and services for households and businesses.
- High credit quality
- Stability of the risk profile and capital levels.

In such a context, the following evolution of the economic aggregates is assumed:

- The trend in the financial margin may be supported by growth in volumes and interest rate movements.
- The traditional propensity towards wealth management and the experience gained over the years will support the dynamic of the commission component of revenues.
- Personnel expenses will be influenced by the development of the workforce, key in guaranteeing and further improving the service model and planning. The evolution of operating costs will also be conditioned by and consistent with the development of projects, aimed at supporting the businesses in which the Group operates from a service model and a digital transformation perspectives.
- The cost of credit is expected to be substantially in line with our recent past thanks to oversight of the risk on new disbursements and monitoring of the loan portfolio.

With regard to projects, the initiatives under development aim to pursue incremental revenues and operational efficiency. In a nutshell, investments relating to the service model in commercial banking will continue, for example bolstering the model for companies and the foreign offer. Private banking will see a further strengthening of its physical branches and the development of procedures and services for clients. A further area of investment is the strengthening of the non-banking and Wealth Management area, with a view to continuous improvement. The plan for the development of artificial intelligence and Gen AI solutions will be important, as will the monitoring of IT, cyber and data governance risks. We will continue to focus on regulatory projects and on the requests of the regulators. Activities aimed at integrating ESG issues into business strategies and processes will also continue.

ALTERNATIVE PERFORMANCE INDICATORS

Pursuant to Article 16 of Regulation 1095/2010/EU, the European Securities and Markets Authority (ESMA) has issued specific guidance on the criteria for the presentation of Alternative Performance Indicators (APIs) entered by European issuers in the regulated information, including therefore the Report on Operations, when such indicators are not defined or required by the financial reporting framework. These guidelines are aimed at promoting the usefulness and transparency of APIs, confirming a common approach towards their use, with improvements in their comparability, reliability and comprehensibility and consequent benefits for users of financial information. Consob has implemented the Guidelines in Italy and incorporated them into its supervisory practices.

As defined in the ESMA Guidelines, an Alternative Performance Indicator is an indicator of historical financial performance, financial position or cash flows, other than a financial indicator defined or specified in the applicable financial reporting framework. The APIs are usually derived from the items in the financial statements prepared in accordance with the regulations in force on financial reporting. What distinguishes them is that APIs are not defined within the framework of financial reporting, but their use is nevertheless widespread, and their purpose is to convey a vision of the entity's performance that is closer to the management's vision than what it would result from the use of only the defined measures.

The indicators published in application of prudential measures, including the measures defined in the Regulation and the Directive on capital requirements (CRR/CRD IV), physical or non-financial indicators, and social and environmental indicators are not strictly included in the definition of API.

For a correct interpretation of the APIs, the following should be noted:

- They are constructed exclusively on the basis of the historical data of the Group and are not indicative of the future performance of the Group itself.
- They are not required by IFRS and, although derived from the Group's consolidated financial statements, are not

  audited.
- They should not be considered as a substitute for the indicators required by IFRS.
- The reading of these APIs must be carried out together with the financial information of the Group contained in the consolidated financial statements and in the related Explanatory notes.
- The definitions used by the Group, as they do not derive from the reference accounting standards,

  may not be consistent with those adopted by other issuers and therefore comparable with them.
- They are prepared with continuity and uniformity of definition and representation for all the

  periods covered.

The indicators are calculated on the basis of the management reclassifications that have been highlighted in the previous paragraphs of the Report on Operations (for the reconstruction of the main economic aggregates, see in particular the legend in the paragraph relating to the consolidated income statement).

The APIs listed below are those that have been selected as they are most representative for the Group.

Financial margin
+ Item 30 Net Interest Income
+ Item 70 Dividends and similar income (solely for the portion relating to dividends of equity securities in financial assets classified in HTCS)
+ Item 250 Gains (losses) on equity investments excluding gains/losses on disposals/valuations
- Credemvita Net Interest Income

Non-interest margin
+ Item 60 Net fee and commission income
+ Item 80 Net profit (loss) from trading
+ Item 90 Net profit (loss) from hedging
+ Item 100 Gains (losses) on disposal or repurchase
+ Item 110 Net profit (loss) from financial assets and liabilities measured at fair value
+ Item 130 a) Net value adjustments for credit risk from financial assets measured at amortised cost (for the part relating to securities included under this category of financial assets)
+ Item 130 b) Net value adjustments for credit risk from financial assets measured at fair value through other comprehensive income
+ Item 160 Result of insurance services
+ Item 170 Balance of revenues and costs of a financial nature relating to insurance
+ Item 230 Other operating income/charges (net of extraordinary items)
+ Item 70 Dividends and similar income (net of the portion relating to dividends of equity securities classified in HTCS)
+ Credemvita Net Interest Income

Operating profit
+ Net Interest and other banking income
+ Item 190 Administrative costs (personnel expenses and other administrative expenses)
+ Item 210 Net value adjustments to/(recoveries on) property, plant and equipment
+ Item 220 Net value adjustments to/(recoveries on) intangible assets

Profit before tax
+ Operating profit
+ Item 130 Net value adjustments/recoveries for credit risk (net of those included in the non-interest margin)
+ Item 140 Profits/losses from contractual changes without derecognitions
+ Item 200 Net provisions for risks and charges
+ Extraordinary income/charges:
+ Item 230 Other operating income/charges (only extraordinary items – imbalance of extraordinary items)
+ Item 270 Net value adjustments/recoveries on goodwill
+ Item 280 Gains/(losses) on disposal of investments
+ Item 320 Profit/(loss) after tax from discontinued operations

Shareholders' equity: algebraic sum of
120 Valuation reserve
125 Valuation reserves pertaining to insurance companies 150 Reserves
160 Share Premium Reserve 170 Capital
180 Treasury shares (-)
200 Consolidated profit (loss) for the year net of dividends distributed (or resolved) by the Parent Company or by the consolidating company

Note that, due to the necessary rounding, some calculations in the tables shown could contain insignificant differences in the totals.

ALTERNATIVE PERFORMANCE INDICATORS		30 June 2026	30 June 2025
Operating expenses	A	-487	-462
Total revenues	B	1,049	937
Cost to income ratio	**(A/B)**	**46.4%**	**49.3%**
Financial margin	A	501	474
Total Assets	B	68,368	65,046
Financial margin on Total Assets	**(A/B)**	**0.7%**	**0.7%**
Non-interest margin	A	547	463
Total Assets	B	68,368	65,046
Non-interest margin on Total Assets	**(A/B)**	**0.8%**	**0.7%**
Financial margin	A	501	474
Net interest and other banking income	B	1,049	937
Financial margin on Net interest and other banking income	**(A/B)**	**47.8%**	**50.6%**
Net profit	A	313	372
Total Assets	B	68,368	65,046
Profit on Total Assets (ROA)	**(A/B)**	**0.5%**	**0.6%**
Net non-performing loans	A	252	256
Shareholders' equity	B	4,723	4,436
Intangible assets	C	509	485
Texas ratio	**(A/(B-C))**	**6.0%**	**6.5%**
Shareholders' equity	A	4,723	4,436
Direct customer deposits	B	41,030	39,255
SE on Direct deposits	**(A/B)**	**11.5%**	**11.3%**
Shareholders' equity	A	4,723	4,436
Loans to customers	B	37,458	36,687
SE on Loans to customers	**(A/B)**	**12.6%**	**12.1%**
Shareholders' equity	A	4,723	4,436
Total Assets	B	68,368	65,046
Shareholders' Equity on Total Assets	**(A/B)**	**6.9%**	**6.8%**
Net non-performing loans	A	252	256
Shareholders' equity	B	4,723	4,436
Net non-performing loans on Shareholders' Equity	**(A/B)**	**5.3%**	**5.8%**
Net non-performing loans	A	252	256
Receivables from customers	B	37,458	36,687
Net NPL ratio	**(A/B)**	**0.7%**	**0.7%**
Specific write-downs	A	327	350
Gross non-performing loans	B	579	605
Coverage ratio	**(A/B)**	**56.4%**	**57.8%**
Loans to customers	A	37,458	36,687
Direct customer deposits	B	41,030	39,255
Loans to customers on Direct customer deposits	**(A/B)**	**91.3%**	**93.5%**
Losses on loans	A	-17	-5
Average loans to customers	B	36,819	35,667
Cost of credit	**(A/B)**	**0.05%**	**0.01%**
Net profit	A	313	372
Shareholders' equity (annual average net of dividends)	B	4,479	4,130
Return on equity (ROE)	**(A/B)**	**7.0%**	**9.0%**

HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS AT 30/06/2026

STRUCTURE AND CONTENT OF THE FINANCIAL STATEMENTS

The Group's half-year condensed consolidated financial statements have been prepared in accordance with IAS 34 and comprise the Consolidated Balance Sheet, the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Shareholders' Equity, the Consolidated Cash Flow Statement and the Explanatory Notes.
The Group's half-year financial report has been drawn up clearly and presents a true and fair view of the assets and liabilities, the financial position and the profit and loss for the period, in compliance with the international accounting standard applicable for interim financial reporting (IAS 34) adopted by the European Union.
The purpose of the Explanatory Notes is to explain, analyse and in some cases detail the information contained in the half-year condensed consolidated financial statements.
The Explanatory notes are drawn up in thousands of euro, with the exception of Part L, which is drawn up in millions of euro.
With regard to the structure and content of the financial statements, reference should also be made to Part A1 "General criteria" below.

FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

Assets	30/06/2026	31/12/2025
10. Cash and cash equivalents	827,562	1,403,332
20. Financial assets measured at fair value through profit or loss	6,750,702	6,334,267
a) financial assets held for trading	42,125	40,923
c) other financial assets measured at fair value, as per mandatory requirements	6,708,577	6,293,344
30. Financial assets measured at fair value through other comprehensive income	10,385,861	9,705,465
40. Financial assets measured at amortised cost	47,685,205	47,707,320
a) loans to banks	2,206,657	2,455,324
b) loans to customers	45,478,548	45,251,996
50. Hedging derivatives	106,834	179,098
60. Change in value of macro-hedged financial assets (+/-)	43,638	68,555
70. Equity investments	59,651	62,582
80. Insurance assets	7,159	8,750
b) reinsurance contracts held that are assets	7,159	8,750
90. Property, plant and equipment	445,718	447,156
100. Intangible assets	509,302	515,564
of which:		
- goodwill	295,098	291,342
110. Tax assets	394,590	443,818
a) current	14,094	53,967
b) deferred	380,496	389,851
130. Other assets	1,151,324	1,250,091
Total assets	**68,367,546**	**68,125,998**

continued: CONSOLIDATED BALANCE SHEET

Liabilities and shareholders' equity	30/06/2026	31/12/2025
10. Financial liabilities measured at amortised cost	48,990,794	50,486,460
a) due to banks	2,244,069	3,120,020
b) due to customers	42,082,944	42,847,926
c) debt securities issued	4,663,781	4,518,514
20. Financial liabilities held for trading	16,528	13,910
30. Financial liabilities designated at fair value	3,711,033	4,744,132
40. Hedging derivatives	269,626	482,249
50. Change in value of macro-hedged financial liabilities (+/-)	(106,992)	(74,628)
60. Tax liabilities	358,551	328,853
a) current	30,182	21,110
b) deferred	328,369	307,743
80. Other liabilities	2,541,954	1,447,466
90. Provision for staff termination indemnity	24,379	24,738
100. Provisions for risks and charges	195,795	236,019
a) commitments undertaken and guarantees given	5,760	6,310
b) post-retirement benefit obligations	940	1,010
c) other provisions for risks and charges	189,095	228,699
110. Insurance liabilities	7,642,796	5,773,970
a) insurance contracts issued that are liabilities	7,641,339	5,773,169
b) reinsurance contracts held that are liabilities	1,457	801
120. Valuation reserves	(50,707)	(51,076)
150. Reserves	3,812,386	3,449,325
160. Share premium reserve	321,800	321,800
170. Share capital	341,320	341,320
180. Treasury shares (-)	(14,735)	(20,010)
190. Minority interests (+/-)	143	4
200. Profit (loss) for the year (+/-)	312,875	621,466
Total liabilities and shareholders' equity	**68,367,546**	**68,125,998**

CONSOLIDATED INCOME STATEMENT

	Items	30/06/2026	30/06/2025
10.	Interest income and similar revenues	857,611	838,265
	of which: interest income calculated using the effective interest rate method	839,162	828,713
20.	Interest expense and similar charges	(279,990)	(304,232)
30.	**Net interest income**	**577,621**	**534,033**
40.	Fee and commission income	478,014	418,806
50.	Fee and commission expenses	(127,426)	(104,399)
60.	**Net fee and commission income**	**350,588**	**314,407**
70.	Dividends and similar income	23,064	22,460
80.	Net profit (loss) from trading	27,323	13,477
90.	Net profit (loss) from hedging	(1,300)	(573)
100.	Gains (losses) on disposal or repurchase of:	52,573	39,224
	a) financial assets measured at amortised cost	50,700	27,881
	b) financial assets measured at fair value through other comprehensive income	1,873	11,343
110.	Net profit (loss) from financial assets and liabilities measured at fair value through profit or loss	93,840	26,001
	a) financial assets and liabilities designated at fair value	(200,750)	(9,916)
	b) other financial assets measured at fair value, as per mandatory requirements	294,590	35,917
120.	**Net interest and other banking income**	**1,123,709**	**949,029**
130.	Net value adjustments/recoveries for credit risk from:	(25,380)	(14,135)
	a) financial assets measured at amortised cost	(25,088)	(14,432)
	b) financial assets measured at fair value through other comprehensive income	(292)	297
140.	Profits/losses from contractual changes without derecognitions	(147)	(231)
150.	**Net profit from financial activities**	**1,098,182**	**934,663**
160.	Result of insurance services	40,744	33,778
	a) insurance revenue from insurance contracts issued	62,163	53,193
	b) insurance services expenses from insurance contracts issued	(20,129)	(19,165)
	c) insurance revenue from reinsurance contracts held	969	2,118
	d) insurance services expenses from reinsurance contracts held	(2,259)	(2,368)
170.	Balance of revenues and costs of a financial nature relating to insurance	(124,857)	(58,926)
	a) net financial expenses/revenue related to insurance contracts issued	(124,889)	(58,977)
	b) net financial expenses/revenue related to reinsurance contracts held	32	51
180.	**Net profit from financial and insurance activities**	**1,014,069**	**909,515**
190.	Administrative costs:	(565,727)	(538,362)
	a) personnel expenses	(323,518)	(306,608)
	b) other administrative expenses	(242,209)	(231,754)
200.	Net provisions for risks and charges	(1,181)	319
	a) commitments undertaken and guarantees given	552	(472)
	b) other net provisions	(1,733)	791
210.	Net value adjustments to/(recoveries on) property, plant and equipment	(22,584)	(22,282)
220.	Net value adjustments to/(recoveries on) intangible assets	(34,943)	(32,001)
230.	Other operating income/charges	94,690	185,977
240.	**Operating expenses**	**(529,745)**	**(406,349)**
250.	Gains (Losses) on equity investments	4,183	3,785
280.	Gains (Losses) on disposal of investments	237	2
290.	**Profit (loss) before tax from continuing operations**	**488,744**	**506,953**
300.	Income tax for the current year from continuing operations	(175,839)	(135,200)
310.	**Profit (loss) after tax from continuing operations**	**312,905**	**371,753**
330.	**Profit (loss) for the year**	**312,905**	**371,753**
340.	Profit (loss) for the year attributable to minority interests	(30)	-
350.	**Parent Company's profit (loss) for the year**	**312,875**	**371,752**

Items	30/06/2026	30/06/2025
Basic Earnings per Share (basic EPS)	0.92	1.09
Diluted Earnings per Share (diluted EPS)	0.92	1.09

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Items	30/06/2026	30/06/2025
10.	**Profit (loss) for the year**	**312,905**	**371,752**
	Other income after tax without reversal to Income Statement	**736**	**4,296**
20.	Equity securities measured at fair value through other comprehensive income	865	3,685
70.	Defined benefit plans	(129)	611
	Other income after tax with reversal to Income Statement	**(633)**	**25,420**
130.	Cash flow hedges	1,038	6,239
150.	Financial assets (other than equity securities) measured at fair value through other comprehensive income	(197)	24,122
170.	Share of valuation reserves of equity investments valued at equity	(268)	267
180.	Revenues or costs of a financial nature relating to insurance contracts issued	(1,218)	(5,284)
190.	Revenues or costs of a financial nature relating to reinsurance contracts held	12	76
200.	**Total other income after tax**	**103**	**29,716**
210.	**Comprehensive income (Item 10+200)**	**313,008**	**401,468**
220.	**Consolidated comprehensive income attributable to minority interests**	30	-
230.	**Consolidated comprehensive income attributable to Parent Company**	312,978	401,468

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Balance as at 31.12.2025	Initial balance changes	Balance at 01.01.2026	Allocation of previous year's results		Changes during the period									Group shareholders' equity as at 30.06.2026	Minority interests as at 30.06.2026
							Transactions on shareholders' equity							Comprehensive income as at 30.06.2026		
				Reserves	Dividends and other allocations	Changes in reserves	Issue of new shares	Purchase of treasury shares	Extraordinary dividend distribution	Changes in equity instruments	Derivatives on treasury shares	Stock options	Changes in shareholdings			
Share capital	**341,323**	-	**341,323**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**13**	**-**	**341,320**	**16**
- ordinary shares	341,323	-	341,323	-	-	-	-	-	-	-	-	-	13	-	341,320	16
- other shares		-		-	-	-	-	-	-	-	-	-	-	-	-	-
Share premium reserve	**321,801**	-	**321,801**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**321,800**	**1**
Reserves	**3,449,325**	-	**3,449,325**	**366,403**	-	**2,201**	**-5,275**	**-**	**-**	**-**	**-**	**-**	**96**	**-268**	**3,812,386**	**96**
- profit	3,449,325	-	3,449,325	366,403	-	2,201	-5,275	-	-	-	-	-	96	-268	3,812,386	96
- other		-		-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reserves	**-51,076**	-	**-51,076**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**369**	**-50,707**	-
Equity instruments		-		-	-	-	-	-	-	-	-	-	-	-	-	-
Treasury shares	**-20,010**	-	**-20,010**	**-**	**-**	**-**	**5,275**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-14,735**	-
Profit (loss) for the year	**621,466**	-	**621,466**	**-366,403**	**-255,063**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**312,905**	**312,875**	**30**
Group shareholders' equity	**4,662,825**	-	**4,662,825**	**-**	**-255,063**	**2,201**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**312,978**	**4,722,941**	-
Minority interests	**4**	-	**4**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**109**	**30**	-	**143**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Balance as at 31.12.2024	Initial balance changes	Balance as at 01.01.2025	Allocation of previous year's results		Changes during the period									Group shareholders' equity as at 30.06.2025	Minority interests as at 30.06.2025
							Transactions on shareholders' equity							Comprehensive income as at 30.06.2025		
				Reserves	Dividends and other allocations	Changes in reserves	Issue of new shares	Purchase of treasury shares	Extraordinary dividend distribution	Changes in equity instruments	Derivatives on treasury shares	Stock options	Changes in shareholdings			
Share capital	**341,323**	-	**341,323**	-	-	-	-	-	-	-	-	-	-	**-**	**341,320**	**3**
- ordinary shares	**341,323**	-	**341,323**	-	-	-	-	-	-	-	-	-	-	-	**341,320**	3
- other shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	**-**
Share premium reserve	**321,801**	-	**321,801**	-	-	-	-	-	-	-	-	-	-	-	**321,800**	**1**
Reserves	**3,108,935**	-	**3,108,935**	364,211	-	2,479	(2,747)	-	-	-	-	-	-	267	**3,473,145**	**-**
- profit	**3,108,935**	-	**3,108,935**	364,211	-	2,479	(2,747)	-	-	-	-	-	-	267	**3,473,145**	-
- other	**-**	-	**-**	-	-	**-**	**-**	-	-	-	-	-	-	-	-	-
Valuation reserves	**(95,755)**	-	**(95,755)**	-	-	-	-	-	-	-	-	-	-	29,449	**(66,306)**	**-**
Equity instruments	**-**	-	**-**	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Treasury shares	**(3,845)**	-	**(3,845)**	-	-	-	2,747	(5,108)	-	-	-	-	-	-	**(6,206)**	**-**
Profit (loss) for the year	**620,052**	-	**620,052**	(364,211)	(255,841)	-	-	-	-	-	-	-	-	371,752	**371,752**	**-**
Group shareholders' equity	**4,292,507**	-	**4,292,507**	-	(255,841)	2,479	-	(5,108)	-	-	-	-	-	401,468	**4,435,505**	**-**
Minority interests	**4**	**-**	**4**	-	-	-	-	-	-	-	-	-	-	-	**-**	**4**

CONSOLIDATED CASH FLOW STATEMENT (Indirect method)

A. OPERATING ACTIVITIES	Amount	
	30/06/2026	30/06/2025
1. Cash flow from operations	**42,180**	**116,697**
- profit (loss) for the period (+/-)	312,875	371,752
- capital gains/losses on financial assets held for trading and on other assets/liabilities measured at fair value through profit or loss (-/+)	(15,339)	56,758
- capital gains/losses on hedging operations (-/+)	1,300	573
- net value adjustments/recoveries for credit risk (+/-)	47,721	38,474
- net value adjustments to (recoveries on) property, plant and equipment and intangible assets (+/-)	57,527	54,283
- net provisions for risks and charges and other expenses/income (+/-)	1,181	(319)
- other insurance income/charges not collected (-/+)	(1,716)	(18,751)
- taxes, duties and tax credits not paid or collected (+/-)	56,959	26,377
- other adjustments (+/-)	(418,328)	(412,449)
2. Cash flow from (used in) financial assets	**(367,339)**	**1,117,233**
- financial assets held for trading	(44,038)	(142,211)
- other financial assets measured at fair value, as per mandatory requirements	(143,916)	(230,781)
- financial assets measured at fair value through other comprehensive income	(642,938)	866,166
- financial assets measured at amortised cost	187,377	(226,830)
- other assets	276,176	850,888
3. Cash flow from (used in) financial liabilities	**(1,852,277)**	**(3,928,023)**
- financial liabilities measured at amortised cost	(1,352,960)	(4,216,924)
- financial liabilities held for trading	2,618	17,684
- financial liabilities designated at fair value	(1,246,044)	122,103
- other liabilities	744,109	149,114
4. Liquidity generated/absorbed by insurance contracts issued and reinsurance contracts held	**1,870,417**	**429,062**
- insurance contracts issued that are assets/liabilities (+/-)	1,868,170	428,360
- reinsurance contracts held that are assets/liabilities (+/-)	2,247	702
Net cash flow from (used in) operating activities	**(307,019)**	**(2,265,031)**
B. INVESTMENT ACTIVITIES		
1. Cash flow from:	**5,663**	**256**
- sales of property, plant and equipment	663	256
- sales of subsidiaries and business units	5,000	-
2. Cash flow used in:	**(24,626)**	**(30,302)**
- purchases of equity investments	-	(115)
- purchases of property, plant and equipment	(6,750)	(16,442)
- purchases of intangible assets	(17,876)	(13,745)
Net cash flow from (used in) investment activities	**(18,963)**	**(30,046)**
C. FUNDING ACTIVITIES		
- issue/purchase of treasury shares	5,275	(2,360)
- dividend distribution and other	(255,063)	(255,841)
Net cash flow from (used in) funding activities	**(249,788)**	**(258,201)**
NET CASH FLOW FROM (USED IN) THE PERIOD	**(575,770)**	**(2,553,278)**

RECONCILIATION

Balance sheet items	Amount	
	30/06/2026	30/06/2025
Cash and cash equivalents at the beginning of the year	1,403,332	4,207,806
Net increase (decrease) in cash and cash equivalents	(575,770)	(2,553,278)
Cash and cash equivalents: effect of exchange rate variations	-	-
Cash and cash equivalents at the end of the year	827,562	1,654,528

EXPLANATORY NOTES

EXPLANATORY NOTES

Part A – Accounting policies

Part B – Information on the consolidated balance sheet

Part C – Information on the consolidated income statement

Part D – Consolidated statement of comprehensive income

Part E – Information on risks and hedging policies

Part F – Information on consolidated shareholders' equity

Part G – Business combinations involving companies or business units

Part H – Related party transactions

Part I – Share-based payments

Part L – Segment reporting

The Explanatory notes are drawn up in thousands of euro, with the exception of Part L, which is drawn up in millions of euro.
Note that, due to the necessary rounding, some calculations in the tables shown could contain insignificant differences in the totals.

PART A
ACCOUNTING POLICIES
A.1- GENERAL CRITERIA

Section 1 - Statement of compliance with international accounting standards

The half-year condensed consolidated financial statements as at 30 June 2026 have been prepared in accordance with IAS 34, with the application of the recognition and measurement criteria set out in the IAS/IFRS accounting standards issued by the International Accounting Standards Board (IASB) and the relevant interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and endorsed by the European Commission, as established by Community Regulation no. 1606 of 19 July 2002.

It should also be noted that Banca d'Italia, having the powers to define the financial statements and the Explanatory notes to the consolidated financial statements, issued the 8th update of Circular no. 262/2005 "Bank financial statements: schedules and rules for completion" on 17 November 2022. On the basis of the provisions of paragraph 10 of IAS 34, the Group has made use of the option to prepare a summary disclosure.

The accounting standards adopted for the preparation of these financial statements, with reference to the phases of classification, recognition, measurement and derecognition of financial assets and liabilities, as well as for the methods of recognition of revenues and costs, remain unchanged compared to 31 December 2025, except as reported in the following paragraph "IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS EFFECTIVE FROM 1 JANUARY 2026".

The half-year consolidated financial report was prepared in accordance with Art. 154-ter of the Consolidated Financial Act and comprises the half-year condensed consolidated financial statements – subjected to a limited review by the Independent Auditor Deloitte & Touche S.p.A. – the Interim Directors' Report on Operations, the certification by the manager responsible for preparing the company's financial reports envisaged by Art. 154-bis, paragraph 5 of the Consolidated Financial Act, and is accompanied by the Independent Auditor's Report.

Section 2 - General criteria for the preparation of the Consolidated Financial Statements

The half-year condensed consolidated financial statements consist of the Balance Sheet, the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Shareholders' Equity, the Cash Flows Statement and the Explanatory Notes.

The half-year condensed consolidated financial statements have been drawn up under the general standards established by IAS 1 and the specific accounting standards endorsed by the European Commission, as well as in compliance with the general principles established by the Systematic Framework for the drafting and presentation of accounts produced by the IASB.

No exemptions have been made from the application of IAS/IFRS.

In compliance with the provisions of Art. 5, paragraph 2 of Legislative Decree no. 38 of 28 February 2005, the half-year condensed consolidated financial statements have been drawn up using the euro as the reporting currency, and are based on the adoption of the following general standards for the preparation of Financial Statements established by IAS 1:

- Going concern. Directors consider the assumption of a going concern to be appropriate, as, in their opinion, there are no uncertainties relating to events or circumstances, which, considered individually or as a whole, could cast doubts over the continuation of the business. As a result, assets, liabilities and "off-balance sheet" transactions are valued in accordance with the operating values, since they are expected to continue in operation for the foreseeable future.
- Accrual basis of accounting. Costs and revenues are recognised, irrespective of the time of their monetary settlement, according to the principles of economic accrual and correlation.
- Consistency of presentation. The presentation and classification of the items are maintained constant over time in order to guarantee the comparability of the information, unless their change is required by an international accounting standard or an interpretation, or it renders the presentation of their values more appropriate, in terms of significance and reliability. If the

presentation or classification criteria are changed, the new criterion, where possible, applies retroactively; in this case, the nature and reason for the change is indicated, as well as the pertinent items. The formats established by Banca d'Italia for the financial statements of banks, outlined in Circular no. 262 of 22 December 2005 and subsequent amendments and integrations, have been used for the presentation and classification of the items.

- Materiality and aggregation. All the significant groups of items with a similar nature or function are reported separately. Items with a different nature or function, if significant, are presented individually.
- No offsetting. Financial assets and liabilities, and costs and revenues are not offset against each other, unless required or permitted by an international accounting standard or an interpretation or by the schedules produced by Banca d'Italia for the financial statements of banks.
- Comparative information. The comparative information from the previous period is presented for all figures included in the comparative financial statements. The amendments to the comparative data are made only when considered to be of a significant amount.

Accounting standards

IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS EFFECTIVE FROM 1 JANUARY 2026

The following IFRS accounting standards, amendments and interpretations were applied for the first time by the Group starting from 1 January 2026:

- On 30 May 2024, the IASB published the document "*Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7*". The document clarifies some problematic aspects that emerged from the post-implementation review of IFRS 9, including the accounting treatment of financial assets whose returns vary upon achievement of ESG objectives (i.e. green bonds). In particular, the amendments aim to:
  - clarify the classification of financial assets with variable returns and linked to environmental, social and corporate governance (ESG) objectives and the criteria to be used for the assessment of the SPPI test;
  - determine that the date of settlement of liabilities through electronic payment systems is the date on which the liability is extinguished. However, an entity is permitted to adopt an accounting policy to allow for the elimination of financial liabilities before delivering liquidity on the settlement date in the presence of certain specific conditions.

  With these amendments, the IASB has also introduced additional report requirements with regard, in particular, to investments in equity instruments designated at FVOCI.

  The information required by the aforementioned amendments is set out in the section entitled "ESG products with contingent events" in this Part A; please refer to that section for further details.
- On 18 December 2024, the IASB published an amendment called "*Contracts Referencing Nature-dependent Electricity – Amendment to IFRS 9 and IFRS 7*". The document aims to support entities in reporting the financial effects of contracts for the purchase of electricity produced from renewable sources (often structured as Power Purchase Agreements). On the basis of these contracts, the amount of electricity generated and purchased may vary based on uncontrollable factors such as weather conditions. The IASB has made targeted amendments to IFRS 9 and IFRS 7. The amendments include:
  - a clarification regarding the application of the "own use" requirements to this type of contract;
  - the criteria for allowing these contracts to be accounted for as hedging instruments; and,
  - the new reporting requirements to allow users of the financial statements to understand the effect of these contracts on the financial performance and cash flows of an entity.

  The adoption of this amendment had no significant impact on the Group's half-year condensed consolidated financial statements.

- On 18 July 2024, the IASB published a document called "*Annual Improvements Volume 11*". The document includes clarifications, simplifications, corrections and changes aimed at improving the consistency of various IFRS Accounting Standards. The amended standards are:
  - IFRS 1 First-time Adoption of International Financial Reporting Standards;

- IFRS 7 Financial Instruments: Disclosures and related guidelines on the implementation of IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows.

The adoption of this amendment had no significant impact on the Group's half-year condensed consolidated financial statements.

IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS ENDORSED BY THE EUROPEAN UNION, NOT YET MANDATORILY APPLICABLE AND NOT ADOPTED EARLY BY THE GROUP AS AT 30 JUNE 2026

At the reference date of this document, the competent bodies of the European Union have not yet completed the endorsement process needed for the adoption of the amendments and standards described below, but said standards are not mandatorily applicable and were not adopted early by the Group as at 30 June 2026:

- On 9 April 2024, the IASB published a new standard ***IFRS 18 Presentation and Disclosure in Financial Statements*** which will replace IAS 1 Presentation of Financial Statements. The new standard aims to improve the presentation of the main financial statements' schedules, with particular reference to the income statement layout. In particular, the new standard requires to:
  - classify revenues and costs into three new categories (operating section, investment section and financial section), in addition to the taxes and discontinued operations categories already present in the income statement;
  - present two new sub-totals, the operating result and the result before interest and taxes (i.e. EBIT).

  The new standard also:
  - requests more information on the performance indicators defined by management;
  - introduces new criteria for combining and unbundling information; and
  - introduces some changes to the cash flow statement, including the request to use the operating result as a starting point for the presentation of the cash flow statement prepared with the indirect method and the derecognition of some classification options of some currently existing items (for example, interest paid and collected, and dividend income paid and collected).

  The new standard will enter into force on 1 January 2027, but early application is permitted.

  The Credem Group has launched a specific project, with the support of an external consultant, aimed at analysing the impacts arising from the adoption of IFRS 18 and the related amendments to other international accounting standards, with the aim of defining the necessary adjustments to reporting processes, methodological controls and information systems. The analyses also take into account the amendments to Banca d'Italia Circular no. 262/2005, which are intended to incorporate the new reporting requirements set out in the standard; the final version of these amendments is awaited once the consultation process has been completed.

  No significant impact is expected on the criteria for recognising and measuring assets and liabilities, nor on consolidated shareholders' equity.

IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT YET ENDORSED BY THE EUROPEAN UNION

At the reference date of this document, the competent bodies of the European Union have not yet completed the endorsement process necessary for the adoption of the amendments and standards described below.

- On 9 May 2024, the IASB published a new standard ***IFRS 19 Subsidiaries without Public Accountability: Disclosures*** (together with the Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures published on 21 August 2025). The new standard introduces some simplifications with reference to the information required by the IFRS Accounting Standards in the financial statements of a subsidiary, which meets the following requirements:
  - it has not issued equity or debt instruments listed on a regulated market and is not in the process of issuing them;
  - it has its own parent company that prepares consolidated financial statements in compliance with IFRS.

The new standard will come into force on 1 January 2027, but early adoption is permitted. This amendment does not apply to the Group's half-year condensed consolidated financial statements.

- On 13 November 2025, the IASB published a document called "***Translation to a Hyperinflationary Presentation Currency – Amendment to IAS 21***" which clarifies the conversion procedures for an entity whose presentation currency is that of a hyperinflationary economy. The entity applies the amendments if:
  - its functional currency is that of a non-hyperinflationary economy and is converting its economic results and financial position into the currency of a hyperinflationary economy; or
  - is converting the economic results and financial position of a foreign operation whose functional currency is that of a non-hyperinflationary economy into the currency of a hyperinflationary economy.

  The amendments will apply from the financial statements for years beginning on or after 1 January 2027. The Directors do not expect the adoption of these amendments to have a significant effect on the Group's half-year condensed consolidated financial statements.

- On 27 May 2026, the IASB published the standard ***IFRS 20 – Regulatory Asset and Regulatory Liabilities.*** The new standard applies to all entities subject to a specific type of tariff regulation, namely tariff regulation that creates time-related differences.
  The objective of the new standard is to require an entity to provide relevant information that reflects the impact of income and expenses arising from regulated activities on the entity's profit or loss, as well as the impact of assets and liabilities arising from regulated activities on the statement of financial position. To achieve this objective, the new standard sets out the requirements for the recognition, measurement, presentation and disclosure of assets, liabilities, income and expenses arising from regulated activities. Assets and liabilities arising from regulated activities constitute a subset of the rights and obligations created by a regulatory agreement. Information relating to this subset of rights and obligations enables users of the financial statements to understand:
  - the income and expenses arising from an entity's regulated activities, which stem from the assets and liabilities arising from those regulated activities. This understanding, together with the information required by other IFRSs, will provide guidance on the total remuneration permitted for regulated goods or services provided by the entity during a reporting period and, consequently, on the entity's financial performance and the prospects for future cash flows.
  - the assets and liabilities arising from an entity's regulated activities. This understanding will provide information about the entity's financial position at the end of a reporting period and about the amount, timing and uncertainty of the entity's future cash flows.

  IFRS 20 will replace IFRS 14 – Regulatory Deferral Accounts and will come into force on 1 January 2029, although early adoption is permitted.
  This standard has no impact on the Group's half-year condensed consolidated financial statements.

- On 27 June 2026, the IASB published a document entitled "***Amendments to the Fair Value Option for Investments in Associates and Joint Ventures (Amendments to IAS 28)***", which clarifies which entities are eligible to measure investments in associates and joint ventures using the fair value option provided for in IAS 28. The IASB has decided to draw up amendments to address:
  - the lack of clarity regarding the meaning of "similar entities, including investment-linked insurance funds" and as to whether that definition should be interpreted narrowly or broadly; and,
  - the differing interpretations of the relationship between the scope of application of the fair value option in IAS 28 and the requirements of IFRS 18 relating to "specified main business activities".

  The amendments will come into effect at the same time as the application of IFRS 18 and, therefore, from financial statements for years beginning on 1 January 2027.
  This amendment is not applicable to the Group's half-year condensed consolidated financial statements.

Contents of the Financial Statements

Consolidated Balance Sheet, Consolidated Income Statement and Consolidated Statement of Comprehensive Income

The consolidated balance sheet and consolidated income statement are made up of items, sub-items and additional information (the "of which" in the items and sub-items). In the income statement, revenues are presented as positive numbers without signs and costs as negative numbers in brackets. Positive and negative income components included in the consolidated statement of comprehensive income are presented in the same way.
The financial statements provide corresponding comparative figures of the balance sheet of the previous year, while the income statement figures and the consolidated statement of comprehensive income figures refer to the same period of the previous year.

Consolidated Statement of Changes in Shareholders' Equity

The consolidated statement of changes in shareholders' equity has been drawn up in accordance with the provisions of Circular no. 262/2005 of Banca d'Italia, as amended. The statement presents the breakdown and movements for the shareholders' equity accounts for the period covered by the financial statements and the previous period, split between share capital, capital reserves, profit reserves, asset and liability valuation reserves and net profit or loss. Treasury shares in the portfolio, if present, are deducted from shareholders' equity. Equity instruments other than ordinary shares have not been issued.

Consolidated Cash Flow Statement

The Consolidated Cash Flow Statement provides information that enables users to assess changes in the company's assets, its financial structure (including liquidity and solvency) and its ability to influence the size and the timing of cash flows with a view to adapting them to circumstances and opportunities.
IAS 7 establishes that the cash flow statement may be drawn up using either the "direct" or "indirect" method.
As envisaged by the instructions of Circular no. 262/05, Banca d'Italia therefore proposes two alternative cash flow statement schedules, in which the cash flows related to operating activities are shown with the direct and indirect method, without indicating a preference for either, leaving the decision to the party preparing the financial statements.
The cash flow statement for the reference period of the financial statements and for that of the previous year was prepared using the indirect method, according to which cash flows from operating activities are represented by the result for the year, adjusted for the effects of non-monetary transactions.
Cash flows are broken down into those deriving from operating activities, those generated from investing activities and those generated from funding activities.
The cash inflows generated during the period are presented in the statement as positive numbers without signs, and the cash outflows as negative numbers in brackets.

Section 3 - Scope and methods of consolidation

The half-year condensed consolidated financial statements of Credem Group include the financial statements of Credito Emiliano spa and the companies it directly controls. Companies operating in different business segments than that of the Parent Company have also been included within the scope of consolidation. Similarly, the special purpose entities or vehicles (SPE/SPV) have also been included when an effective controlling interest exists, irrespective of whether equity investments are held.
An enterprise is able to exercise control if it is exposed to or has the right to variable returns, resulting from its relationship with the investee and, in the meantime, has the ability to influence said returns by exercising its power over the entity.
Companies are usually considered subsidiaries when the Parent Company, directly or indirectly, holds more than half of the voting rights or when it has a lower portion of voting rights, but has the power to appoint the majority of directors of the investee company or determine its financial or operating policies. The assessment of the number of voting rights also takes into account "potential" rights if they are currently exercisable or convertible into effective voting rights at any time.

Companies are normally considered to be subject to joint control if their voting rights and the control of their economic activities are equally shared by Credem, directly or indirectly, and another party. An equity investment is classified as being under joint control when, even though voting rights are not equally shared, control over the investee company's economic activities or business policies is shared with other parties by virtue of contractual agreements.
Companies are normally considered associated, that is, subject to significant influence, when the Parent Company, directly or indirectly, holds at least 20% of the voting rights (including "potential" voting rights as defined above) or when – even with a lower amount of voting rights – it has the power to determine the financial and management policies of the investee company by virtue of specific legal relationships such as participation in shareholders' agreements.
Subsidiaries are consolidated on a line-by-line basis, whereas associated companies and joint ventures are consolidated using the equity method.

Criteria and principles of consolidation

The following criteria were adopted in the preparation of the consolidated financial statements:

- upon first consolidation, the book value of equity investments in line-by-line consolidated companies is offset against the shareholders' equity of said companies. Accounting for purchases in companies takes place according to the "purchase method", as defined by IFRS 3, with recognition of the assets, liabilities and contingent liabilities of companies acquired at fair value at the acquisition date, which is the moment in which effective control of the acquired company is achieved. Therefore, the financial results of a subsidiary acquired during the period are included in the consolidated financial statements starting from its acquisition date. Similarly, the financial results of a subsidiary that has been sold are included in the consolidated financial statements until the date in which control ceases;
- any surpluses in the fair value of the price paid compared to the corresponding portion of shareholders' equity, adjusted for the effect of the fair value of assets or liabilities, are recorded as goodwill under "Intangible assets" if positive and to the income statement if negative;
- any purchases of additional equity investments subsequent to the acquisition of control are specifically regulated by IAS 27; any positive or negative differences, as defined above, that arise following these acquisitions are recorded directly to equity;
- at each balance sheet date (or whenever there is evidence of impairment), the carrying amount of goodwill is tested for impairment (known as an impairment test). To this end, the cash generating unit that produces the cash flow and to which goodwill is attributed is identified. The amount of the impairment is calculated as the negative difference, if any, between the goodwill value recorded and its recoverable amount, equal to the greater of fair value of the cash-generating unit, less any costs to sell, and the asset's relative value in use. The subsequent value adjustments are recorded in the income statement;
- asset, liability and income statement items are acquired on a "line-by-line basis";
- debit and credit positions, off-balance sheet transactions and income, charges, profits and losses arising from relations between companies consolidated on a line-by-line basis cancel each other out;
- portions of shareholders' equity and profits for the period belonging to minority shareholders of the consolidated companies are included in the relative sections under liabilities in the balance sheet and in the income statement, respectively;
- for the consolidation of the companies on a line-by-line basis, the financial reports as at 30 June 2026 were used, prepared and approved by the individual companies and, where necessary, brought into compliance with the international accounting standards followed in preparing the consolidated financial statements;
- the book value of significant equity investments held by the Parent Company, or by other Group companies, regarding companies consolidated at equity is compared to the relative portion of shareholders' equity of the investee companies. Any excess in the book value – resulting from first-time adoption in the consolidated financial statements – is included in the book value of the investee company. The changes in equity value that took place in the years subsequent to the year of first time adoption are recorded under item 250 of the consolidated income statement ("gains (losses) on equity investments"), to the extent in which said changes refer to profits or losses of the investee companies;
- if there is evidence that the value of an investment may have undergone impairment, the recoverable amount of the investment is estimated, taking into account the present value of

future cash flows that the investment may generate, including the final disposal value of the investment. If the recovery amount is lower than the book value, the difference is recorded in the income statement;

- for the consolidation of equity investments in associated companies, where available, the results of the financial reports as at 30 June 2026, approved by the respective Board of Directors, were used; alternatively, the figures from the last approved financial statements (usually those as at 31 December 2025) were used.

Equity investments in wholly-owned subsidiaries as at 30 June 2026

Company Names	Registered Office	Type of Relationship	Shareholding Ratio		Voting Rights %
			Investing Company	Share %	
A. Companies					
A. 1 Consolidated line-by-line					
1. Credemleasing S.p.A.	Reggio Emilia	1	Credito Emiliano	99.90%	
			Magazzini Generali delle Tagliate	0.10%	
2. Credemfactor S.p.A.	Reggio Emilia	1	Credito Emiliano	99.00%	
			Credemleasing	1.00%	
3. Credem Euromobiliare Private Asset SGR S.p.A.	Reggio Emilia	1	Credito Emiliano	87.50%	
			Credem Euromobiliare Private Banking	12.50%	
4. Euromobiliare Asset Management SGR S.p.A.	Milan	1	Credito Emiliano	100.00%	
5. Euromobiliare Advisory SIM S.p.A.	Milan	1	Credito Emiliano	100.00%	
6. Credemtel S.p.A.	Reggio Emilia	1	Credito Emiliano	100.00%	
7. Avvera S.p.A.	Reggio Emilia	1	Credito Emiliano	100.00%	
8. Magazzini Generali delle Tagliate S.p.A.	Reggio Emilia	1	Credito Emiliano	100.00%	
9. Credem Euromobiliare Private Banking S.p.A.	Milan	1	Credito Emiliano	100.00%	
10. Euromobiliare Fiduciaria S.p.A.	Milan	1	Credito Emiliano	100.00%	
11. Credemvita S.p.A.	Reggio Emilia	1	Credito Emiliano	100.00%	
12. Credem CB S.r.l.	Conegliano	1	Credito Emiliano	70.00%	
13. Andxor S.r.l.	Cinisello Balsamo	1	Credemtel	75.00%	

Key

Type of relationship:

1 = majority of the voting rights of the Ordinary Shareholders' Meeting

The "Voting Rights" column is populated only in cases where the actual proportion of voting rights exercisable at an Ordinary General Meeting differs from the shareholding held in the Company's share capital.

Section 4 - Events subsequent to the reporting period

In accordance with the provisions of IAS 10, it is noted that between 30 June 2026 and the date on which the half-year condensed consolidated financial statements were authorised for publication by the Board of Directors (4 August 2026), no subsequent events occurred that would have a significant impact on the Group's financial position, results of operations and cash flows, or that would require amendments or additional disclosures to the half-year condensed consolidated financial statements.

Section 5 - Other matters

Weighting of macro-economic scenarios

The macroeconomic scenarios for the calculation of expected losses (ECL) are provided by an external provider. In detail, three Scenarios are identified: Baseline (as indicated by the provider), Bad and Good (corollary scenarios that respectively have a 90% and 10% probability that a best scenario will occur). For these different scenarios, the related probabilities of occurrence are also provided, which are used to weight the different derived ECL estimates and arrive at the overall estimate. On the back of the health emergency linked to the Covid-19 pandemic and the Russia-Ukraine conflict, tensions in the Middle East and increased trade tensions, the Institutions were called upon to establish mechanisms for monitoring the Scenarios underlying the models and the related sensitivity in contexts of high volatility. In this context, the Group confirmed the use of the provider already in use, however assessing from time to time the weighting to be attributed to the three available macroeconomic scenarios. The last delivery of the provider, used to update the models in use since December 2025, refers to the situation in the Eurozone as at 30 June 2025. In

consideration of the persistent climate of uncertainty stemming from the escalation of global geopolitical tensions, in order to adequately reflect the potential risks of instability and the related economic impacts, the Group deemed it appropriate to increase the weighting of the Bad scenario. The weightings approved for the scenarios are: 10% good, 40% bad, 50% baseline (instead of the standard weighting involving the following weights: 10% good, 10% bad, 80% baseline). The use of this stricter weighting with respect to the standard weighting led to a higher quantification of value adjustments by approximately € 2.5 million.

Environmental climate risks and use of overlay

With regard to environmental and climate risks, as part of the process of gradually aligning with the European Central Bank's (ECB) expectations regarding the incorporation of ESG issues into the Risk Management Framework, the Group proceeded as early as 2025 to remove the so-called ESG overlay, which had previously been introduced with effect from June 2024, as, following the completion of the necessary project work, the "IFRS 9 Climate Components" model was incorporated into the IFRS 9 framework for use in calculating collective impairment losses. Since the Group is subject to supervision by various Authorities (ECB, Banca d'Italia and Consob), the methodological approaches, estimates and assumptions used in preparing the consolidated financial statements are regularly reviewed. During the last inspection, which ended in 2025, the ECB recommended that the Group implement a series of refinements to the IFRS 9 framework.

During 2025, the Group therefore launched preliminary activities geared towards updating the overall IFRS 9 framework, aimed at incorporating the recent developments adopted for the IRB models, in addition to the integration of more updated time series both in terms of parameters and macroeconomic scenarios. In this context, impact simulations were conducted to estimate the expected economic effects following the planned methodological refinements to the accounting framework over the next two years. Among these, the main update concerns the evolution of staging criteria. Based on the results of these analyses, as of 31 December 2025, an overlay of € 20.8 million was quantified.

Furthermore, in view of the unfavourable developments in the macroeconomic and geopolitical environment between February and April 2026 (characterised by ongoing tensions in the Middle East and the closure of the Strait of Hormuz) a specific additional provision of € 1 million was introduced from March 2026 for the impairment of Credito Emiliano.

Implementation of the regulations on the global minimum taxation envisaged for multinational and national groups as part of Pillar 2 and related amendments to IAS 12 on income taxes

Please note the amendments made by the IASB to IAS 12 Taxes regarding International Tax Reform - Pillar Two Model.

Among almost 140 countries globally, through European Directive 2022/2053, the European Union was among the first jurisdictions to reach an agreement on international tax reform that introduces a Global Minimum Tax for large multinational companies. More specifically, these countries, including Italy, have joined the OECD Inclusive Framework on Base Erosion and Profit Shifting document, which introduces a two-pillar model to address tax problems arising from the digitalisation of the economy. In Europe, the Directive to implement the minimum tax component of the OECD reform was approved by the European Commission on 12 December 2022. After the doubts of some member countries were quelled, unanimous agreement was reached in the EU for the adoption of the proposed EU Directive aimed at achieving a minimum level of effective taxation of 15% of multinational groups that report total revenues exceeding € 750 million per year. Directive no. 2523/2022 was published in the EU Official Gazette on 22 December 2022 and was transposed into national legislation with Legislative Decree no. 209 of 27 December 2023. Taxable persons include companies located in Italy that are part of a multinational or national group with annual revenues equal to or greater than € 750 million, including the revenues of excluded entities (such as state entities, international organisations, non-profit organisations, pension funds, investment funds), recorded in the consolidated financial statements of the parent company in at least two of the four years immediately prior. The minimum national tax would be due if, for the companies of a group that operate in Italy, a situation arises where the ETR is below 15% as minimum taxation. It is an option envisaged by the directive (and applied by Italy) for which States can introduce a minimum national tax. Specific disclosure requirements are envisaged for the companies affected, with different disclosure obligations to be met in the periods in which the Pillar Two regulation came into force. These disclosure requirements are applicable starting from annual financial statements as of 1 January 2023 and are not mandatory in interim reports prepared

before 31 December 2023. In particular, the amendments made to the standard introduce a mandatory temporary exception that enables entities not to recognise the deferred taxation that would derive from the implementation of the Pillar Two Framework.

The Credem Group promptly fulfilled the obligations laid down by national legislation, submitting the relevant notifications and declarations, without any obligation to pay the aforementioned tax arising.

Power Purchase Agreements (PPAs)

The Group has not entered into any supply contracts that can be classified as PPAs; these are, in particular, long-term agreements entered into with a producer for the supply of renewable electricity at a fixed price.

Extra-profit reserve

In the summer of 2023, the government established a one-off tax calculated on the increase in net interest income (so called "extra-profit"). Following the parliamentary debate and the conversion into law of the first decree, the payment of this tax then became a substitute for the allocation of part of the profits of the 2023 financial statements to a "non-distributable reserve", determined for an amount "not less than two and a half times the tax calculated pursuant to the aforementioned regulatory provision".

At the time of the resolution of the proposed allocation of the profit for the year in the financial statements as at 31 December 2023, the Shareholders' Meeting of the Bank took the decision, inter alia, to allocate € 95,044 thousand to the "Extra-profit reserve". This is a "non-distributable" reserve, except for the payment of a tax equal to 40% of the same reserve.

Following the approval of the 2026 Budget Law (Art. 1, paragraphs 69 et seq., of Law no. 199 of 30 December 2025, called "State budget for the financial year 2026 and multi-year budget for the three-year period 2026-2028", published in the Official Gazette of 30 December 2025, Ordinary Supplement no. 42/L, General Series, no. 301), the Bank decided to approve the proposal to release the Extra-profit reserve, which has entailed a charge of € 26,137, which was recognised as a direct deduction from shareholders' equity from the 2025 financial year, based on the application by analogy, pursuant to IAS 8 "Accounting standards, changes in accounting estimates and errors", of the provisions of par. 61A of IAS 12, which requires the recognition of taxation in line with the reference item on which the tax is calculated.

Payment of the aforementioned charge was made on 30 June 2026.

Other information

Business combination

Business combinations are governed by the international accounting standard IFRS 3 "Business combinations".

The transfer of control of a company (or of a group of integrated activities and assets, conducted and managed as a unit) constitutes a business combination.

For this purpose, control is deemed to be transferred when the investor is exposed to variable returns, or holds rights to such returns, arising from its relationship with the investee, and at the same time has the ability to affect returns by exercising its power over that entity.

IFRS 3 requires that an acquirer be identified for all business combinations. The latter must be identified in the person who obtains control over another entity or group of assets.

The acquisition must be accounted for on the date the acquirer actually obtains control over the enterprise or business it has acquired. When the transaction takes place through a single exchange transaction, the date of the exchange usually coincides with the acquisition date. However, it is always necessary to check for any agreements between the parties that may involve a transfer of control before the date of the exchange.

The consideration transferred as part of a business combination must be determined as the sum of the fair value, at the date of the exchange, of the assets sold, the liabilities incurred or assumed and the equity instruments issued by the acquirer in exchange for control.

In transactions involving payment in cash (or when payment through financial instruments similar to cash has been concurred by the party), the price is the agreed consideration, discounted if necessary in the event of an instalment payment with reference to a period longer than the short term; in the event that payment is made through an instrument other than cash, i.e. through the

issue of equity instruments, the price is equal to the fair value of the means of payment net of costs directly attributable to the equity issue transaction.

Business combinations are accounted for using the "purchase method", whereby the identifiable assets acquired (including any intangible assets not previously recognised by the acquiree) and liabilities assumed (including contingent liabilities) are recognised at their fair values at the acquisition date.

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) over the fair value of the assets and liabilities acquired is recognised as goodwill; if, on the other hand, the latter exceed the consideration amount, the minority interest and the fair value of the shares already held, the difference is recognised in the income statement.

The business combination may be accounted for provisionally by the end of the period in which the combination is carried out and must be completed within twelve months of the acquisition date.

Mergers are the most comprehensive form of business combination, as they involve the legal and economic unification of the entities involved.

Mergers, whether "by consolidation", i.e. companies merging into a new legal entity, or "by acquisition" with the confluence of a company into another existing company, are treated according to the previously described criteria, in particular:

- if the transaction involves the transfer of control of an enterprise, it is treated as a business combination pursuant to IFRS 3;
- if the transaction does not involve the transfer of control, it is accounted for by giving priority to the continuity of the values of the company being acquired. In fact, business combinations of entities under common control do not fall within the scope of application of IFRS 3, nor are they governed by other IFRSs; therefore, they are defined by reference to the requirements of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

On 2 October 2025, following the authorisation issued by the competent Supervisory Authorities, the joint project for the partial demerger of Euromobiliare Advisory SIM S.p.A. in favour of Credito Emiliano S.p.A. (Credem) and Euromobiliare Asset Management SGR S.p.A. (EAM SGR) was published. The demerger took place on 10 December 2025, as per the deed of demerger made available on the website of Credito Emiliano S.p.A. and Borsa Italiana, effective from 1st January 2026 for legal, accounting and tax purposes. The demerger has provided for the assignment:

- to EAM SGR, of the business unit including the group of assets and resources organised for the performance of individual portfolio management and customer advisory activities;
- to Credem, of the business unit including the group of assets and resources organised for the coordination of the wealth management activities of the Credem Group.

Audit

The half-year condensed consolidated financial statements are subject to a limited audit by Deloitte & Touche S.p.A., entrusted with this mandate, in implementation of the resolution by the Shareholders' Meeting of 28 April 2022, until the year ending 2031.

Use of estimates and assumptions in the preparation of the financial statements

In compliance with the IFRS, directors are required to formulate valuations, estimates and assumptions that influence the application of the accounting standards and the amounts of assets, liabilities, costs and revenues recorded in the financial statements, as well as disclosures regarding potential assets and liabilities. The estimates and related assumptions are based on past experience and other factors considered reasonable in the specific cases, and have been adopted to estimate the book value of assets and liabilities that cannot be easily inferred from other sources.

Specifically, estimation processes have been adopted to support the book value of the most significant items recorded in the half-year condensed consolidated financial statements as at 30 June 2026, as provided by the accounting standards and the specific regulations described above. These processes are primarily based on the estimated future recoverability of the values recorded in the financial statements according to the current regulations in force, and were implemented with a view to business continuity, therefore, not considering assumptions of forced settlement of the items being measured.

The processes adopted compare the values recorded as at 30 June 2026. The valuation process

proved to be particularly complex given the current macroeconomic and market environment and the resulting difficulty in formulating performance forecasts (even for the short term) relating to financial parameters that have a significant impact on the values being estimated.

Therefore, the parameters and information used to verify the aforementioned values are highly influenced by these factors that could change rapidly and are not currently predictable, hence consequent effects on future book values cannot be excluded. By their very nature, the estimates and assumptions used may vary from period to period and, therefore, it cannot be excluded that in subsequent periods the actual figures recorded in the financial statements may differ, even significantly, as a result of changes in the subjective assessments used.

The estimates and assumptions are regularly revised. Any changes resulting from said revisions are recognised in the period in which the revision is made if the same relates to that period only. In the event in which the revision relates to both current and future periods, the change is recognised in the period in which the revision is made and in relative future periods.

The main specific cases in which the use of subjective estimates is required by management regard:

- the quantification of impairment losses on receivables (for further details, please refer to Part E - Section 2 - 2. Credit risk management policies);
- the determination of the fair value of financial instruments, in particular using valuation models to measure the fair value of financial instruments not listed on active markets;
- the quantification of the staff termination indemnity, personnel provisions and provisions for risks and charges;
- assessing whether there are any indicators of impairment of goodwill;
- the estimates made for the valuation of insurance liabilities; the process of formation of Insurance Liabilities is based on complex estimation processes and requires the use of technical, demographic, actuarial and financial assumptions and hypotheses that also have an impact on the quantification of the portion of the contractual service margin to be released in the income statement. These valuations are mainly linked to both developments in the domestic and international socio-economic spheres, and to financial market trends, which in turn influence interest rates, price fluctuations, actuarial bases and, more generally, the creditworthiness of counterparties (for further insights, please see Part A - Insurance assets and liabilities, Group methodological choices).

The evolution of these factors could result in the need, in future years, for further classifications of credit exposures under non-performing exposures, thus determining the recognition of further value adjustments also relating to performing credit exposures, due to the updating of the credit metrics. In addition, the need to carry out value adjustments could stem from the emergence of a different macroeconomic scenario from that assumed in the estimate of credit metrics.

- On the other hand, the evolution of the real estate market, in terms of downward correction of property prices, could affect (i) the value of the properties received as collateral, requiring the value adjustments to be modified or (ii) the capacity of some counterparties operating in the real estate sector to honour their debts. As the Group's properties are located in Italy, no direct impacts are expected from global geopolitical tensions (in any case, it should be noted that the fair value of the properties is systematically higher than their net book value).

Lastly, with reference to adverse changes in climate risks, please refer to the Explanatory notes, Part E, Section 2 - Risks of prudential consolidation.

With reference to the remaining items for which subjective measurements are used, although the measurements were carried out on the basis of information deemed reasonable and sustainable as at 30 June 2026, they may undergo changes that are not currently foreseeable due to variations in the metrics underlying the respective measurements:

- general economic and business conditions of the areas in which the Bank operates or has significant investments;
- exposure to various market risks (e.g. currency risk);
- legislative, regulatory and tax changes, including regulatory capital and liquidity requirements, also taking into account the tighter regulations in response to the financial crisis;
- adverse climate changes that could affect the value of the assets held and/or the ability of customers to honour their debts.

Other unknown and unpredictable factors could result in material deviations between actual and expected results.

For more details, please refer to Part "E" of these Explanatory notes to the financial statements.

Determining the fair value of financial assets and liabilities

General aspects

Financial instruments measured at fair value include financial assets and liabilities held for trading, financial instruments measured at fair value, derivative instruments and, lastly, instruments measured at fair value through other comprehensive income.
The IFRS 13 standard defines fair value as the price that would be received for selling an asset or paid for transferring a liability in an orderly transaction in the main market (or more advantageous) at the measurement date under current market conditions (namely closing price), regardless of that fact that said price can be directly observed or that it is estimated using a different valuation technique.
The departments involved in the process of determining the fair value include administrative departments, the Finance front office and the Risk Management Departments.
The administrative departments, which are directly in charge of drawing up financial disclosures, are responsible for monitoring the rules used to determine fair value in compliance with the accounting standards used.
The Finance department offices, in turn, have expertise regarding the valuation techniques applied and oversee the IT systems used in the process of determining fair value.
Lastly, the Risk Management department offices are required to validate the valuation techniques used, including the related models and the parameters used. These offices verify the potential presence of an active market and analyse the potentially available sources. In general, the Group determines the fair value of financial assets and liabilities using valuation techniques chosen on the basis of the type of instruments held and of the information available at the time of valuation.
On the basis of the information available at the time of the valuation, financial instruments are divided into those whose price is listed on an active market and those for which an active market does not exist at the time of valuation.
The fair value hierarchy attributes maximum priority to the prices listed (non-adjusted) on active markets for identical assets or liabilities (Level 1 data) and minimum priority to non-observable inputs (Level 3 data).
Level 1 inputs are the prices listed (non-adjusted) on active markets for assets and liabilities identical to those to which the entity may access on the valuation date. A listed price on an active market provides the most reliable proof of the fair value and, when available, must be used to measure the fair value without any adjustment.
Level 2 inputs are inputs other than the listed prices included in Level 1, directly or indirectly observable for the asset or liability.
Similarly, with regard to Level 3, all other variables used in valuation techniques that cannot be corroborated on the basis of observable market data are not considered observable (Level 3).

The presence of active markets and the use of listed prices (Mark to Market)

In general terms, the process for applying Mark to Market valuation is highly automated. All listed financial instruments held (shares, bonds and derivative financial instruments) are valued, where there are active markets, using the respective listed prices (Mark to Market valuations) to determine the daily P&L.
With regard to the main Information Providers, a distinction is made between:

- Market parameters to which a Refinitiv RIC is associated: in this case the price is retrieved in real time by Refinitiv through the ATS platform;
- Instruments to which both a Refinitiv and a Bloomberg contribution can be associated. In detail, rules have been implemented within the ATS that allow comparison between sources and the selection of the one deemed valid in terms of liquidity, daily update and delta spread. The ATS module considers a primary source for each category of instrument and assigns the level of fair value associated with each parameter;
- EOD parameters: market parameters updated once a day (e.g. cap and floor volatility) available from the ICE provider.

If the information from Refinitiv and Bloomberg is unavailable, other independent Information Providers are used.
If an asset or a liability designated at fair value has a bid price and an ask price (for example, a figure originating from a market with direct and assisted exchanges), to measure the fair value,

the price that falls within the bid-ask spread must be used, which is more representative of the fair value in these specific circumstances, regardless of how said datum is classified in the fair value hierarchy (Level 1, 2 or 3). The use of the bid price is permitted for asset positions and the ask price for liability positions, although this is not compulsory.
The Group uses the Mid prices for both its assets and liabilities, considering the most representative prices falling within the bid/ask spread for the calculations.
Generally, listed prices are acquired automatically, on a daily basis, by downloading the information from leading independent Information Providers.

Use of valuation techniques (Mark to Model)

In determining the fair value of financial instruments, the Mark to Model technique is used if the analysis shows that there are no listed prices for the instruments held on the main market (or more advantageous).
The valuation techniques used to measure the fair value must maximise the use of relevant observable inputs and minimise the use of non-observable inputs.
Level 2 inputs are inputs other than the listed prices included in Level 1, directly or indirectly observable for the asset or liability.
Level 2 inputs include:

- the prices listed on active markets for similar financial assets and liabilities;
- the prices listed on non-active markets for identical or similar financial assets and liabilities;
- data other than the listed prices observable for the asset or liability (for example, interest rates and yield curves observable at commonly quoted intervals, implicit volatility and credit spreads);
- inputs corroborated by the market.

Non-observable inputs, Level 3, must be used to measure fair value when the relevant observable inputs are not available, therefore permitting situations of poor market activity for the asset or liability on the measurement date. Nevertheless, the purpose of the fair value measurement remains the same, namely a closing price on the measurement date from the perspective of a market operator who holds the asset or the liability. Therefore, non-observable inputs must reflect the assumptions that market operators would use to establish the price of the asset or the liability, including assumptions about risk.
Adjustments to Level 2 inputs change according to specific aspects of the asset or liability. These aspects include the following:

- the condition or location of the asset;
- the extent to which the inputs refer to elements that are comparable to the asset or liability; and
- the volume or level of activity in the markets in which the inputs are observed.

The use of significant non-observable inputs or adjustments to a Level 2 input that is significant for the entire measurement of the instrument could mean that the fair value measurement will be classified as Level 3 in the fair value hierarchy.
The objective of the use of a valuation technique is to estimate the price at which a regular sale of an asset or transfer of a liability would take place between market operators on the valuation date, under current market conditions. Three valuation techniques that are widely used are the market valuation method, the cost method and the income method. An entity must use valuation techniques that are consistent with one or more of these methods to measure fair value.
The following are examples of the main parameters observable on the market that are used for the most common valuation techniques applied:

- risk-free yield curve. Based on records historicised in the Front Office application (Murex), a risk-free euro yield curve is obtained, by bootstrapping the implicit rates in deposits, swaps and Forward Rate Agreements;
- exchange rates. The Murex system automatically acquires, on a daily basis, the spot fixing ECB exchange rates from the infoprovider Reuters;
- volatility curves. Volatility curves obtained from external sources previously identified (Bloomberg) are mapped and historicised in the Front Office application (Murex); it should be noted that own operations by the Group predominantly focus on interest rate instruments.

Otherwise, when valuation techniques are based primarily on parameters that cannot be observed on the market, internal estimation processes are carried out. This applies in a limited way only to cases where market data is not available or is not considered reliable.

The use of valuation techniques that apply data observable on the market or data estimated internally involves the use of valuation models employing these parameters. The income method converts future amounts (for example, cash flows or revenues or costs) into a single present amount (namely discounted). When the income method is used, the fair value measurement reflects the present expectations of the market relating to said future amounts.
By way of example, these valuation techniques include:

- net present value techniques;
- option pricing models, such as the Black-Scholes-Merton formula, which incorporate techniques to calculate the present value and reflect both the temporal and the intrinsic value of an option.

However, when proprietary models are used, the reliability of such models is tested by comparing the valuations of similar listed instruments provided using these techniques with the related listed prices (back testing). The reliability of these techniques is also verified ex post by monitoring the results obtained over time.
The fair value hierarchy attributes maximum priority to the prices listed (non-adjusted) on active markets for identical assets or liabilities (Level 1 data) and minimum priority to non-observable inputs (Level 3 data).
Fair value levels are allocated every quarter on the reference accounting dates based on the verification of the presence of a principal or more advantageous market in the period of time prior to the reference accounting date. Several principles are checked, needed to establish the presence of an active market for each financial instrument identified by the availability of continuous, executable valuations, with contained bid-ask spreads.
The fulfilment of these conditions determines the fair value of the instrument analysed. If market quotations are not present, the valuation techniques are used on each accounting date, maximising the use of relevant observable inputs and minimising the use of non-observable inputs. Checking these input parameters based on availability determines the fair value level of the instrument.
On each accounting date, a comparative analysis of the fair value levels is also conducted, with respect to the previous quarter and the beginning of the year in question, with a view to identifying fair value level transfers that took place during the course of the year in question and the circumstances that triggered such transfer.

Closed-end real estate funds

In order to take into account the unavailability of continuous valuations of unlisted closed-end real estate funds, due to illiquidity, the absence of a liquid market and the specificity of the underlying asset, the methodology used to identify the fair value attributable to the company's share capital is based on the most up-to-date NAV available (normally referring to the end of the previous six months) adjusted to reflect the low liquidity of the asset.

Liabilities issued by the company

To determine the fair value of liabilities issued by the company, the company's issuer risk must be taken into account.
The creation of one or more credit spread curves is necessary, as part of the fair value option, in order to value instruments not traded on active markets with a full fair value. Compared to simple discounting on the risk-free curve of cash flows generated by the instrument, the concept of full fair value includes a further adjustment that takes into account issuer risk: the adjustment, or credit spread, takes the form of an additional spread on the risk-free curve and varies in size depending on the different maturities. Furthermore, given that the credit spread relative to an issuer expresses an indication of the probability and extent of repayment of the issue, it differs based on the issue's seniority: a senior issue will have a lower credit spread than a subordinated issue.
Application of the fair value option to financial liabilities requires that the amount of fair value changes attributable to changes in the credit risk of the instrument be highlighted.
The risk factors due to creditworthiness are incorporated into the discounting curve (used to calculate the fair value), applying a spread to the risk-free curve that takes into account issuer risk. The use of this valuation method makes it possible to separate the various components of risk: interest rate risk and credit risk.
The curves adjusted for the creditworthiness of the issuer are obtained by adding a credit spread that reflects the creditworthiness of said issuer to zero-coupon rates (or risk-free rates). Said curves are used to measure the value of bonds that are not listed on active markets.

By measuring all of the instruments relating to a single issuer (as well as those issued by the Group) at fair value, four curves can be constructed:

- a preferred senior curve;
- a non-preferred senior curve;
- a subordinate curve;
- a covered curve.

To determine the credit spread curves, Credem uses a service for the external supply of bank curves by the provider Confluence/UBS.

The methodology underlying the construction of credit curves is based on the principle that to build a credit curve on various correct maturities, it would be necessary to have a significant volume of market data available and instruments with different maturities, as it would be enough to use the classic boot-strapping method to build the curve. In many cases, however, as in Credem, the number of observations is not sufficient to be able to apply this methodology. In order to avoid this problem, Confluence uses a curve of comparables per sector to construct the shape of the curve, and then assesses the spreads of outstanding issues to determine the spread of the curves accordingly.

Criteria for determining the fair value of financial assets and liabilities not measured at fair value on a recurring basis

The disclosures required by IFRS 13 are shown below.

For asset and liability credit transactions not measured at fair value on a recurring basis, the fair value, shown in the tables contained in the Explanatory notes, has been calculated according to the following criteria:

- for financial assets and liabilities on demand, with short-term maturities (within 12 months) or undetermined maturities, the book value is considered; the same reasoning is applied to non-performing loans;
- for floating-rate securities and fixed-rate, short-term securities (within 12 months), the book value was considered an approximation of the fair value;
- for medium to long-term financial assets and liabilities, the valuation was carried out by discounting the future cash flows. This operation was carried out using risk-free rates and, for assets, by correcting the future cash flows, taking into account the counterparty risk through PD (Probability of Default) and LGD (Loss Given Default) parameters;
- for medium- to long-term, fixed-rate securities, the valuation was carried out by discounting the future cash flows adjusted for the issuer risk associated with Credem.

For these instruments, calculating the fair value is also based on the use of internal parameters that cannot be directly observed on the market, and is calculated only for the purpose of meeting disclosure requirements, and has no impact on the balance sheet or income statement.

A.3 DISCLOSURE OF TRANSFERS BETWEEN PORTFOLIOS OF FINANCIAL ASSETS

Following the adoption of IFRS 9, the Credem Group did not make any changes to the business model for the management of its financial assets and, therefore, no transfers between portfolios of financial assets were made. The general rules established by IFRS 9 on the reclassification of financial assets (with the exception of equity securities, for which no reclassification is allowed) do not allow reclassifications of financial assets to other categories, unless the company changes its business model for the management of these financial assets. These changes are expected to be extremely infrequent and must be decided by management following significant external or internal changes that are demonstrable to external parties.

A.4 FAIR VALUE DISCLOSURE

Qualitative information

A.4.1 - Fair value level 2 and 3: measurement techniques and inputs used

The measurement techniques used for Level 2 and 3 financial instruments are as follows:

- Financial assets: measurement of structured instruments using the discounted cash flow model for the bond component with a rate adjusted to reflect the appropriate credit risk, and the Black & Scholes model for the share component;
- Financial liabilities: measurement of plain vanilla instruments using the discounted cash flow model, considering a rate adjusted to reflect the credit risk of Credito Emiliano on maturity of the instrument.

The definition of the models used is briefly illustrated below:

Discounted Cash Flow

The discounted cash flow model is used to value an investment, based on the discounting process, which enables the present value of capital, which naturally matures at a future date, to be established today by applying a discount rate. The discount rate is adjusted for the credit risk of future cash flows expected from the asset in question. The algebraic sum of the discounted flows represents the net present value of the instrument.

The parameters used in the valuation technique are: rate curve and credit spread of each issue.

Black & Scholes model

The univariate Black & Scholes model (BS) is the most famous and recognised option pricing model on the market. The model is based on the possibility of creating a portfolio corresponding to the option, comprised in part by units of the underlying instrument and in part by risk-free bonds both influenced by the same source of uncertainty given by changes in the price of the stock. The assumptions underlying the Black & Scholes model are represented by the trend in prices for the underlying asset (approximated by a log-normal process), the presence of a perfectly efficient market, the interest rate and the volatility of the underlying constant for the entire duration of the option.

The parameters used in the valuation technique are the interest rate, the value and the volatility of the underlying asset.

In particular:

- the interest rates were extrapolated from the zero curve obtained from market quotations of similar instruments;
- the credit spreads for the Credito Emiliano component were obtained from market quotations of comparable issues;
- the values of underlying assets were obtained from market quotations;
- the volatility of the underlying was obtained from market prices.

A.4.2 Measurement processes and sensitivity

The valuation of instruments not traded on active markets is conducted using a Mark to Model technique, which seeks to maximise the use of observable data on the market. If the parameters are not available or not directly observable, fair value Level 3 is allocated.
During 2026, UCITS units for which the sensitivity analysis is not applicable, and shareholdings for non-material amounts, were measured using Mark to Model methods, using non-observable parameters (fair value 3).
As at 30 June 2026, no financial derivative was measured using the Mark to Model technique by means of market parameters that were not directly observable.

A.4.3 Fair value hierarchy

Transfers between levels of the fair value hierarchy

The fair value hierarchy attributes maximum priority to the prices listed (non-adjusted) on active markets for identical assets or liabilities (Level 1 data) and minimum priority to non-observable inputs (Level 3 data).

The following levels are used for the classifications shown below in these Explanatory notes to the consolidated financial statements:

- "Level 1": the fair value of financial instruments is calculated on the basis of listed prices observable on active markets (non-adjusted) that may be accessed on the valuation date;
- "Level 2": the fair value of financial instruments is calculated on the basis of inputs other than the listed prices included in Level 1 directly or indirectly observable for the asset or liability, also using valuation techniques;
- "Level 3": the fair value of financial instruments is calculated on the basis of non-observable inputs for the asset or liability, also using valuation techniques.

Allocating levels entails checking, for each instrument held in own portfolios, for a possible potential active market, in line with several valuation rules. More specifically, an assessment is carried out to ensure that the contributions are continuous, contained in the bid ask delta spread, indicative of possible recent transactions and therefore not dragged, and that the issuer is solid and active.

Failure to comply with these rules will result in a lower level being allocated to a more consistent and representative valuation of the fair value of the instrument.

Similarly, the analysis is conducted also when verifying the potential resumption of an active market for the instruments for which, over time, a steady valuation resumes on regulated or non-regulated markets.

A.4.4 Other information

Fair value levels are allocated every quarter on the reference accounting dates based on the verification of the presence of a principal or more advantageous market in the period of time prior to the reference accounting date. Several principles are checked, needed to establish the presence of an active market for each financial instrument identified by the availability of continuous, executable valuations, with contained bid-ask spreads.

The fulfilment of these conditions determines the fair value of the instrument analysed. If market quotations are not present, the valuation techniques are used on each accounting date, maximising the use of relevant observable inputs and minimising the use of non-observable inputs. Checking these input parameters based on availability determines the fair value level of the instrument.

At the reporting date, a comparative analysis of the fair value levels is also conducted, with respect to the previous quarter and the beginning of the year in question, with a view to identifying fair value level transfers that took place during the course of the year in question and the circumstances that triggered such transfer.

A.4.5 Fair value hierarchy

A.4.5.1 Financial assets and liabilities measured at fair value on a recurring basis: breakdown by fair value levels

Assets/liabilities measured at fair value	30/06/2026			31/12/2025		
	L1	L2	L3	L1	L2	L3
1. Financial assets measured at fair value through profit or loss	6,401,178	65,774	283,750	5,975,795	69,376	289,096
a) financial assets held for trading	28,333	13,792	-	24,176	16,747	-
b) financial assets designated at fair value	-	-	-	-	-	-
c) Other financial assets measured at fair value, as per mandatory requirements	6,372,845	51,982	283,750	5,951,619	52,629	289,096
2. Financial assets measured at fair value through other comprehensive income	10,290,157	60,039	35,666	9,621,292	49,710	34,463
3. Hedging derivatives	-	106,834	-	-	179,098	-
4. Property, plant and equipment	-	-	-	-	-	-
5. Intangible assets	-	-	-	-	-	-
Total	**16,691,335**	**232,647**	**319,416**	**15,597,087**	**298,184**	**323,559**
1. Financial liabilities held for trading	315	16,213	-	29	13,881	-
2. Financial liabilities designated at fair value	-	-	3,711,033	-	-	4,744,132
3. Hedging derivatives	-	269,626	-	-	482,249	-
Total	**315**	**285,839**	**3,711,033**	**29**	**496,130**	**4,744,132**

Key:

L1 = Level 1

L2 = Level 2

L3 = Level 3

A.5 – Information on "day one profit/loss"

The profit related to the issue of bonds, determined by the difference between the amount received and the fair value of the instrument, is recorded in the income statement on the issue date in all cases in which said fair value is measured using valuation techniques that use market-observable parameters.

IFRS 9 provides that the initial recognition of financial instruments should be made at fair value. Usually, the fair value of a financial instrument at the date of initial recognition in the financial statements corresponds to the "transaction price"; in other words, at the cost or the amount paid for the financial assets or the sum received for financial liabilities.

The statement that, at the time of initial recognition in the financial statements, the fair value of a financial instrument corresponds to the transaction price is intuitively always the case for transactions in "Level 1" of the fair value hierarchy.

Also in the case of "Level 2", which is based on prices derived indirectly from the market (comparable approach), in the vast majority of cases, at the time of initial recognition, fair value and price substantially correspond. Any differences between price and fair value are usually attributed to sales margins.

In the case of "Level 3", however, the measurement of the instrument is partially at the discretion of the operator and, therefore, due to the higher degree of subjectivity in the calculation of the fair value, there is no clear term of reference to compare with the transaction price. For this reason, IFRS 9 prohibits that any initial difference between the transaction price and the internal estimate of fair value may immediately be booked to the income statement in a single amount. Therefore, in this case, the initial recognition must always be made at the transaction price. The subsequent valuation may not include the difference between the price and the fair value established at the time of initial valuation – namely the implicit Day-One-Profit (DOP) or Day-One-Loss (DOL) – which instead must be booked to the income statement only if it results from changes in the factors on which market participants base their valuations to set prices (including the time effect). Where the instrument has a defined maturity and a model to monitor changes in the factors on which operators base their prices is not immediately available, the transit of the DOP/DOL to the income

statement is permitted in a linear manner for the duration of the same financial instrument.

Therefore, the accounting policy followed provides that:

- any implicit DOP/DOL in "Level 2" instruments is immediately and entirely booked to the Income Statement;
- instead, any implicit DOP/DOL in "Level 3" instruments is sterilised and booked to the Income Statement on a "pro-rata temporis" basis (linearly) for the residual duration of said instruments;
- in the event an instrument classified as "Level 3" in the fair value hierarchy is reclassified as Level 2, the residual suspended DOP/DOL are booked to the Income Statement in a single amount.

As at 30 June 2026, there were no amounts that were still to be recorded in the income statement on a "pro-rata temporis" basis, or for the residual duration of the contract.

ESG products with contingent events

Financial assets	30/06/2026			
			Possible changes to contractual interest rates	
	VL	Of which: involving contingent events relating to ESG factors	Minimum value (base points)	Maximum value (base points)
1. Financial assets at amortised cost	959,723,096 €	959,723,096 €	-15	10
1.1 Loans to Central Banks				
1.2 Loans to banks				
- Loans				
- Debt securities				
1.3 Loans to customers	959,723,096 €	959,723,096 €	-15	10
- Loans	959,723,096 €	959,723,096 €	-15	10
- Debt securities				
2. Financial assets measured at fair value through other comprehensive income				
- Loans				
- Debt securities				
Total	959,723,096 €	959,723,096 €	-15	10

Financial liabilities	30/06/2026			
			Possible changes to contractual interest rates	
	BV	Of which: involving contingent events relating to ESG factors	Minimum value (base points)	Maximum value (base points)
1. Financial liabilities measured at amortised cost				
1.1 Deposits from Banks				
1.2 Deposits from Customers				
1.3 Debt securities issued				
Total				

The amendments to IFRS 7, adopted in the European Union by Regulation (EU) 2025/1047, have introduced specific disclosure requirements relating to financial instruments whose contractual cash flows may vary depending on whether or not contingent events occur.

For the Credem Group, the exposures relevant for the purposes of this disclosure consist

exclusively of loans to customers, classified as financial assets measured at amortised cost. The contractual clauses that may lead to changes in cash flows (a reduction or increase in the interest rate applied) are all linked to contingent ESG events and relate to two types of financing provided by Credem Banca: SAL mortgages, intended for private customers, and Sustainability-Linked Loans, intended for businesses.

Specifically, SAL mortgages provide for a reduction in the contractual interest rate upon the achievement of specific energy efficiency targets for the property being financed [1]. For Sustainability-Linked Loans, the interest rate reduction is granted upon the achievement of two KPIs, selected by the client from a set of 25 ESG-related KPIs, and may be revoked (with the standard interest rate reinstated) should the client fail to meet the KPIs.

As at 30 June 2026, the gross carrying amount of loans within the scope of consolidation totalled € 959.7 million.

For exposures totalling € 834.3 million relating to Sustainability-Linked Loans and € 55.6 million relating to SAL mortgages, the contractual condition on which the interest rate reduction is contingent has not yet been met. The standard rate is therefore applied to these exposures, and any future change can only be a reduction, provided that the contractually agreed ESG targets are met. It should be noted that, of the € 55.6 million SAL mortgages, approximately € 3.9 million may see a reduction of 15 basis points (the minimum value shown in the table), whilst the remaining € 51.7 million may see a reduction of 10 basis points.

For exposures totalling € 69.8 million relating to Sustainability-Linked Loans, the contractual condition has, however, already been met and the interest rate applied incorporates the corresponding reduction. As this reduction is revocable in the event of subsequent failure to meet the KPIs, any future change in the rate for these exposures may only be an increase, up to a maximum of 10 basis points, corresponding to a return to the standard rate.

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[1] In particular, for mortgages taken out for the purposes of purchasing and renovating a property (or for renovation only), the discount is granted in three cases:
- if the property achieves an energy efficiency rating of B or higher;
- if this results in a reduction of at least 30% in the energy performance index (EPI);
- if this results in an improvement of at least two energy efficiency ratings.

For construction loans, the discount applies to buildings that achieve an energy efficiency rating of B or higher.

PART B
INFORMATION ON THE CONSOLIDATED BALANCE SHEET

Assets

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

2.1 Financial assets held for trading: breakdown by product

Items/Balances	Total 30/06/2026			Total 31/12/2025		
	L1	L2	L3	L1	L2	L3
A. Balance sheet assets						
1. Debt securities	25,098	6	-	24,176	-	-
1.1 Structured securities	922	6	-	2,723	-	-
1.2 Other debt securities	24,176	-	-	21,453	-	-
2. Equity securities	434	-	-	-	-	-
3. Units of UCITS	2,801	-	-	-	-	-
4. Loans	-	-	-	-	-	-
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	-	-	-	-
Total (A)	**28,333**	**6**	**-**	**24,176**	**-**	**-**
B. Derivatives	-	-	-	-	-	-
1. Financial derivatives	-	13,786	-	-	16,747	-
1.1 trading	-	13,786	-	-	16,747	-
1.2 related to fair value option	-	-	-	-	-	-
1.3 other	-	-	-	-	-	-
2. Credit derivatives	-	-	-	-	-	-
2.1 trading	-	-	-	-	-	-
2.2 related to fair value option	-	-	-	-	-	-
2.3 other	-	-	-	-	-	-
Total (B)	**-**	**13,786**	**-**	**-**	**16,747**	**-**
Total (A+B)	**28,333**	**13,792**	**-**	**24,176**	**16,747**	**-**

Key:
L1 = Level 1
L2 = Level 2
L3 = Level 3

2.2 Financial assets held for trading: breakdown by debtor/issuer/counterparty

Items/Balances	Total 30/06/2026	Total 31/12/2025
A. Balance sheet assets		
1. Debt securities	25,104	24,176
a) Central Banks	-	-
b) Public Administration	20,984	20,232
c) Banks	2,790	2,040
d) Other financial companies	609	816
of which: insurance companies	-	338
e) Non-financial companies	721	1,088
2. Equity securities	434	-
a) Banks	-	-
b) Other financial companies	-	-
of which insurance companies	-	-
c) Non-financial companies	434	-
d) Other issuers	-	-
3. Units of UCITS	2,801	-
4. Loans	-	-
a) Central Banks	-	-
b) Public Administration	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non-financial companies	-	-
f) Households	-	-
Total (A)	**28,339**	**24,176**
B. Derivatives		
a) Central counterparties	-	-
b) Other	13,786	16,747
Total (B)	**13,786**	**16,747**
Total (A+B)	**42,125**	**40,923**

2.5 Other financial assets measured at fair value, as per mandatory requirements: breakdown by product

Items/Balances	Total 30/06/2026			Total 31/12/2025		
	L1	L2	L3	L1	L2	L3
1. Debt securities	**703,863**	**4,657**	**10**	**665,586**	**4,740**	**10**
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	703,863	4,657	10	665,586	4,740	10
2. Equity securities	**334,225**	**-**	**-**	**260,042**	**-**	**-**
3. Units of UCITS	**5,334,757**	**47,325**	**265,701**	**5,025,991**	**47,889**	**267,448**
4. Loans	**-**	**-**	**18,039**	**-**	**-**	**21,638**
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	18,039	-	-	21,638
Total	**6,372,845**	**51,982**	**283,750**	**5,951,619**	**52,629**	**289,096**

Key:

L1 = Level 1
L2 = Level 2
L3 = Level 3

The breakdown of item 3 "Units of UCITS" is as follows:

	Total 30/06/2026	Total 31/12/2025
Closed-end funds	12,141	12,196
Equity	1,393,095	1,209,964
Real estate	-	61,401
Monetary	245,139	238,218
Bonds	1,418,728	1,414,695
Balanced	86,183	80,636
Flexible	471,514	445,154
Other	2,020,983	1,879,062
Total	**5,647,783**	**5,341,328**

2.6 Other financial assets measured at fair value, as per mandatory requirements: breakdown by debtor/issuer

	Total 30/06/2026	Total 31/12/2025
1. Equity securities	**334,225**	**260,042**
of which: banks	41,025	37,018
of which: other financial companies	24,501	20,740
of which: non-financial companies	268,699	202,284
2. Debt securities	**708,531**	**670,336**
a) Central banks	-	-
b) Public Administration	345,593	357,018
c) Banks	296,925	290,061
d) Other financial companies	4,360	1,788
of which: insurance companies	2,555	-
e) Non-financial companies	61,653	21,469
3. Units of UCITS	**5,647,782**	**5,341,328**
4. Loans	**18,038**	**21,638**
a) Central banks	-	-
b) Public Administration	-	-
c) Banks	-	-
d) Other financial companies	16,940	16,118
of which: insurance companies	16,940	16,118
e) Non-financial companies	709	4,628
f) Households	389	892
Total	**6,708,576**	**6,293,344**

The units of mutual funds (UCITS) and certain loans to customers were classified in this category as a result of failing the SPPI test.

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: product breakdown

Items/Balances	Total 30/06/2026			Total 31/12/2025		
	L1	L2	L3	L1	L2	L3
1. Debt securities	10,278,092	59,452	-	9,609,148	49,119	-
1.1 Structured securities	418,941	1,323	-	239,370	1,476	-
1.2 Other debt securities	9,859,151	58,129	-	9,369,778	47,643	-
2. Equity securities	12,065	587	35,666	12,144	591	34,463
3. Loans	-	-	-	-	-	-
Total	**10,290,157**	**60,039**	**35,666**	**9,621,292**	**49,710**	**34,463**

Key:

L1 = Level 1

L2 = Level 2

L3 = Level 3

3.2 Financial assets measured at fair value through other comprehensive income: breakdown by debtor/issuer

Items/Balances	Total 30/06/2026	Total 31/12/2025
1. Debt securities	**10,337,544**	**9,658,267**
a) Central banks	-	-
b) Public Administration	8,284,881	7,721,323
c) Banks	1,671,977	1,677,215
d) Other financial companies	363,269	242,155
of which: insurance companies	-	5,166
e) Non-financial companies	17,417	17,574
2. Equity securities	**48,316**	**47,198**
a) Banks	22,772	22,716
b) Other issuers:	25,544	24,482
- other financial companies	22,761	21,670
of which: insurance companies	-	-
- non-financial companies	2,419	2,500
- others	364	312
3. Loans	**-**	**-**
a) Central banks	-	-
b) Public Administration	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non-financial companies	-	-
f) Households	-	-
Total	**10,385,860**	**9,705,465**

There are micro fair value hedges on fixed-rate Italian government bonds (BTP) and foreign government bonds, as well as on fixed-rate bonds (senior unsecured and covered bonds) issued by leading European credit institutions. The fair value hedge is carried out through the implementation of suitable hedging instruments (interest rate swaps) to specifically hedge the interest rate risk of said securities; the relationship created between Hedged Item and Hedging Instrument led to the preparation of a specific document that formalises the hedging relationship and also entailed the application of special Hedge Accounting rules. Note that tests of effectiveness were conducted (both prospective and retrospective) with a positive outcome.

3.3 Financial assets measured at fair value through other comprehensive income: gross value and overall value adjustments

	Gross value					Overall value adjustments				Total partial write-offs
	Stage 1	of which: Instruments with low credit risk	Stage 2	Stage 3	Purchased or originated credit impaired	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired	
Debt securities	10,341,078	9,242	-	-	-	3,534	-	-	-	-
Loans	-	-	-	-	-	-	-	-	-	-
Total 30/06/2026	**10,341,078**	**9,242**	**-**	**-**	**-**	**3,534**	**-**	**-**	**-**	**-**
Total 31/12/2025	**9,661,699**	**9,578**	**-**	**-**	**-**	**3,433**	**-**	**-**	**-**	**-**

The gross value and the overall value adjustments of impaired financial assets include contractual interest accrued.

Section 4 – Financial assets measured at amortised cost – Item 40

4.1 Financial assets measured at amortised cost: breakdown of loans to banks

Type of transaction/Amounts	Total 30/06/2026						Total 31/12/2025					
	Book value			Fair value			Book value			Fair value		
	Stage 1 and 2	Stage 3	Purchased or originated credit impaired	L1	L2	L3	Stage 1 and 2	Stage 3	Purchased or originated credit impaired	L1	L2	L3
A. Loans to Central Banks	**456,047**	**-**	**-**	**-**	**-**	**456,047**	**397,763**	**-**	**-**	**-**	**-**	**397,763**
1. Deposits with a set term	-	-	-	X	X	X	-	-	-	X	X	X
2. Compulsory reserve	456,047	-	-	X	X	X	397,763	-	-	X	X	X
3. Repurchase agreements	-	-	-	X	X	X	-	-	-	X	X	X
4. Other	-	-	-	X	X	X	-	-	-	X	X	X
B. Loans to banks	**1,750,609**	**-**	**-**	**666,335**	**784,779**	**301,512**	**2,057,561**	**-**	**-**	**642,872**	**-**	**1,416,540**
1. Loans	1,086,292	-	-	-	784,779	301,512	1,416,542	-	-	-	-	1,416,540
1.1 Bank accounts	-	-	-	X	X	X	-	-	-	X	X	X
1.2. Deposits with a set term	-	-	-	X	X	X	-	-	-	X	X	X
1.3. Other loans:	1,086,292	-	-	X	X	X	1,416,542	-	-	X	X	X
- Reverse repurchase agreements	784,779	-	-	X	X	X	996,158	-	-	X	X	X
- Loans for leases	67	-	-	X	X	X	88	-	-	X	X	X
- Others	301,446	-	-	X	X	X	420,296	-	-	X	X	X
2. Debt securities	664,317	-	-	666,334	-	-	641,019	-	-	642,872	-	-
2.1 Structured securities	147,076	-	-	147,994	-	-	86,317	-	-	87,250	-	-
2.2 Other debt securities	517,241	-	-	518,340	-	-	554,702	-	-	555,622	-	-
Total	**2,206,656**	**-**	**-**	**666,335**	**784,779**	**757,559**	**2,455,324**	**-**	**-**	**642,872**	**-**	**1,814,303**

Key:

L1 = Level 1

L2 = Level 2

L3 = Level 3

Operating loans associated with the provision of financial services have been included.

4.2 Financial assets measured at amortised cost: breakdown of loans to customers

Type of transaction/Amounts	Total 30/06/2026						Total 31/12/2025					
	Book value			Fair value			Book value			Fair value		
	Stage 1 and 2	Stage 3	Purchased or originated credit impaired	L1	L2	L3	Stage 1 and 2	Stage 3	Purchased or originated credit impaired	L1	L2	L3
1. Loans	**38,954,039**	**246,660**	**11,828**		**- 1,754,035**	**37,552,801**	**38,763,503**	**244,542**	**12,871**		**-**	**- 38,832,585**
1. Bank accounts	1,928,529	17,259	62	X	X	X	1,851,660	15,666	515	X	X	X
2. Reverse repurchase agreements	1,754,035	-	-	X	X	X	1,346,894	-	-	X	X	X
3. Mortgages	20,885,482	160,203	4,828	X	X	X	20,805,742	160,431	4,778	X	X	X
4. Credit cards, personal loans and salary-backed loans	4,425,828	29,303	6,593	X	X	X	4,247,090	29,032	7,252	X	X	X
5. Loans for leases	3,235,991	27,178	-	X	X	X	3,291,558	29,004	-	X	X	X
6. Factoring	1,243,197	9,544	-	X	X	X	1,550,435	7,611	-	X	X	X
7. Other loans	5,480,977	3,173	345	X	X	X	5,670,124	2,798	326	X	X	X
2. Debt securities	**6,266,021**	**-**	**-**	**5,694,594**	**387,275**	**189,133**	**6,231,081**	**-**	**-**	**5,726,709**	**487,765**	**66,849**
1. Structured securities	651,352	-	-	82,501	380,197	189,133	608,091	-	-	81,586	459,113	66,849
2. Other debt securities	5,614,669	-	-	5,612,093	7,078	-	5,622,990	-	-	5,645,123	28,652	-
Total	**45,220,060**	**246,660**	**11,828**	**5,694,594**	**2,141,310**	**37,741,934**	**44,994,584**	**244,542**	**12,871**	**5,726,709**	**487,765**	**38,899,434**

The gross value and the overall value adjustments of impaired financial assets include contractual interest accrued.

The Group did not purchase any non-performing loans.

There are micro fair value hedges on fixed-rate Italian government bonds (BTP) and on foreign government bonds. The fair value hedge is carried out through the implementation of suitable hedging instruments (interest rate swaps) to specifically hedge the interest rate risk of said securities; the relationship created between Hedged Item and Hedging Instrument led to the preparation of a specific document that formalises the hedging relationship and also entailed the application of special Hedge Accounting rules. Note that tests of effectiveness were conducted (both prospective and retrospective) with a positive outcome.

The Macro Fair Value Hedge accounting method was also adopted to hedge interest rate risk associated with the disbursement of fixed rate mortgages.
There are also Macro Cash Flow Hedges on floating-rate mortgages.

4.3 Financial assets measured at amortised cost: breakdown by debtor/issuer of loans to customers

Type of transaction/Amounts	Total 30/06/2026			Total 31/12/2025		
	Stage 1 and 2	Stage 3	Purchased or originated credit impaired assets	Stage 1 and 2	Stage 3	Purchased or originated credit impaired assets
1. Debt securities	**6,266,021**	**-**	**-**	**6,231,081**	**-**	**-**
a) Public Administration	5,585,334	-	-	5,504,865	-	-
b) Other financial companies	680,687	-	-	726,216	-	-
of which: insurance companies	-	-	-	515	-	-
c) Non-financial companies	-	-	-	-	-	-
2. Loans to:	**38,954,038**	**246,659**	**11,827**	**38,763,504**	**244,542**	**12,872**
a) Public Administration	536,261	1,197	-	567,272	1,327	-
b) Other financial companies	2,522,637	97	-	2,171,912	87	-
of which: insurance companies	208,919	-	-	211,524	-	-
c) Non-financial companies	17,472,037	106,620	2,896	17,898,498	101,025	3,408
d) Households	18,423,103	138,745	8,931	18,125,822	142,103	9,464
Total	**45,220,059**	**246,659**	**11,827**	**44,994,585**	**244,542**	**12,872**

4.4 Financial assets measured at amortised cost: gross value and overall value adjustments

	Gross value					Overall value adjustments				Total partial write-offs
	Stage 1	of which: Instruments with low credit risk	Stage 2	Stage 3	Purchased or originated credit impaired	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired	
Debt securities	6,933,141	-	-	-	-	2,802	-	-	-	-
Loans	37,914,885	236,123	2,671,420	571,669	13,833	36,084	53,843	325,009	2,006	23,987
Total 30/06/2026	**44,848,026**	**236,123**	**2,671,420**	**571,669**	**13,833**	**38,886**	**53,843**	**325,009**	**2,006**	**23,987**
Total 31/12/2025	**44,828,607**	**446,821**	**2,713,650**	**606,398**	**14,820**	**37,970**	**54,379**	**361,856**	**1,949**	**20,659**

Section 5 – Hedging derivatives – Item 50

5.1 Hedging derivatives: breakdown by type of hedge and fair value hierarchy

	FV 30/06/2026			NV 30/06/2026	FV 31/12/2025			NV 31/12/2025
	L1	L2	L3		L1	L2	L3	
A. Financial derivatives								
1. Fair value	-	106,834	-	10,094,624	-	179,098	-	11,185,196
2. Cash flows	-	-	-	-	-	-	-	-
3. Foreign investments	-	-	-	-	-	-	-	-
B. Credit derivatives								
1. Fair value	-	-	-	-	-	-	-	-
2. Cash flows	-	-	-	-	-	-	-	-
Total	**-**	**106,834**	**-**	**10,094,624**	**-**	**179,098**	**-**	**11,185,196**

Key:
L1 = Level 1
L2 = Level 2
L3 = Level 3
FV = fair value
NV = notional value

5.2 Hedging derivatives: breakdown by hedged portfolios and type of hedge

Transaction/Type of hedge	Fair Value							Cash flows		Foreign investments
	Micro hedge						Macro hedge	Micro hedge	Macro hedge	
	debt securities and interest rates	equity securities and stock indices	currencies and gold	credit	commodities	other				
1. Financial assets measured at fair value through other comprehensive income	53,870	-	-	-	X	X	X	-	X	X
2. Financial assets measured at amortised cost	28,690	X	-	-	X	X	X	-	X	X
3. Portfolio	X	X	X	X	X	X	5,728	X	-	X
4. Other transactions	-	-	-	-	-	-	X	-	X	-
Total assets	**82,560**	**-**	**-**	**-**	**-**	**-**	**5,728**	**-**	**-**	**-**
1. Financial liabilities	4,675	X	-	-	-	-	X	-	X	X
2. Portfolio	X	X	X	X	X	X	13,871	X	-	X
Total liabilities	**4,675**	**-**	**-**	**-**	**-**	**-**	**13,871**	**-**	**-**	
1. Expected transactions	X	X	X	X	X	X	X	-	X	X
2. Financial assets and liabilities portfolio	X	X	X	X	X	X	-	X	-	-

There are micro-fair value hedges on fixed-rate securities held in the HTCS portfolio.
Hedging derivatives of this type recorded a positive fair value of € 53,870 thousand.

There are micro-fair value hedges on fixed-rate securities held in the HTC portfolio.
Hedging derivatives of this type recorded a positive fair value of € 28,690 thousand.

There are micro-fair value hedges on securities issued at a fixed-rate booked under the item "Debt securities issued".
Derivatives of this type recorded a positive fair value of € 4,675 thousand.

The Macro Fair Value Hedge accounting method was adopted to hedge interest rate risk associated with customers' demand deposits.

Customers' demand deposits represent an important source of funding for the bank. A part of these deposits, however, although contractually on demand, displays strong persistence over time and imperfect elasticity to changes in market interest rates, represented by the so-called "viscosity effect".

This effect was estimated using an analysis model consisting of two components:

• the estimate of the relationship between the interest rates of demand items and market interest rates on the basis of an econometric

model;

• the estimate of the persistence of volumes, through which the amount of demand items

is transformed into a portfolio of fixed rate maturity items.

Hedging derivatives of this type recorded a positive fair value of € 13,871 thousand.

The Macro Fair Value Hedge accounting method was adopted to hedge interest rate risk associated with the disbursement of fixed rate mortgages. By applying hedge accounting, it is possible to provide accounting evidence of the financial effects of the hedging strategies adopted.
Hedging derivatives related to said strategy recorded a positive fair value of € 5,728 thousand.

Section 6 – Change in value of macro-hedged financial assets – Item 60

6.1 Change in value of hedged assets: breakdown by hedged portfolios

Change in value of hedged assets /group components	Total 30/06/2026	Total 31/12/2025
1. Positive changes	**77,581**	**101,711**
1.1 of specific portfolios:	77,581	101,711
a) financial assets measured at amortised cost	77,581	101,711
b) financial assets measured at fair value through other comprehensive income	-	-
1.2 overall	-	-
2. Negative changes	**33,943**	**33,156**
2.1 of specific portfolios:	(33,229)	32,381
a) financial assets measured at amortised cost	(33,229)	32,381
b) financial assets measured at fair value through other comprehensive income	-	-
2.2 overall	(714)	775
Total	**43,638**	**68,555**

The Macro Fair Value Hedge accounting method was adopted to hedge interest rate risk associated with the disbursement of fixed rate mortgages and of floating rate mortgages with Cap options. By applying hedge accounting, it is possible to symmetrically represent, in accounting terms, both the mortgage loans and the hedging derivatives.
The Macro Fair Value Hedge method requires that the hedging relationship be formally documented by a hedging card and that the effectiveness of the hedge is verified through tests of effectiveness, both prospective and retrospective; the tests are performed periodically during the life of the operation. The hedge is considered effective if the ratio between the change in fair value of the hedged item with respect to the hedging instrument is within the range of 80%-125%. The test of prospective and retrospective effectiveness of the hedge is carried out on a quarterly basis. Hedge accounting cannot be maintained when the hedge becomes ineffective (outside of the range of 80%-125%).

Section 7 – Equity investments – Item 70

The book value of "Equity investments" amounts to € 59.7 million.

7.1 Equity investments: information on shareholdings

Company Name	Registered Office/operational headquarters	Type of relationship	Shareholding Ratio		Voting Rights %
			Investing Company	Share %	
A. Jointly controlled companies					
1. Credemassicurazioni S.p.A.	Reggio Emilia	1	Credito Emiliano	50.00%	
B. Companies subject to significant influence					
1. SBC Fintech Milan 2224 S.r.l.	Milan	1	Credemtel	45.92%	
2. Mynet S.r.l.	Udine	1	Credemtel	12.99%	
3. Flairbit S.r.l.	Genoa	1	Credemtel	10.00%	

Key
Type of relationship:
1 - equity investment

7.2 Significant equity investments: book value, fair value and dividends earned

Company Name	Book value	Fair value	Dividends earned
A. Jointly controlled companies			
1. Credemassicurazioni S.p.A.	58,153	_	4,918
B. Companies subject to significant influence			
1. SBC Fintech Milan 2224 S.r.l.	603	-	-
2. Mynet S.r.l.	364	-	-
3. Flairbit S.r.l.	534	-	80
Total	**59,654**	**-**	**4,998**

The fair value column is blank because there are no listed companies classified as significant equity investments.

Reconciliation of accounting information with the book value of equity investments

Company Name	Shareholders' equity	Shareholding (%)	Owned shareholders' equity	Goodwill	Other items	Book value
A. Jointly controlled companies						
Credemassicurazioni	95,658	50.00%	47,829	10,324	-	58,153
SBC Fintech Milan 2224	1,314	45.92%	603	-	-	603
Mynet	1,131	12.99%	147	217	-	364
Flairbit	1,324	10.00%	132	402	-	534
Total	**99,427**	**-**	**48,711**	**10,943**	**-**	**59,654**

7.6 Significant considerations and assumptions to determine the existence of joint control or significant influence

Credito Emiliano S.p.A. holds 50% of Credemassicurazioni S.p.A., whose remaining share capital (50%) is instead held by Reale Mutua Assicurazioni.

In this context:

- Credito Emiliano does not hold the majority of voting rights, and is not able to take corporate decisions alone, as it does not have the practical ability to unilaterally direct the relevant activity of the investee, for which the agreement of the other shareholder is always necessary;
- Credito Emiliano has the power to veto the decisions of the other shareholder, meaning that without the favourable vote of Credito Emiliano, the other shareholder holding the remaining 50% of the share capital cannot influence the company.

With regard to Credemassicurazioni, Credito Emiliano's position is therefore that:

- of a party which is exposed to variable returns and which in any event has rights to said possible returns;
- of a party which has the ability to influence said returns only by exercising its power to veto the decisions

  of the other shareholder.

The agreements in place between the shareholders with 50% of share capital respectively envisage:

- the right to exercise call and put options on their respective shares when shares are sold or purchased, restricted to specific time limits (every five years);
- the right established in a specific shareholder agreement to obtain company representatives (half of the directors and, upon renewal of the Board of Directors, alternatively, either the Chairman of the Board of Directors and Statutory Auditors or the Chairman of the Board of Statutory Auditors). Since within Credemassicurazioni, there are no director votes which prevail over those of other directors (for example, the vote of the Chairman of the Board of Directors does not prevail), the appointment of corporate representatives does not give either shareholder any predominance over company decisions;
- the obligation not to transfer the shares to third parties for the duration of the shareholder agreement.

In this context, the rights of Credito Emiliano are limited by the net assets of Credemassicurazioni.
In light of the above, the presence of joint control is determined.

Credito Emiliano S.p.A. holds 100% of Credemtel S.p.A., which in turn holds 45.92% of SBC FINTECH MILAN 2224 SRL (hereinafter "SBC").

In this context:

- Credemtel does not hold the majority of voting rights, and is not able to take corporate decisions alone, as it does not have the practical ability to unilaterally direct the relevant activity of the investee, for which the agreement of the other shareholders is always necessary;
- with regard to specific topics, Credemtel has instead the power to veto the decisions of the other shareholders, meaning that without the favourable vote of Credemtel, also the other shareholders cannot influence the company.

With regard to SBC, Credemtel's position is therefore that:

- of a party which is exposed to variable returns and which in any event has rights to said possible returns;
- of a party which has the ability to influence said returns only by exercising its power to veto the decisions
- of the other shareholders.

The agreements in place between the shareholders of SBC provide Credemtel with the right under a specific shareholders' agreement to obtain company representatives (a director). Since within SBC there are no director votes which prevail over those of other directors, the appointment of company representatives does not give any shareholder any predominance over company decisions.

In light of the above, the presence of a connection is determined.

Credito Emiliano S.p.A. holds 100% of Credemtel S.p.A., which in turn holds 12.99% of MYNET SRL SOCIETA' BENEFIT (hereinafter "MYNET").

In this context:

- Credemtel does not hold the majority of voting rights, and is not able to take corporate decisions alone, as it does not have the practical ability to unilaterally direct the relevant activity of the investee, for which the agreement of the other shareholders is always necessary;
- with regard to specific topics, Credemtel has instead the power to veto the decisions of the other shareholders, meaning that without the favourable vote of Credemtel, also the other shareholders cannot influence the company.

With regard to MYNET, Credemtel's position is therefore that:

- of a party which is exposed to variable returns and which in any event has rights to said possible returns;
- of a party which has the ability to influence said returns only by exercising its power to veto the decisions of the other shareholders.

The agreements in place between the shareholders of MYNET provide Credemtel with the right under a specific shareholders' agreement to obtain company representatives (a director) as well as the appointment of one statutory auditor (as Chairperson of the Board of Statutory Auditors) and one alternate auditor. Since within MYNET there are no director votes which prevail over those of other directors, the appointment of company representatives does not give any shareholder any predominance over company decisions.

In light of the above, the presence of a connection is determined.

Credito Emiliano S.p.A. holds 100% of Credemtel S.p.A., which in turn holds 10.00% of FLAIRBIT SRL (hereinafter "FLAIRBIT").

In this context:

- Credemtel does not hold the majority of voting rights, and is not able to take corporate decisions alone, as it does not have the practical ability to unilaterally direct the relevant activity of the investee, for which the agreement of the other shareholders is always necessary;
- with regard to specific topics, Credemtel has instead the power to veto the decisions of the other shareholders, meaning that without the favourable vote of Credemtel, also the other shareholders cannot influence the company.

With regard to FLAIRBIT, Credemtel's position is therefore that:

- of a party which is exposed to variable returns and which in any event has rights to said possible returns;
- of a party which has the ability to influence said returns only by exercising its power to veto the decisions
- of the other shareholders.

The agreements in place between the shareholders of FLAIRBIT provide Credemtel with the right under a specific shareholders' agreement to obtain company representatives (a director). Since within FLAIRBIT there are no director votes which prevail over those of other directors, the appointment of company representatives does not give any shareholder any predominance over company decisions.

In light of the above, the presence of a connection is determined.

7.7 Covenants on investments in jointly controlled companies

Credito Emiliano has signed contractual agreements with Reale Mutua di Assicurazioni to better regulate their partnership in Credemassicurazioni.

In this context, the clauses of the share sale/purchase agreements signed at the time by Credito Emiliano and Reale Mutua di Assicurazioni expressly envisage a put option for Reale Mutua di Assicurazioni and a call option for Credito Emiliano S.p.A. regarding the 50% equity investment held by Reale Mutua in the share capital of Credemassicurazioni. Both options can be exercised at the end of every five-year period from the purchase of the equity investment in Credemassicurazioni by Reale Mutua.

Ten years after the signing of the first collaboration agreement, Credito Emiliano and Reale Mutua di Assicurazioni renewed their equal partnership in the company in question. The renewal of the agreement will allow the Group to develop the range of non-life business products and to increase the level of service offered to its customers, thanks to the support of a leading player specialising in the protection sector.

The parties have signed a shareholder agreement, whose clauses establish:

- A prohibition to transfer the shares and the option rights to third parties, other than subsidiaries, for the entire duration of the shareholder agreement currently in force;
- The right of each party to appoint company representatives of its own choosing (half of the directors and, upon renewal of the Board of Directors, alternatively, either the Chairman of the Board of Directors and the Statutory Auditors or the Chairman of the Board of Statutory Auditors);
- The need for a qualified quorum for resolutions of the members of the Board of Directors regarding specific areas (such as, for example, the appointment of the General Manager, the Claims Manager, the Commercial Manager, the auditing department, the approval of extraordinary financial transactions, distribution agreements etc.).

7.8 Covenants on investments in companies under significant influence

Credemtel has signed contractual agreements with the shareholders of SBC to better regulate their partnership in the company.

In January 2022, the parties have signed a shareholder agreement, whose clauses establish:

- Credemtel's right to appoint company representatives of its own choosing (a director);
- the need for a qualified quorum for resolutions concerning particular issues (such as amendments to the articles of association, transfer of equity investments, acquisitions and/or disposals, carried out in any form, of real estate and/or moveable assets with a unit value higher than € 20,000.00 and/or registered movable assets, the recruitment of employees, the assumption of financial debt and the granting of loans and guarantees).

Credemtel has signed contractual agreements with the shareholders of MYNET to better regulate their partnership in the company.

The parties have signed a shareholder agreement, whose clauses establish:

- the Credemtel's right to appoint company representatives of its own choosing (a director, a standing auditor as Chairman of the Board of Statutory Auditors and an alternate auditor);
- the need for a qualified quorum for resolutions concerning particular issues (such as amendments to the memorandum of association, amendment of the corporate purpose, taking out loans in excess of € 1,500,000, the issuance of debt securities, the acquisition or disposal of movable or real estate assets of a value exceeding € 1,000,000).

Credemtel has signed contractual agreements with the shareholders of FLAIRBIT to better regulate their partnership in the company.

The parties have signed a shareholder agreement, whose clauses establish:

- Credemtel's right to appoint company representatives of its own choosing (a director);
- the need for a qualified quorum for resolutions concerning particular issues
- (such as amendments to the Articles of Association relating to the corporate purpose, the stipulation of contracts of any kind with any related party of FLAIRBIT, borrowings exceeding € 500,000, the recruitment of personnel with the payment of a salary (gross annual remuneration) equal to or greater than € 100,000.00 (one hundred thousand) per year).

7.10 Other information

Credemassicurazioni, Flairbit and Mynet equity investments, whose book value is higher than the pertinent share of shareholders' equity, underwent impairment testing, which indicated a recovery value higher than the book value. It was therefore determined that the negative difference between the book value and the pertinent share of shareholders' equity of said equity investments is not due to impairment, and therefore, the book values were not adjusted.

With regard to Credemassicurazioni, the negative difference relates to the share of goodwill of € 10.3 million, while as regards Flairbit and Mynet the negative difference relates to the share of goodwill of € 402 thousand and € 217 thousand, respectively.

Section 8 - Insurance activities - Item 80

Changes in the book value of reinsurance contracts held by elements underlying the measurement

Items/Breakdown of book value	Elements underlying the measurement of the book value of reinsurance contracts held				Elements underlying the measurement of the book value of reinsurance contracts held			
	Present value of cash flows	Adjustment for non-financial risks	Margin on contractual services	Total	Present value of cash flows	Adjustment for non-financial risks	Margin on contractual services	Total
	30/06/2026	30/06/2026	30/06/2026	30/06/2026	31/12/2025	31/12/2025	31/12/2025	31/12/2025
A. Opening book value								
1. Reinsurance contracts held that are assets	7,052	131	1,567	8,750	10,161	235	856	11,252
2. Reinsurance contracts held that are liabilities	(2,345)	183	1,361	(801)	(680)	198	100	(382)
3. Net book value as at 1 January	**4,707**	**314**	**2,928**	**7,949**	**9,481**	**433**	**956**	**10,870**
B. Changes in current services								
1. Margin on contractual services recorded in the income statement	-	-	(782)	(782)	-	-	(1,338)	(1,338)
2. Changes for non-financial risks past due	-	(43)	-	(43)	-	(118)	-	(118)
3. Changes related to experience	298	-	-	298	(196)	-	-	(196)
4. Total	**298**	**(43)**	**(782)**	**(527)**	**(196)**	**(118)**	**(1,338)**	**(1,652)**
C. Changes in future services								
1. Changes in estimates that modify the margin on contractual services	(378)	6	284	(88)	(2,640)	(64)	2,492	(212)
2. Effects of contracts recognised during the year	(1,659)	24	1,635	-	(939)	52	888	1
3. Adjustment of the margin on contractual services related to recoveries concerning the initial recognition of onerous underlying insurance contracts	-	-	-	-	-	-	317	317
4. Releases of the loss recovery component other than changes in cash flows from reinsurance contracts held	-	-	(2)	(2)	-	-	(28)	(28)
5. Changes in the cash flows of reinsurance contracts held deriving from the underlying onerous insurance contracts	-	-	-	-	-	-	(330)	(330)
6. Total	**(2,037)**	**30**	**1,917**	**(90)**	**(3,579)**	**(12)**	**3,339**	**(252)**
D. Changes in past services	**(672)**	**-**	**-**	**(672)**	**830**	**-**	**-**	**830**
1. adjustments to the activity for claims incurred	(672)	-	-	(672)	830	-	-	830
E. Effects of changes in the risk of default	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
F. Result of insurance services (B+C+D+E)	**(2,411)**	**(13)**	**1,135**	**(1,289)**	**(2,945)**	**(130)**	**2,001**	**(1,074)**
G. Financial revenues/costs								
1. Relating to reinsurance contracts held	18	3	25	46	271	11	(28)	254
1.1 Recognised in the income statement	4	3	25	32	114	7	(28)	93
1.2. Recognised in the statement of comprehensive income	14	-	-	14	157	4	-	161
2. Effects associated with changes in exchange rates	-	-	-	-	-	-	-	-
3. Total	18	3	25	46	271	11	(28)	254
H. Total amount recognised in the income statement and in the statement of comprehensive income (F + G)	**(2,393)**	**(10)**	**1,160**	**(1,243)**	**(2,674)**	**(119)**	**1,973**	**(820)**
I. Other changes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
L. Cash changes								
1. Premiums paid net of amounts not related to claims recovered from reinsurers	638	-	-	638	1,856	-	-	1,856
2. Amounts recovered from reinsurers	(1,643)	-	-	(1,643)	(3,955)	-	-	(3,955)
3. Total	**(1,005)**	**-**	**-**	**(1,005)**	**(2,099)**	**-**	**-**	**(2,099)**
M. Net book value as at 30 June (A.3+H+I+L.3)	**1,309**	**304**	**4,088**	**5,701**	**4,708**	**314**	**2,929**	**7,951**
N. Closing book value								
1. Reinsurance contracts held that are assets	2,832	108	4,218	7,158	7,052	131	1,567	8,750
2. Reinsurance contracts held that are liabilities	(1,523)	195	(130)	(1,458)	(2,345)	183	1,361	(801)
3. Net book value as at 30 June	**1,309**	**303**	**4,088**	**5,700**	**4,707**	**314**	**2,928**	**7,949**

Section 10 – Intangible assets – Item 100

10.1 Intangible assets: breakdown by type

Asset/Amounts	Total 30/06/2026		Total 31/12/2025	
	Finite life	Indefinite life	Finite life	Indefinite life
A.1 Goodwill	X	**295,098**	X	**291,342**
A.1.1 attributable to the Group	X	295,098	X	291,342
A.1.2 attributable to minorities	X	-	X	-
A.2 Other intangible assets	**214,204**	**-**	**224,221**	**-**
of which: software	204,192	**-**	213,735	**-**
A.2.1 Assets measured at cost:	214,204	-	224,221	-
a) Intangible assets generated internally	25,609	-	26,350	-
b) Other assets	188,595	-	197,871	-
A.2.2 Assets measured at fair value:	-	-	-	-
a) Intangible assets generated internally	-	-	-	-
b) Other assets	-	-	-	-
Total	**214,204**	**295,098**	**224,221**	**291,342**

The item "Other assets" mainly comprises software and the "Client Relationship" mainly relating to the merger of Cassa di Risparmio di Cento.

Details of consolidated goodwill are provided below, based on the business combinations that generated them:

Groups branches/banks	Year of merger or acquisition		
Deutsche Bank branches	1998	2,695	Banking CGU
B.C.C. Curinga	1998	917	Banking CGU
B.C.C. San Giovanni Gemini	1998	452	Banking CGU
Banca dei Comuni Nolani	1998	2,361	Banking CGU
Banca della Provincia di Napoli	1998	58	Banking CGU
B.C.C. Alto Crotonese	1999	161	Banking CGU
B.C.C. Fortore Miscano	1999	1,377	Banking CGU
Banca Popolare Andriese	2000	17,669	Banking CGU
Banca di Latina	2003	3,028	Banking CGU
Citibank International PLC branches	2008	36,307	Banking CGU
Banco Popolare branches	2008	119,926	Banking CGU
Unicredit branches	2008	94,433	Banking CGU
TOTAL BANKS INCORPORATED		**279,384**	
Euromobiliare A.M. Sgr (division sold by Credem International Lux)	2000	2,166	Banking CGU
TOTAL BANK GOODWILL		**281,550**	
So.em.ro (incorporated by MGT)	1998	294	Banking CGU
Netium	2001	9	Banking CGU
Credemvita	2008	4,092	Insurance CGU
C.S. Inform (incorporated by Credemtel)	2010	1,350	Banking CGU
Topkey (incorporated by Credemtel)	2014	835	Banking CGU
Sata	2020	1,656	Banking CGU
Blue Eye	2021	1,556	Banking CGU
Andxor *	2026	3,393	Banking CGU
Niuma *	2026	363	Banking CGU
TOTAL GOODWILL		**295,098**	

*Please refer to Part G of this Half-Year Financial Report

During the year, an increase in goodwill was recognised, attributable to:

- as regards the sum of € 363 thousand, the purchase of the business unit of Niuma S.r.l.;
- as regards the sum of € 3,393 thousand, the acquisition of a further 35% stake in the share capital of Andxor Soluzioni Informatiche S.r.l. In accordance with IFRS 3, paragraphs 41 and 42, this amount includes the recalculation of the fair value of the 40% stake held prior to obtaining control (€ 450 thousand).

Impairment testing on goodwill

IAS 36 establishes that, also with a view to testing for impairment, the goodwill acquired in business combinations must be allocated to relatively autonomous organisational units in terms of management that benefit from the synergies resulting from the acquisition, called Cash Generating Units (CGU). Goodwill recorded following acquisitions must be tested for impairment at least once a year and, in any event, if there are signs of impairment. The legislation also requires that the continuous monitoring of indicators that could lead to the presumption of impairment losses be carried out, to verify the possible existence of conditions that require an immediate assessment of losses through a new impairment test.
In light of the provisions of the standard, the Credem Group continued the analysis activities and the specific monitoring, already used in the past years to capture the elements that could possibly change the conclusions of the impairment test conducted with reference to the Financial Statements as at 31 December 2025 with regard to the Banking CGU.
The specific analysis and monitoring activities carried out with reference to 30 June 2026 (detailed later in the respective paragraphs) confirmed the most significant indicators already used for the positive result of the impairment test of goodwill in December 2025:

- the sustainability of the economic results for the current year and the update of the

projections which, despite the difficult and fluctuating market environment, do not reveal any worrying critical issues;
- the stability of long-term capital adequacy even in stress conditions;
- the cost of capital, with its main components updated, has risen only slightly compared with December 2025;
- the existence of substantial positive impairment margins identified in the test carried out in relation to the 2025 Financial Statements;
- a rising price-to-book ratio that is greater than one.

The detailed analyses carried out with reference to 30 June 2026 are illustrated below.

Planning, monitoring, positioning and resilience of the Credem Group

As in previous years, the Credem Group also carried out "Updates of forecasts" in 2026 for the purposes of the impairment test and also for internal purposes to monitor and verify the stability of the economic and financial results both at individual company and consolidated level.
The update to the forecasts carried out in the early months of 2026 shows positive results, outperforming both the previous year (excluding the one-off merchant acquiring transaction of 2025) and the estimates used for the impairment assessment in December 2025. This is despite the challenging market environment, driven primarily by the instability of the ceasefire in the Middle East and threats to energy routes in the Strait of Hormuz, which are keeping geopolitical risk high and are continuing to weigh on global markets, with the risk of fuelling inflation and hampering economic growth. However, the use of strategic reserves, the opening of new routes and the occasionally positive news regarding the ceasefire negotiations have led to a partial decline in energy prices, thereby mitigating the negative effects of the situation.
The trend in the Credem Group's volumes, compared with June last year, remains very positive, supported by an upward trend in deposits through to December 2025, driven by net inflows from the Banking CGU, despite the continuing challenging market environment, alongside a recovery in the financial markets following the downturn in March.
The capital estimates, incorporated in the ICAAP Report sent to the Supervisory Body in March 2026 (also anchored to the economic forecasts already considered in the 2025 financial year, but updated in light of the final results for 2025) confirm the Group's capital adequacy. The ICAAP stress scenario for 2028, whilst sufficiently serious and characterised by tighter margins than the base scenario, has demonstrated full capital adequacy in terms of both CET1 and Total Capital, and ensures the Group's ability to withstand the possibility that systemic crises may persist beyond the current year.
The set of analyses carried out on the basis of the information currently available does not therefore highlight any critical issues relating to the prospective capital adequacy.

Cost of capital slightly increased compared to December 2025

Turning to an analysis of the most significant indicators, we note that an updated estimate of the cost of capital as at June 2026, based on figures as at December 2025 and using the same methodology, yields a figure of 8.27%, a slight increase compared with the impairment figure reported in the financial statements as at December 2025 (8.12%). Specifically, the cost of capital is made up of the following components: a risk-free rate of 3.65% (3.51% as at December 2025, corresponding to the simple average of the gross yield on 10-year BTPs over the last 6 months); a beta coefficient of 0.993 (0.995 as at December 2025, corresponding to the Credem 5Y Adjusted coefficient, calculated weekly); a market risk premium of 4.65% (4.63% as at December 2025, corresponding to the moving average of the monthly readings for the last 5 years of the Implied Equity Risk Premium sourced from Damodaran).

Growing price to book value

The trend in stock prices and the Price to Book Value indicator are reassuring. In the first six months of 2026, Credem shares were traded at an average price of € 15.41 per share (compared to € 12.00 per share in the first six months of 2025). The share price as at 30 June 2026 was € 17.01 per share, corresponding to a multiple of the book value of the Bank's shareholders' equity as at 31 March 2026 of 1.28, a significant improvement on the previous year-end (1.12 with a closing price of 31 December 2025 and book value of shareholders' equity as at 31 December 2025). Analyst reports indicate an average target price for the Credem share of € 16.40 per share, corresponding

to a multiple of the book value of the Bank's shareholders' equity as at 31 March 2026 of around 1.23.

On the basis of the analyses carried out as at 30 June 2026, no indicators and/or changes emerged that would have an appreciable impact on the valuation of the CGU and therefore the Directors did not find it necessary to proceed with a new impairment test for the preparation of these half-year condensed consolidated financial statements.

Section 11 – Tax assets and tax liabilities – Item 110 of assets and item 60 of liabilities

Current tax assets and liabilities include the net amount (payable or receivable) of IRES and IRAP (regional business tax), net of tax credits and advances, and the additional IRES, envisaged for financial intermediaries pursuant to Art. 12, paragraph 3 of Italian Legislative Decree no. 142 of 29 November 2018.
For the purposes of direct taxes, the tax periods ended on 31 December 2018 have been settled, due to the expiry of the terms set out in Article 43 of Italian Presidential Decree no. 600 of 29 September 1973.
The risks resulting from the Group's tax disputes are covered by adequate allocations to provisions for risks and charges.
As regards the Parent Company, there are 11 disputes pending, mostly related to local taxes or resulting from rejections of tax reimbursement requests presented by the bank. With regard to these disputes, no effective risks have emerged or at least the estimated risk appears remote. For this reason, no specific provisions have been made.
For Credemleasing there are 30 disputes pending, mainly relating to local taxes.

Recognition and measurement of deferred tax assets

Deferred tax assets (DTAs) are recorded under assets in the balance sheet, and mainly originate from temporary differences between the date of recognition of costs in the income statement and the date on which said costs can be deducted. These assets recognised in the financial statements refer to temporary differences that can be recovered over a fairly long time period.
Deferred tax assets are recorded in the financial statements to the extent that reasonable certainty of their recovery exists, measured using the "Probability test" envisaged by IAS 12 on the basis of the tax capacity of the bank and the Group companies to generate constant, positive taxable income in future years, taking into account tax legislation in force which allow it to be converted into tax credits, subject to certain conditions. The valuation process is based on expected future income.

Liabilities

Section 1 – Financial liabilities measured at amortised cost – Item 10

1.1 Financial liabilities measured at amortised cost: breakdown of deposits from banks

Type of transaction/Amounts	Total 30/06/2026				Total 31/12/2025			
	BV	Fair Value			BV	Fair Value		
		L1	L2	L3		L1	L2	L3
1. Due to central banks	**-**	X	X	X	**700,334**	X	X	X
2. Due to banks	**2,244,070**	X	X	X	**2,419,685**	X	X	X
2.1 Bank accounts and demand deposits	60,290	X	X	X	18,983	X	X	X
2.2 Deposits with a set term	752	X	X	X	2,755	X	X	X
2.3 Loans	2,176,763	X	X	X	2,394,702	X	X	X
2.3.1 Repurchase agreements	2,172,552	X	X	X	2,388,386	X	X	X
2.3.2 Other	4,211	X	X	X	6,316	X	X	X
2.4 Liabilities for commitments to repurchase own equity instruments	-	X	X	X	-	X	X	X
2.5 Lease liabilities	-	X	X	X	-	X	X	X
2.6 Other liabilities	6,265	X	X	X	3,245	X	X	X
Total	**2,244,070**		**- 2,171,813**	**71,518**	**3,120,019**		**- 2,388,386**	**731,634**

Key:

BV = Book value

L1 = Level 1

L2 = Level 2

L3 = Level 3

Deposits from banks mainly consist of floating-rate demand payables, for which no hedging has been implemented.

Item "1. Due to central banks" includes the refinancing operations carried out with the European Central Bank.

1.2 Financial liabilities measured at amortised cost: breakdown of deposits from customers

Type of transaction/Amounts	Total 30/06/2026				Total 31/12/2025			
	BV	Fair Value			BV	Fair Value		
		L1	L2	L3		L1	L2	L3
1. Bank accounts and demand deposits	34,812,014	X	X	X	34,934,847	X	X	X
2. Deposits with a set term	5,144,506	X	X	X	5,649,451	X	X	X
3. Loans	1,697,047	X	X	X	1,863,905	X	X	X
3.1 Repurchase agreements	1,154,226	X	X	X	1,330,338	X	X	X
3.2 Other	542,821	X	X	X	533,567	X	X	X
4. Liabilities for commitments to repurchase own equity instruments	-	X	X	X	-	X	X	X
5. Lease liabilities	132,003	X	X	X	128,400	X	X	X
6. Other liabilities	297,376	X	X	X	271,320	X	X	X
Total	**42,082,946**		**- 1,154,155**	**40,925,296**	**42,847,923**		**- 1,330,338**	**41,517,586**

Key:

BV = Book value

L1 = Level 1

L2 = Level 2

L3 = Level 3

Deposits from customers are mainly represented by floating-rate demand payables for which no micro hedging has been implemented, while macro fair value hedges of the demand items have been implemented, as described in Part E, Section 1.3.2. of these notes.

1.3 Financial liabilities measured at amortised cost: breakdown of debt securities issued

Type of security/Amounts	Total 30/06/2026				Total 31/12/2025			
	BV	Fair Value			BV	Fair Value		
		L1	L2	L3		L1	L2	L3
A. Securities								
1. bonds	4,440,971	4,512,908	-	-	4,356,502	4,076,837	415,347	-
1.1 structured	-	-	-	-	928,327	984,996	-	-
1.2 other	4,440,971	4,512,908	-	-	3,428,175	3,091,841	415,347	-
2. other securities	222,810	-	-	222,810	162,012	-	-	162,012
2.1 structured	-	-	-	-	-	-	-	-
2.2 other	222,810	-	-	222,810	162,012	-	-	162,012
Total	**4,663,781**	**4,512,908**	**-**	**222,810**	**4,518,514**	**4,076,837**	**415,347**	**162,012**

Key:
BV = Book value
L1 = Level 1
L2 = Level 2
L3 = Level 3

Commercial paper transactions are classified under the item "other securities".

1.4 Breakdown of subordinated debts/securities

Banking Group

The main contractual characteristics of subordinated liabilities:

- "CREDITO EMILIANO 22/32 SUBORDINATO 7,625 SUB" (ISIN IT0005497117) for € 200,000,000.00.
  consisting of 2,000,000.00 bonds with a nominal value of € 100 each.
  The bonds give entitlement to fixed annual coupons corresponding to a gross annual rate of 7.625% until 5 October 2027 then at a gross MS annual rate of 5Y +5.514%.
  The loan expires on 5 October 2032 if the call option has not been exercised at 5 July 2027, which will indicate early redemption.
  As at 31 December 2025, the residual quantity was € 200,000,000.00 consisting of 2,000,000 bonds with a nominal value of € 100 each.
  The bond was fully subscribed by Credemholding.

- "CREDITO EMILIANO 25/37 SUBORDINATO 4,612 SUB" (ISINXS3078482281) for € 200,000,000.00
  consisting of 2,000,000.00 bonds with a nominal value of € 100 each.
  The bonds give entitlement to fixed annual coupons corresponding to a gross annual rate of 4.612% until 21 May 2032 then at a gross MS annual rate of 5Y +2.642%
  The loan expires on 27 May 2037 if the call option has not been exercised at 27 May 2032, which will indicate early redemption.

  In the event of liquidation, all subordinated bonds will be redeemed only after accounts with all the other non-subordinated creditors have been settled.
  The bonds are not covered by the guarantee of the Interbank Deposit Protection Fund.

Section 2 – Financial liabilities held for trading – Item 20

2.1 Financial liabilities held for trading: breakdown by product

Type of transaction/Amounts	Total 30/06/2026					Total 31/12/2025				
	NV	Fair Value			Fair Value *	NV	Fair Value			Fair Value *
		L1	L2	L3			L1	L2	L3	
A. Balance sheet liabilities										
1. Due to banks	-	-	-	-	-	-	-	-	-	-
2. Due to customers	310	315	-	-	315	28	29	-	-	29
3. Debt securities	-	-	-	-	-	-	-	-	-	-
3.1 Bonds	-	-	-	-	-	-	-	-	-	-
3.1.1 Structured	-	-	-	-	X	-	-	-	-	X
3.1.2 Other bonds	-	-	-	-	X	-	-	-	-	X
3.2 Other securities	-	-	-	-	-	-	-	-	-	-
3.2.1 Structured	-	-	-	-	X	-	-	-	-	X
3.2.2 Other	-	-	-	-	X	-	-	-	-	X
Total (A)	**310**	**315**	**-**	**-**	**315**	**28**	**29**	**-**	**-**	**29**
B. Derivatives										
1. Financial derivatives	-	-	16,213	-	-	-	-	13,881	-	-
1.1 Trading	X	-	16,213	-	X	X	-	13,881	-	X
1.2 Related to fair value option	X	-	-	-	X	X	-	-	-	X
1.3 Other	X	-	-	-	X	X	-	-	-	X
2. Credit derivatives	-	-	-	-	-	-	-	-	-	-
2.1 Trading	X	-	-	-	X	X	-	-	-	X
2.2 Related to fair value option	X	-	-	-	X	X	-	-	-	X
2.3 Other	X	-	-	-	X	X	-	-	-	X
Total B	**X**	**-**	**16,213**	**-**	**X**	**X**	**-**	**13,881**	**-**	**X**
Total (A+B)	**X**	**315**	**16,213**	**-**	**X**	**X**	**29**	**13,881**	**-**	**X**

Key:

NV = nominal or notional value

L1 = Level 1

L2 = Level 2

L3 = Level 3

Fair value* = Fair value calculated by excluding the variations in value due to the change in the creditworthiness of the issuer with respect to the issue date.

The item "A. Cash liabilities" includes technical overdrafts, if present.

Section 4 – Hedging derivatives – Item 40

4.1 Hedging derivatives: breakdown by hedging type and fair value hierarchy

	Fair value 30/06/2026			NV 30/06/2026	Fair value 31/12/2025			NV 31/12/2025
	L1	L2	L3		L1	L2	L3	
A. Financial derivatives	**-**	**269,626**	**-**	**15,155,283**	**-**	**482,249**	**-**	**14,411,429**
1) Fair value	-	247,438	-	14,418,877	-	458,519	-	13,616,662
2) Cash flows	-	22,188	-	736,406	-	23,730	-	794,767
3) Foreign investments	-	-	-	-	-	-	-	-
B. Credit derivatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	**-**	**269,626**	**-**	**15,155,283**	**-**	**482,249**	**-**	**14,411,429**

Key:

NV = Notional value

L1 = Level 1

L2 = Level 2

L3 = Level 3

4.2 Hedging derivatives: breakdown by hedged portfolios and type of hedge

Transaction/Type of hedge	Fair Value							Cash flows		Foreign investments
	Micro hedge						Macro hedge	Micro hedge	Macro hedge	
	debt securities and interest rates	equity securities and stock indices	currencies and gold	credit	commodities	other				
1. Financial assets measured at fair value through other comprehensive income	15,184	-	-	-	X	X	X	-	X	X
2. Financial assets measured at amortised cost	46,287	X	-	-	X	X	X	-	X	X
3. Portfolio	X	X	X	X	X	X	8,322	X	22,188	X
4. Other transactions	-	-	-	-	-	-	X	-	X	-
Total assets	**61,471**	**-**	**-**	**-**	**-**	**-**	**8,322**	**-**	**22,188**	**-**
1. Financial liabilities	88,273	X	-	-	-	-	X	-	X	X
2. Portfolio	X	X	X	X	X	X	89,372	X	-	X
Total liabilities	**88,273**	**-**	**-**	**-**	**-**	**-**	**89,372**	**-**	**-**	**-**
1. Expected transactions	X	X	X	X	X	X	X	-	X	X
2. Financial assets and liabilities portfolio	X	X	X	X	X	X	-	X	-	-

There are micro fair value hedges on fixed-rate securities held in the HTCS portfolio.

Derivatives of this type have a negative fair value of € 15,184 thousand.

There are micro fair value hedges on fixed-rate securities held in the HTC portfolio.

Derivatives of this type have a negative fair value of € 46,287 thousand.

There are micro fair value hedges on securities issued at a fixed-rate booked under "debt securities issued".

Derivatives of this type have a negative fair value of € 88,273 thousand.

The Macro Fair Value Hedge accounting method was adopted to hedge interest rate risk associated with customers' demand deposits.

Customers' demand deposits represent an important source of funding for the bank. A part of these deposits, however, although contractually on demand, displays strong persistence over time and imperfect elasticity to changes in market interest rates, represented by the so-called "viscosity effect".

This effect was estimated using an analysis model consisting of two components:

- the estimate of the relationship between the interest rates of demand items and market interest rates on the basis of an econometric model;

- the estimate of the persistence of volumes, through which the amount of demand items is transformed into a portfolio of fixed rate maturity items.

Hedging derivatives of this type recorded a negative fair value of € 89,372 thousand.

The Macro Fair Value Hedge accounting method was adopted to hedge interest rate risk associated with the disbursement of fixed rate mortgages/loans. By applying hedge accounting, it is possible to provide accounting evidence of the financial effects of the hedging strategies adopted. Hedging derivatives related to said strategy recorded a negative fair value of € 8,322 thousand.

There are macro cash flow hedges on floating-rate mortgages. Hedging derivatives of this type recorded a negative fair value of € 22,188 thousand. Please refer to the relevant Section in Part E of the Explanatory notes for a description of hedging methods.

Section 5 – Changes in value of macro hedged financial liabilities – Item 50

5.1 Changes in value of hedged financial liabilities

Changes in value of hedged liabilities / Group components	Total 30/06/2026	Total 31/12/2025
1. Increase in financial liabilities	35,199	37,426
2. Decrease in financial liabilities	(142,191)	112,054
Total	**(106,992)**	**(74,628)**

The Macro Fair Value Hedge accounting method was also adopted to hedge interest rate risk associated with customers' demand deposits.
Customers' demand deposits represent an important source of funding for the Group. A part of these deposits, corresponding to € 15.8 billion, although contractually demand deposits, displays strong persistence over time and imperfect elasticity to changes in market interest rates, represented by the "viscosity effect".
This effect was estimated using an analysis model consisting of two components:

- the estimate of the relationship between the interest rates of demand items and market interest rates on the basis of an econometric model;
- the estimate of the persistence of volumes, through which the amount of demand items is transformed into a portfolio of fixed rate maturity items.

Section 10 – Provisions for risks and charges – Item 100

10.1 Provisions for risks and charges: breakdown

Items	Total 30/06/2026	Total 31/12/2025
1. Provisions for credit risk relating to commitments undertaken and financial guarantees given	5,760	6,310
2. Provisions on other commitments and other guarantees given	-	-
3. Pension funds and other post-retirement benefit obligations	940	1,010
4. Other provisions for risks and charges	189,091	228,702
4.1 legal and tax disputes	17,535	19,492
4.2 personnel expenses	82,604	122,066
4.3 other	88,952	87,144
Total	**195,791**	**236,022**

An internal fund of Credem and Credemleasing is managed to provide pension benefits in addition to those provided by INPS (Italian National Social Security Institution).
It is a "Defined Benefit Plan" whose amounts are subject to the same equalisation as INPS pensions, as well as registration with the Central Pensions Register.
Actuarial valuation is carried out for this item.
The beneficiaries of said plans are those who:

- were heirs of people that passed away during their period of employment with Credem and Credemleasing (replaced by the current National Insurance Fund since 1 January 1996);
- were former employees of Banca Popolare Dauna, who had already retired or who had resigned before 30 November 1999. Banca Popolare Dauna became part of Credem on 11 December 1999, following a merger by incorporation.

During the year, the provision recorded a net decrease of € 70 thousand.

As part of its normal business operations, the Group is involved in various judicial proceedings, which may result in compensation and/or restitution obligations, and the consequent outlay of economic resources (legal risk). All outstanding disputes have been duly analysed by the Bank and, in the light of these analyses, as well as of the recommendations of its external attorneys, the appropriate allocations have been made, where necessary, on the basis of the circumstances in question. More specifically, a provision for risks and charges has been established to cover the contingent liabilities that may arise from pending lawsuits.
The majority of these disputes regard the Group's core businesses, particularly investment services, compound interest and taxes.
Disputes regarding real estate, administration, the work of financial advisors and over the counter transactions are of minor significance.

Estimates of allocations were made analytically for the individual positions in cases where the counterparty had already taken legal action and on the basis of potential risk estimated according to a series of historical-statistical data in the case of objective risks (complaints) that have not yet become lawsuits. The impact of discounting was calculated using the Euribor rate.
The following paragraphs provide a description of the main categories of potential liabilities, for which, if they are deemed to be probable, allocations have been made to other provisions for risks and charges.

LEGAL RISKS

As part of its normal business operations, the Group is involved in various judicial proceedings, which may result in compensation and/or restitution obligations, and the consequent outlay of economic resources (legal risk). All outstanding disputes have been duly analysed by the Bank and, in the light of these analyses, as well as of the recommendations of its external attorneys, the appropriate allocations have been made, where necessary, on the basis of the circumstances in question.

More specifically, a provision for risks and charges has been established to cover the contingent liabilities that may arise from pending lawsuits.

The majority of these disputes regard the Group's core businesses and, by way of example, may concern investment services, compound interest, payment systems/tools, foreclosures, tax matters, salary-backed loans (for the latter, due to the number and recurrence of the phenomenon, a specific provision has been made to manage disputes and complaints).

Labour disputes: the risks relating to labour disputes are assessed quarterly on the basis of the progress of the disputes and therefore the provisions are adjusted accordingly.

Bankruptcy revocations: these are disputes that the Bank may be involved in as part of its ongoing business activities when customers undergoing Bankruptcy (now Judicial Liquidation) arrange payments in favour of the Bank, issue remittances on a current bank account at a time close to the declaration of Bankruptcy. Revocatory action is a tool that can be used by the bankruptcy receiver in order to reconstitute the equity of the bankrupt party addressed to paying its creditors, by retracting amounts that had been paid out in the period prior to the declaration of bankruptcy (or rather: Judicial Liquidation; the suspect period). The Bank values each position on a case-by-case basis, in fact and in law, paying special attention to documentary/factual evidence. Following the mentioned analysis, where necessary, the appropriate allocations are therefore made (and changed on each occasion, where necessary) in line with the specific circumstances of the case in question. All relative lawsuits are constantly monitored and the risks resulting from such, where appropriate, are covered by specific allocations to the provision for risks and charges, in application of the provisions of IAS 37.

Misappropriation: this regards disputes the Bank may be involved in as part of its ongoing business activities. There are some claims and legal disputes resulting from irregular conduct by employees or financial advisors when carrying out the assignments entrusted to them or in their work, which have led to claims by customers against the Bank, which may be considered liable for such conduct.

Similarly to the above, the Group carries out a valuation of each position on a case-by-case basis, before the fact and before the law, paying special attention to documentary/factual evidence.

Following the mentioned analysis, where necessary, the appropriate allocations are therefore made (and changed on each occasion, where necessary) in line with the specific circumstances of the case in question.

Customer complaints: appropriate provisions are made for customer complaints; specifically, if the damages claimed are higher than a set threshold of significance (equal, to date, to € 25 thousand), the loss provision is made analytically. If, on the other hand, the damages claimed are lower than said threshold, the provision is determined by applying a flat/statistical percentage based on the average of the losses actually incurred over the total number of similar complaints received in previous years.

Tax disputes: the risks resulting from the Group's tax disputes are covered by adequate allocations to provisions for risks and charges. As regards the Parent Company, there are 16 disputes pending, mostly related to local taxes or resulting from rejections of tax reimbursement requests presented by the bank. With regard to these disputes, no effective risks have emerged or at least the estimated risk appears remote. For this reason, no specific provisions have been made. For Credemleasing there are 30 disputes pending, mainly relating to local taxes. Lastly, there are disputes of lesser importance related to the work of financial advisors and labour-related matters, as well as the real estate and administration areas.

Variable remuneration plan for personnel

These are estimates on the cost of employees relating to the Reward System (SISPRE) defined by the Group in relation to its annual remuneration plan. The Credem Group pays its employees a performance bonus based on the achievement, in whole or in part, of the financial statement objectives and for which a total amount (ceiling) is established, to be divided among the personnel participating in the plan.

10.3 Provisions for credit risk relating to commitments undertaken and financial guarantees given

	Provisions for credit risk relating to commitments undertaken and financial guarantees given				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired	Total
Commitments to disburse funds	3,234	1,078	1	9	4,322
Financial guarantees given	118	306	915	99	1,438
Total	**3,352**	**1,384**	**916**	**108**	**5,760**

Section 11 - Insurance liabilities - Item 110

Changes in the book value of insurance contracts issued, broken down by elements underlying the measurement

Insurance contracts issued with direct participation features - Life Segment

Items/Elements underlying the measurement	Elements underlying the measurement of the book value of insurance contracts issued				Elements underlying the measurement of the book value of insurance contracts issued			
	Present value of cash flows 30/06/2026	Adjustment for non-financial risks 30/06/2026	Margin on contractual services 30/06/2026	Total 30/06/2026	Present value of cash flows 31/12/2025	Adjustment for non-financial risks 31/12/2025	Margin on contractual services 31/12/2025	Total 31/12/2025
A. Opening book value								
1. Insurance contracts issued that are liabilities	4,262,011	67,774	427,284	4,757,069	4,046,784	49,814	286,170	4,382,768
2. Insurance contracts issued that are assets	-	-	-	-	-	-	-	-
3. Net book value as at 1 January	**4,262,011**	**67,774**	**427,284**	**4,757,069**	**4,046,784**	**49,814**	**286,170**	**4,382,768**
B. Changes in current services								
1. Margin on contractual services recorded in the income statement	-	-	(21,128)	(21,128)	-	-	(42,322)	(42,322)
2. Changes for non-financial risks past due	-	(2,961)	-	(2,961)	-	(5,020)	-	(5,020)
3. Changes related to experience	250,652	-	-	250,652	181,092	-	-	181,092
4. Total	**250,652**	**(2,961)**	**(21,128)**	**226,563**	**181,092**	**(5,020)**	**(42,322)**	**133,750**
C. Changes in future services								
1. Changes in the margin on contractual services	32,996	(16,886)	11,769	27,879	106,228	16,181	149,955	272,364
2. Losses on groups of onerous contracts and related recoveries	-	-	-	-	-	-	-	-
3. Effects of the contracts initially recognised in the reference year	(48,684)	6,149	42,536	1	(39,770)	6,171	33,598	(1)
4. Total	**(15,688)**	**(10,737)**	**54,305**	**27,880**	**66,458**	**22,352**	**183,553**	**272,363**
D. Changes in past services								
1. Adjustments to liabilities for claims incurred	(278,653)	-	-	(278,653)	(453,472)	-	-	(453,472)
E. Result of insurance services (B+C+D.1)	**(43,689)**	**(13,698)**	**33,177**	**(24,210)**	**(205,922)**	**17,332**	**141,231**	**(47,359)**
F. Financial costs/revenues								
1. Relating to insurance contracts issued	130,237	1,807	(51,547)	80,497	151,562	1,154	(20,969)	131,747
1.1 Recognised in the income statement	130,237	1,807	(53,424)	78,620	151,562	1,154	(20,852)	131,864
1.2 Recognised in the statement of comprehensive income	-	-	1,877	1,877	-	-	(117)	(117)
2. Effects associated with changes in exchange rates	-	-	-	-	-	-	-	-
3. Total	**130,237**	**1,807**	**(51,547)**	**80,497**	**151,562**	**1,154**	**(20,969)**	**131,747**
G. Total amount of changes recorded in the income statement and in the statement of comprehensive income (E+F)	**86,548**	**(11,891)**	**(18,370)**	**56,287**	**(54,360)**	**18,486**	**120,262**	**84,388**
H. Other changes	**(25,377)**	**(407)**	**24,855**	**(929)**	**(35,770)**	**(526)**	**20,852**	**(15,444)**
I. Cash changes								
1. Premiums received	533,172	-	-	533,172	779,619	-	-	779,619
2. Payments associated with contract acquisition costs	-	-	-	-	-	-	-	-

3. Claims paid and other cash outflows	(289,713)	-	-	(289,713)	(474,262)	-	-	(474,262)
4. Other changes	-	-	-	-	-	-	-	-
5. Total	**243,459**	**-**	**-**	**243,459**	**305,357**	**-**	**-**	**305,357**
L. Net book value as at 30 June (A.3+G+H+I.5)	**4,566,641**	**55,476**	**433,769**	**5,055,886**	**4,262,011**	**67,774**	**427,284**	**4,757,069**
M. Closing book value								
1. Insurance contracts issued that are liabilities	4,566,641	55,476	433,769	5,055,886	4,262,011	67,774	427,284	4,757,069
2. Insurance contracts issued that are assets	-	-	-	-	-	-	-	-
3. Net book value as at 30 June	**4,566,641**	**55,476**	**433,769**	**5,055,886**	**4,262,011**	**67,774**	**427,284**	**4,757,069**

Changes in the book value of insurance contracts issued, broken down by elements underlying the measurement

Insurance contracts issued without direct participation features - Life Segment

Items/Elements underlying the measurement	Elements underlying the measurement of the book value of insurance contracts issued				Elements underlying the measurement of the book value of insurance contracts issued			
	Present value of cash flows	Adjustment for non-financial risks	Margin on contractual services	Total	Present value of cash flows	Adjustment for non-financial risks	Margin on contractual services	Total
	30/06/2026	30/06/2026	30/06/2026	30/06/2026	31/12/2025	31/12/2025	31/12/2025	31/12/2025
A. Opening book value								
1. Insurance contracts issued that are liabilities	28,818	1,133	28,452	58,403	37,856	1,372	23,454	62,682
2. Insurance contracts issued that are assets	-	-	-	-	-	-	-	-
3. Net book value as at 1 January	**28,818**	**1,133**	**28,452**	**58,403**	**37,856**	**1,372**	**23,454**	**62,682**
B. Changes in current services								
1. Margin on contractual services recorded in the income statement	-	-	(4,052)	(4,052)	-	-	(8,063)	(8,063)
2. Changes for non-financial risks past due	-	(176)	-	(176)	-	(407)	-	(407)
3. Changes related to experience	(6,011)	-	-	(6,011)	(10,755)	-	-	(10,755)
4. Total	**(6,011)**	**(176)**	**(4,052)**	**(10,239)**	**(10,755)**	**(407)**	**(8,063)**	**(19,225)**
C. Changes in future services								
1. Changes in the margin on contractual services	(538)	(76)	545	(69)	(6,844)	(100)	6,488	(456)
2. Losses on groups of onerous contracts and related recoveries	(4)	-	-	(4)	(39)	(20)	-	(59)
3. Effects of the contracts initially recognised in the reference year	(4,272)	145	4,127	-	(6,265)	254	5,988	(23)
4. Total	**(4,814)**	**69**	**4,672**	**(73)**	**(13,148)**	**134**	**12,476**	**(538)**
D. Changes in past services								
1. Adjustments to liabilities for claims incurred	(1,373)	-	-	(1,373)	(342)	-	-	(342)
E. Result of insurance services (B+C+D.1)	**(12,198)**	**(107)**	**620**	**(11,685)**	**(24,245)**	**(273)**	**4,413**	**(20,105)**
F. Financial costs/revenues								
1. Relating to insurance contracts issued	451	22	325	798	749	34	584	1,367
1.1 Recognised in the income statement	205	11	325	541	545	25	584	1,154
1.2 Recognised in the statement of comprehensive income	246	11	-	257	204	9	-	213
2. Effects associated with changes in exchange rates	-	-	-	-	-	-	-	-
3. Total	**451**	**22**	**325**	**798**	**749**	**34**	**584**	**1,367**
G. Total amount of changes recorded in the income statement and in the statement of comprehensive income (E+F)	**(11,747)**	**(85)**	**945**	**(10,887)**	**(23,496)**	**(239)**	**4,997**	**(18,738)**
H. Other changes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
I. Cash changes								
1. Premiums received	14,268	-	-	14,268	24,242	-	-	24,242
2. Payments associated with contract acquisition costs	-	-	-	-	-	-	-	-
3. Claims paid and other cash outflows	(4,519)	-	-	(4,519)	(9,784)	-	-	(9,784)
4. Other changes	-	-	-	-	-	-	-	-
5. Total	**9,749**	**-**	**-**	**9,749**	**14,458**	**-**	**-**	**14,458**
L. Net book value as at 30 June (A.3+G+H+I.5)	**26,820**	**1,048**	**29,397**	**57,265**	**28,818**	**1,133**	**28,451**	**58,402**
M. Closing book value								
1. Insurance contracts issued that are liabilities	26,820	1,049	29,396	57,265	28,818	1,133	28,452	58,403

2. Insurance contracts issued that are assets	-	-	-	-	-	-	-	-
3. Net book value as at 30 June	**26,820**	**1,049**	**29,396**	**57,265**	**28,818**	**1,133**	**28,452**	**58,403**

Changes in the book value of insurance contracts issued, broken down by elements underlying the measurement

Investment contracts issued with discretionary participation features - Life Segment

Items/Elements underlying the measurement	Elements underlying the measurement of the book value of insurance contracts issued				Elements underlying the measurement of the book value of insurance contracts issued			
	Present value of cash flows 30/06/2026	Adjustment for non-financial risks 30/06/2026	Margin on contractual services 30/06/2026	Total 30/06/2026	Present value of cash flows 31/12/2025	Adjustment for non-financial risks 31/12/2025	Margin on contractual services 31/12/2025	Total 31/12/2025
A. Opening book value								
1. Insurance contracts issued that are liabilities	894,748	2,972	59,976	957,696	513,441	2,607	31,119	547,167
2. Insurance contracts issued that are assets	-	-	-	-	-	-	-	-
3. Net book value as at 1 January	**894,748**	**2,972**	**59,976**	**957,696**	**513,441**	**2,607**	**31,119**	**547,167**
B. Changes in current services								
1. Margin on contractual services recorded in the income statement	-	-	(3,784)	(3,784)	-	-	(5,332)	(5,332)
2. Changes for non-financial risks past due	-	(130)	-	(130)	-	(263)	-	(263)
3. Changes related to experience	(7,226)	-	-	(7,226)	7,456	-	-	7,456
4. Total	**(7,226)**	**(130)**	**(3,784)**	**(11,140)**	**7,456**	**(263)**	**(5,332)**	**1,861**
C. Changes in future services								
1. Changes in the margin on contractual services	35,692	16	155	35,863	26,141	(66)	8,252	34,327
2. Losses on groups of onerous contracts and related recoveries	-	-	-	-	-	-	-	-
3. Effects of the contracts initially recognised in the reference year	(19,236)	585	18,651	-	(23,976)	526	23,451	1
4. Total	**16,456**	**601**	**18,806**	**35,863**	**2,165**	**460**	**31,703**	**34,328**
D. Changes in past services								
1. Adjustments to liabilities for claims incurred	(30,860)	-	-	(30,860)	(43,440)	-	-	(43,440)
E. Result of insurance services (B+C+D.1)	**(21,630)**	**471**	**15,022**	**(6,137)**	**(33,819)**	**197**	**26,371**	**(7,251)**
F. Financial costs/revenues								
1. Relating to insurance contracts issued	48,063	158	(2,865)	45,356	27,677	167	5,238	33,082
1.1 Recognised in the income statement	48,063	158	(2,492)	45,729	27,677	167	2,753	30,597
1.2 Recognised in the statement of comprehensive income	-	-	(373)	(373)	-	-	2,485	2,485
2. Effects associated with changes in exchange rates	-	-	-	-	-	-	-	-
3. Total	**48,063**	**158**	**(2,865)**	**45,356**	**27,677**	**167**	**5,238**	**33,082**
G. Total amount of changes recorded in the income statement and in the statement of comprehensive income (E+F)	**26,433**	**629**	**12,157**	**39,219**	**(6,142)**	**364**	**31,609**	**25,831**
H. Other changes	**1,152,456**	**5,747**	**93,843**	**1,252,046**	**467**	**1**	**(2,753)**	**(2,285)**
I. Cash changes								
1. Premiums received	313,295	-	-	313,295	434,542	-	-	434,542
2. Payments associated with contract acquisition costs	-	-	-	-	-	-	-	-
3. Claims paid and other cash outflows	(34,067)	-	-	(34,067)	(47,560)	-	-	(47,560)
4. Other changes	-	-	-	-	-	-	-	-
5. Total	**279,228**	**-**	**-**	**279,228**	**386,982**	**-**	**-**	**386,982**

L. Net book value as at 30 June (A.3+G+H+I.5)	**2,352,865**	**9,348**	**165,976**	**2,528,189**	**894,748**	**2,972**	**59,975**	**957,695**
M. Closing book value								
1. Insurance contracts issued that are liabilities	2,352,865	9,348	165,975	2,528,188	894,748	2,972	59,976	957,696
2. Insurance contracts issued that are assets	-	-	-	-	-	-	-	-
3. Net book value as at 30 June	**2,352,865**	**9,348**	**165,975**	**2,528,188**	**894,748**	**2,972**	**59,976**	**957,696**

Section 13 – Group shareholders' equity – Items 120, 130, 140, 150, 160, 170 and 180

As at 30 June 2026, share capital was represented by 341,320,065 shares with a nominal value of € 1 each, totalling € 341.3 million.
The portfolio contains 1,235,264 treasury shares, with an equivalent value of € 14.7 million, purchased as part of the programme implemented in accordance with the resolutions adopted by the various Ordinary Shareholders' Meetings; the purpose of these programmes is to purchase shares of Credito Emiliano to fully cover payment plans based on financial instruments addressed to executives with strategic responsibility and the "most important staff" of the banking group. In accordance with legislation in force, the details of the programme have already been communicated to the market.
During the year, 442,198 shares were allocated.

For further details on remuneration plans based on financial instruments, please refer to "Part I" of these Explanatory notes.

13.1 "Share capital" and "Treasury shares": breakdown

	Total 30/06/2026	Total 31/12/2025
A. Share capital		
A.1 Ordinary shares	341,320	341,320
A.2 Savings shares	-	-
A.3 Preferred shares	-	-
A.4 Other shares	-	-
B. Treasury shares		
B.1 Ordinary shares	14,735	20,010
B.2 Savings shares	-	-
B.3 Preferred shares	-	-
B.4 Other shares	-	-

Other information

1. Commitments undertaken and financial guarantees given

	Nominal value on commitments undertaken and financial guarantees given				Total 30/06/2026	Total 31/12/2025
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired		
1. Commitments to disburse funds	**12,068,423**	**624,899**	**40,645**	**337**	**12,734,304**	**12,726,576**
a) Central Banks	-	-	-	-	-	-
b) Public Administration	14,398	23	3	-	14,424	14,015
c) Banks	1,133	20,394	-	-	21,527	5,586
d) Other financial companies	203,448	12,882	15	-	216,345	369,616
e) Non-financial companies	10,312,059	439,695	28,999	120	10,780,873	10,664,412
f) Households	1,537,385	151,905	11,628	217	1,701,135	1,672,947
2. Financial guarantees given	**699,101**	**51,174**	**2,473**	**638**	**753,386**	**631,652**
a) Central Banks	-	-	-	-	-	-
b) Public Administration	20	-	-	-	20	83
c) Banks	101,617	19,003	-	-	120,620	15,034
d) Other financial companies	21,426	381	-	-	21,807	9,127
e) Non-financial companies	517,393	26,573	1,965	618	546,549	538,577
f) Households	58,645	5,217	508	20	64,390	68,831

PART C
INFORMATION ON THE CONSOLIDATED INCOME STATEMENT

Section 1 – Interest income/expense and similar revenues/charges – Items 10 and 20

1.1 Interest income and similar revenues: breakdown

Item/Type	Debt securities	Loans	Other transactions	Total 30/06/2026	Total 30/06/2025
1. Financial assets measured at fair value through profit or loss:	**11,131**	**32**	**-**	**11,163**	**9,415**
1.1 Financial assets held for trading	453	-	-	453	380
1.2 Financial assets designated at fair value	-	-	-	-	-
1.3 Other financial assets measured at fair value, as per mandatory requirements	10,678	32	-	10,710	9,035
2. Financial assets measured at fair value through other comprehensive income	**119,228**	**-**	**X**	**119,228**	**88,076**
3. Financial assets measured at amortised cost:	**100,625**	**619,307**	**-**	**719,932**	**730,469**
3.1 Loans to banks	18,410	24,979	X	43,389	58,895
3.2 Loans to customers	82,215	594,328	X	676,543	671,574
4. Hedging derivatives	**X**	**X**	**-**	**-**	**-**
5. Other assets	**X**	**X**	**7,284**	**7,284**	**10,298**
6. Financial liabilities	**X**	**X**	**X**	**3**	**5**
Total	**230,984**	**619,339**	**7,285**	**857,611**	**838,263**
of which: interest income from impaired financial assets	-	8,985	-	8,985	9,898
of which: interest income on finance leases	X	73,797	X	73,797	75,637

1.3 Interest expense and similar charges: breakdown

Item/Type	Payables	Securities	Other transactions	Total 30/06/2026	Total 30/06/2025
1. Financial liabilities measured at amortised cost	(170,304)	(66,232)	X	(236,536)	(296,458)
1.1 Deposits from central banks	(307)	X	X	(307)	(365)
1.2 Deposits from banks	(27,177)	X	X	(27,177)	(44,596)
1.3 Deposits from customers	(142,820)	X	X	(142,820)	(183,710)
1.4 Debt securities issued	X	(66,232)	X	(66,232)	(67,787)
2. Financial liabilities held for trading	-	-	-	-	-
3. Financial liabilities designated at fair value	-	-	-	-	-
4. Other liabilities and funds	X	X	-	-	(3)
5. Hedging derivatives	X	X	(43,452)	(43,452)	(7,766)
6. Financial assets	X	X	X	(1)	(6)
Total	**(170,304)**	**(66,232)**	**(43,452)**	**(279,989)**	**(304,233)**
of which: interest expense relating to lease liabilities	(2,371)	X	X	(2,371)	(1,403)

Section 2 – Net fee and commission income/expense – Items 40 and 50

2.1 Fee and commission income: breakdown

Services/Amounts	Total 30/06/2026	Total 30/06/2025
a) Financial instruments	130,464	117,016
1. Placement of securities	63,785	55,106
1.1 With underwriting commitment and/or on the basis of an irrevocable commitment	-	-
1.2 Without irrevocable commitment	63,785	55,106
2. Acceptance and transmission of orders and execution of orders on behalf of customers	11,808	10,714
2.1 Acceptance and transmission of orders for one or more financial instruments	7,744	7,284
2.2 Order execution on behalf of customers	4,064	3,430
3. Other fees and commissions related to activities carried out on financial instruments	54,871	51,196
of which: trading on own account	-	-
of which: individual portfolio management	54,871	51,196
b) Corporate Finance	215	337
1. Advice on Mergers and Acquisitions	215	337
2. Treasury services	-	-
3. Other commissions associated with corporate finance services	-	-
c) Investment advisory activities	11,185	9,549
d) Clearing and settlement	-	-
e) Collective portfolio management	153,846	117,036
f) Custody and administration	2,193	1,854
1. Custodian bank	-	-
2. Other fees and commissions related to custody and administration activities	2,193	1,854
g) Central administrative services for collective portfolio management	-	-
h) Fiduciary activity	598	584
i) Payment services	102,365	104,360
1. Bank accounts	58,444	57,863
2. Credit cards	14,598	15,375
3. Debit and other payment cards	9,560	10,110
4. Wire transfers and other payment orders	9,212	8,986
5. Other fees related to payment services	10,551	12,026
j) Distribution of third-party services	40,167	34,523
1. Collective portfolio management	-	-
2. Insurance products	38,655	33,428
3. Other products	1,512	1,095
of which: individual portfolio management	-	-
k) Structured finance	-	-
l) Securitisation servicing	-	-
m) Commitments to disburse funds	-	-
n) Financial guarantees given	2,707	2,914
of which: credit derivatives	-	-
o) Financing operations	7,979	7,474
of which: factoring	7,979	7,474
p) Currency trading	2,818	2,154
q) Commodities	-	-
r) Other fee and commission income	23,479	21,006
of which: for management of multilateral trading facilities	-	-
of which: for management of organised trading facilities	-	-

Total	**478,016**	**418,807**

2.2 Fee and commission expenses: breakdown

Services/Amounts	Total 30/06/2026	Total 30/06/2025
a) Financial instruments	(2,805)	(2,400)
of which: trading in financial instruments	(1,253)	(1,199)
of which: placement of financial instruments	(181)	(137)
of which: individual portfolio management	(1,369)	(1,042)
- Own	(1,369)	(1,042)
- Third-party portfolio	-	-
b) Clearing and settlement	-	-
c) Collective portfolio management	(5,882)	(3,402)
1. Own	(22)	(21)
2. Third-party portfolio	(5,860)	(3,381)
d) Custody and administration	(1,713)	(1,385)
e) Collection and payment services	(9,467)	(11,501)
of which: credit cards, debit cards and other payment cards	(6,048)	(5,546)
f) Securitisation servicing	-	-
g) Commitments to receive funds	-	-
h) Financial guarantees received	(406)	(489)
of which: credit derivatives	-	-
i) Off-site offer of financial instruments, products and services	(68,413)	(61,848)
l) Currency trading	-	-
m) Other fee and commission expenses	(38,742)	(23,373)
Total	**(127,428)**	**(104,398)**

Section 4 – Net profit (loss) from trading – Item 80

4.1 Net profit (loss) from trading: breakdown

Transactions/Income	Unrealised profits (A)	Trading profits (B)	Unrealised losses (C)	Trading losses (D)	Net Profit (Loss) [(A+B)-(C+D)]
1. Financial assets held for trading	**109**	**4,001**	**(43)**	**(587)**	**3,480**
1.1 Debt securities	61	2,978	(36)	(209)	2,794
1.2 Equity securities	12	223	(7)	(194)	34
1.3 Units of UCITS	36	800	-	(184)	652
1.4 Loans	-	-	-	-	-
1.5 Other	-	-	-	-	-
2. Financial liabilities held for trading	**-**	**-**	**-**	**-**	**-**
2.1 Debt securities	-	-	-	-	-
2.2 Deposits	-	-	-	-	-
2.3 Other	-	-	-	-	-
3. Financial assets and liabilities: exchange differences	**X**	**X**	**X**	**X**	**11,356**
4. Derivatives	**3,496**	**99,148**	**(46,588)**	**(39,647)**	**12,486**
4.1 Financial derivatives:	3,496	99,148	(46,588)	(39,647)	12,486
- On debt securities and interest rates	3,496	97,518	(46,588)	(37,599)	16,827
- On equity securities and stock indices	-	1,630	-	(2,048)	(418)
- On currencies and gold	X	X	X	X	(3,923)
- Others	-	-	-	-	-
4.2 Credit derivatives	-	-	-	-	-
of which: natural hedges related to fair value option	X	X	X	X	-
Total	**3,605**	**103,149**	**(46,631)**	**(40,234)**	**27,322**

In the table above, results from trading in cash financial assets in foreign currency are indicated separately from those relating to foreign exchange activities.

Section 5 – Net profit (loss) from hedging – Item 90

5.1 Net profit (loss) from hedging: breakdown

Income/Amounts	Total 30/06/2026	Total 30/06/2025
A. Gains on:		
A.1 Fair value hedging instruments	74,121	540,369
A.2 Hedged financial assets (fair value)	21,198	80,491
A.3 Hedged financial liabilities (fair value)	34,070	-
A.4 Cash-flow hedging derivatives	-	-
A.5 Assets and liabilities denominated in foreign currency	-	-
Total gains on hedging activities (A)	**129,389**	**620,860**
B. Losses on:		
B.1 Fair value hedging instruments	(62,984)	(553,480)
B.2 Hedged financial assets (fair value)	(54,866)	(27,702)
B.3 Hedged financial liabilities (fair value)	(12,840)	(40,250)
B.4 Cash flow hedging derivatives	-	-
B.5 Assets and liabilities denominated in foreign currency	-	-
Total losses on hedging activities (B)	**(130,690)**	**(621,432)**
C. Net profit (loss) from hedging (A - B)	**(1,301)**	**(572)**
of which: results of hedges on net positions (IFRS 7 24C, lett. b) vi); IFRS 9 6.6.4)	-	-

The Macro Fair Value Hedge accounting method was adopted to hedge the interest rate risk associated with the disbursement of fixed-rate and floating-rate mortgages with a "Cap" option, to hedge the interest rate risk related to demand deposits of customers, and the micro fair value hedge accounting method was adopted to hedge the interest rate risk for several fixed-rate securities held in the "HTCS" and "Loans" portfolios, and to hedge the interest rate risk related to several fixed-rate bonds classified under "debt securities issued".

The hedging, with reference to the measurement of derivative instruments related to equity items (this in particular concerned the micro fair value hedges of debt securities recognised as financial assets at fair value through other comprehensive income), was affected by the changes in interest rates and market tensions, which occurred during the year.

We must also point out that this result must be related to the positive contributions of the above-mentioned financial figures on the financial margin.

Section 6 – Gains (losses) on disposal or repurchase – Item 100

6.1 Gains (losses) on disposal or repurchase: breakdown

Items/Income	Total 30/06/2026			Total 30/06/2025		
	Gains	Losses	Net profit (loss)	Gains	Losses	Net profit (loss)
Financial assets						
1. Financial assets measured at amortised cost	51,261	(561)	50,700	61,888	(34,007)	27,881
1.1 Loans to banks	-	-	-	-	(6)	(6)
1.2 Loans to customers	51,261	(561)	50,700	61,888	(34,001)	27,887
2. Financial assets measured at fair value through other comprehensive income	3,940	(2,067)	1,873	22,365	(11,022)	11,343
2.1 Debt securities	3,940	(2,067)	1,873	22,365	(11,022)	11,343
2.2 Loans	-	-	-	-	-	-
Total assets	**55,201**	**(2,628)**	**52,573**	**84,253**	**(45,029)**	**39,224**
Financial liabilities measured at amortised cost	-	-	-	-	-	-
1. Due to banks	-	-	-	-	-	-
2. Due to customers	-	-	-	-	-	-
3. Debt securities issued	-	-	-	-	-	-
Total liabilities	**-**	**-**	**-**	**-**	**-**	**-**

The trend of the aggregate also shows the transfers of NPL, unsecured and mortgage portfolios, carried out during the year. The transactions resulted in a net capital gain of approximately € 7.5 million.

The contribution of the finance area was positive.

Section 8 – Net value adjustments/recoveries – Item 130

8.1 Net value adjustments for credit risk from financial assets measured at amortised cost: breakdown

Transactions/Income	Value adjustments (1)						Recoveries (2)				Total	Total
			Stage 3		Purchased or originated credit impaired							
	Stage 1	Stage 2	Write-offs	Other	Write-offs	Other	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired	30/06/2026	30/06/2025
A. Loans to banks	**(86)**	**-**	**-**	**-**	**-**	**-**	**112**	**15**	**-**	**-**	**41**	**25**
- Loans	-	-	-	-	-	-	65	15	-	-	80	6
- Debt securities	(86)	-	-	-	-	-	47	-	-	-	(39)	19
B. Loans to customers	**(2,658)**	**(2,362)**	**(710)**	**(63,882)**	**(14)**	**(185)**	**2,954**	**1,612**	**37,120**	**2,997**	**(25,128)**	**(14,457)**
- Loans	(1,566)	(2,362)	(710)	(63,882)	(14)	(185)	1,964	1,612	37,120	2,997	(25,026)	(15,803)
- Debt securities	(1,092)	-	-	-	-	-	990	-	-	-	(102)	1,346
Total	**(2,744)**	**(2,362)**	**(710)**	**(63,882)**	**(14)**	**(185)**	**3,066**	**1,627**	**37,120**	**2,997**	**(25,087)**	**(14,432)**

Losses on loans amounted to € -25.1 million and mainly included adjustments to Credembanca and Avvera, partly offset by recoveries from capital gains on disposals of loans for approximately € 7.5 million recorded in item 100 of the income statement. Finally, the contribution to the cost of credit of other companies in the group is very low.

8.2 Net value adjustments for credit risk from financial assets measured at fair value through other comprehensive income: breakdown

Transactions/Income	Value adjustments (1)			Recoveries (2)		Total	Total
		Stage 3					
	Stage 1 and 2	Write-offs	Other	Stage 1 and 2	Stage 3	30/06/2026	30/06/2025
A. Debt securities	(613)	-	-	321	-	(292)	298
B. Loans	-	-	-	-	-	-	-
- To customers	-	-	-	-	-	-	-
- To banks	-	-	-	-	-	-	-
of which: purchased or originated credit impaired financial assets	-	-	-	-	-	-	-
Total	**(613)**	**-**	-	**321**	-	**(292)**	**298**

Section 10 – Result of insurance services – Item 160
Insurance revenues and costs arising from insurance contracts issued - Breakdown

Items/Aggregation bases	Basis A1 30/06/2026	Basis A2 30/06/2026	Basis A3 30/06/2026	Basis A4 30/06/2026	Basis A5 30/06/2026	Total 30/06/2026	Basis A1 30/06/2025	Basis A2 30/06/2025	Basis A3 30/06/2025	Basis A4 30/06/2025	Basis A5 30/06/2025	Total 30/06/2025
A. Insurance revenues from insurance contracts issued valued according to GMM and VFA												
A.1 Amounts associated with changes in assets by residual coverage	**35,272**	**14,828**	**-**	**-**	**9,344**	**59,444**	**31,462**	**14,818**	**-**	**-**	**4,658**	**50,938**
1. Claims occurred and other costs for expected insurance services	11,099	5,480	-	-	5,425	22,004	9,261	6,725	-	-	2,293	18,279
2. Changes in the adjustment for non-financial risks	2,961	176	-	-	130	3,267	2,464	208	-	-	125	2,797
3. Margin on contractual services recorded in the income statement for services provided	21,128	4,052	-	-	3,784	28,964	19,639	3,610	-	-	2,238	25,487
4. Other amounts	84	5,120	-	-	5	5,209	98	4,275	-	-	2	4,375
A.2 Acquisition costs of recovered insurance contracts	**20**	**2,695**	**-**	**-**	**6**	**2,721**	**25**	**2,223**	**-**	**-**	**7**	**2,255**
A.3 Total insurance revenues from insurance contracts issued valued according to GMM or VFA	**35,292**	**17,523**	**-**	**-**	**9,350**	**62,165**	**31,487**	**17,041**	**-**	**-**	**4,665**	**53,193**
A.4 Total insurance revenues from insurance contracts issued valued according to PPA						**-**						**-**
- Life segment	X	X	X	X	X	-	X	X	X	X	X	-
- Non-life segment - motor	X	X	X	X	X	-	X	X	X	X	X	-
- Non-life segment - non-motor	X	X	X	X	X	-	X	X	X	X	X	-
A.5 Total insurance revenues from insurance contracts issued	**35,292**	**17,523**	**-**	**-**	**9,350**	**62,165**	**31,487**	**17,041**	**-**	**-**	**4,665**	**53,193**
B. Costs for insurance services deriving from insurance contracts issued – GMM or VFA												
1. Claims incurred and other directly attributable costs	(289,713)	(4,519)	-	-	(34,067)	(328,299)	(289,479)	(5,347)	-	-	(27,190)	(322,016)
2. Changes in liability for claims incurred	278,653	1,373	-	-	30,860	310,886	280,128	(487)	-	-	25,608	305,249
3. Losses on onerous contracts and recovery of these losses	-	4	-	-	-	4	-	(143)	-	-	-	(143)
4. Amortisation of insurance contract acquisition costs	(20)	(2,695)	-	-	(6)	(2,721)	(25)	(2,223)	-	-	(7)	(2,255)
5. Other amounts	-	-	-	-	-	-	-	-	-	-	-	-
B.6 Total costs for insurance services deriving from insurance contracts issued – GMM or VFA	**(11,080)**	**(5,837)**	**-**	**-**	**(3,213)**	**(20,130)**	**(9,376)**	**(8,200)**	**-**	**-**	**(1,589)**	**(19,165)**
B.7 Total insurance service costs from insurance contracts issued valued according to PPA						**-**						**-**
- Life segment	X	X	X	X	X	-	X	X	X	X	X	-
- Non-life segment - motor	X	X	X	X	X	-	X	X	X	X	X	-
- Non-life segment - non-motor	X	X	X	X	X	-	X	X	X	X	X	-
C. Total net costs/revenues deriving from insurance contracts issued (A.5+B.6+B.7)	**24,212**	**11,686**	**-**	**-**	**6,137**	**42,035**	**22,111**	**8,841**	**-**	**-**	**3,076**	**34,028**

Insurance costs and revenues from reinsurance contracts held - Breakdown

Items/Aggregation bases	Aggregation basis 1 30/06/2026	Aggregation basis 2 30/06/2026	Total 30/06/2026	Aggregation basis 1 30/06/2025	Aggregation basis 2 30/06/2025	Total 30/06/2025
A. Allocation of premiums paid relating to reinsurance contracts held valued on the basis of GMM						
A.1 Amounts associated with changes in assets by residual coverage						
1. Amount of claims and other expected recoverable costs	(1,384)	-	(1,384)	(1,966)	-	(1,966)
2. Changes in the adjustment for non-financial risks	(43)	-	(43)	(61)	-	(61)
3. Margin on contractual services recorded in the income statement for services received	(782)	-	(782)	(467)	-	(467)
4. Other amounts	(49)	-	(49)	139	-	139
5. Total	**(2,258)**	**-**	**(2,258)**	**(2,355)**	**-**	**(2,355)**
A.2 Other costs directly attributable to reinsurance contracts held	-	-	-	-	-	-
A.3 Allocation of premiums relating to reinsurance contracts held valued on the basis of the PAA	-	-	-	-	-	-
B. Total costs from reinsurance contracts held	**(2,258)**	**-**	**(2,258)**	**(2,355)**	**-**	**(2,355)**
C. Effects of changes in the risk of default by reinsurers	-	-	-	-	-	-
D. Amount of claims and other expenses recovered	1,642	-	1,642	1,836	-	1,836
E. Changes in business for claims incurred	(672)	-	(672)	211	-	211
F. Other recoveries	(2)	-	(2)	58	-	58
G. Total net costs/revenues from reinsurance contracts held (B+C+D+E+F)	**(1,290)**	**-**	**(1,290)**	**(250)**	**-**	**(250)**

Breakdown of costs for insurance and other services

Costs/Aggregation bases	Basis A1 - with DPF 30/06/2026	Basis A2 - without DPF 30/06/2026	Basis A1 + Basis A2 30/06/2026	Basis A3 30/06/2026	Basis A4 30/06/2026	Basis A3 + Basis A4 30/06/2026	Other 30/06/2026	Basis A1 - with DPF 30/06/2025	Basis A2 - without DPF 30/06/2025	Basis A1 + Basis A2 30/06/2025	Basis A3 30/06/2025	Basis A4 30/06/2025	Basis A3 + Basis A4 30/06/2025	Other 30/06/2025
Costs attributed to the acquisition of insurance contracts	(932)	(2,704)	(3,636)	-	-	-	X	(679)	(2,374)	(3,053)	-	-	-	X
Other directly attributable costs	-	-	-	-	-	-	X	-	-	-	-	-	-	X
Investment management expenses	X	X	(488)	X	X	-	(1)	X	X	(425)	X	X	-	(425)
Other costs	X	X	(12,107)	X	X	-	(4,807)	X	X	(9,988)	X	X	-	(8,564)
Total	**X**	**X**	**(16,231)**	**X**	**X**	**-**	**(4,808)**	**X**	**X**	**(13,466)**	**X**	**X**	**-**	**(8,989)**

Section 12 – Administrative costs – Item 190

12.1 Personnel expenses: breakdown

Type of expense/Amounts	30/06/2026	30/06/2025
1) Employees	(315,738)	(298,679)
a) wages and salaries	(228,065)	(214,926)
b) social security charges	(56,672)	(54,849)
c) severance pay	(2,900)	(2,956)
d) social security expenses	(26)	(23)
e) provision for staff termination indemnity	(538)	(718)
f) provision for pension fund and similar obligations:	(12)	(3)
- defined contribution	-	-
- defined benefit	(12)	(3)
g) contributions to external pension funds:	(14,650)	(13,411)
- defined contribution	(14,650)	(13,411)
- defined benefit	-	-
h) costs related to share-based payments	(2,063)	(1,921)
i) other employee benefits	(10,812)	(9,872)
2) Other staff	(5,101)	(5,400)
3) Directors and Statutory Auditors	(2,676)	(2,528)
4) Retired personnel	-	-
Total	**(323,515)**	**(306,607)**

In accordance with the instructions of Banca d'Italia Circular no. 262 dated 22 December 2005 (and subsequent amendments):

- "Personnel costs" also include directors' and statutory auditors' fees and costs incurred for atypical employment agreements;
- the sub-item "Other staff" includes fees for coordinated employment agreements.

12.2 Average number of employees by category

	Total 30/06/2026	Total 30/06/2025
1) Employees	**6,683**	**6,599**
a) executives	176	179
b) middle managers	3,208	3,150
c) remaining staff	3,299	3,270
2) Other staff	**23**	**44**
Total	**6,706**	**6,643**

The average number of employees does not include directors and statutory auditors. Part-time employees are usually considered at 50%.

12.5 Other administrative expenses: breakdown

Services/Amounts	Total 30/06/2026	Total 30/06/2025
Taxes	**(82,974)**	**(76,463)**
Stamp duties	(72,734)	(67,095)
Municipal property tax	(1,567)	(1,548)
Other	(8,673)	(7,820)
Other expenses	**(159,235)**	**(151,697)**
Insurance	(1,864)	(1,875)
ATM	(1,400)	(1,101)
Supplies, stationery and printing	(2,830)	(2,995)
Training	(1,484)	(1,341)
Electricity	(2,849)	(3,237)
Rent expenses on property	(525)	(833)
Other property expenses	(6,458)	(6,549)
Infoprovider	(9,281)	(10,251)
Third party data processing	(66,428)	(61,470)
Office machines	(27)	(28)
Outsourced banking processing	(6,170)	(5,812)
Marketing	(12,711)	(12,212)
Personnel mobility	(6,599)	(5,628)
Postage	(280)	(581)
Consultancy	(8,372)	(6,333)
Legal expenses for credit collection	(3,729)	(3,701)
Legal expenses	(2,140)	(2,148)
Other compensation to external professionals	(724)	(704)
Networks and interbank services	(2,916)	(2,663)
Telephone expenses	(3,199)	(3,381)
Transportation	(181)	(307)
Armoured car service and cash counting	(1,831)	(1,941)
Security	(2,194)	(2,416)
Surveys and information	(4,598)	(4,917)
Other expenses	(10,445)	(9,288)
Fund contributions	**-**	**(3,576)**
Contributions to Single Resolution Fund - SRF	-	(3,576)
Total	**(242,209)**	**(231,754)**

Section 13 – Net provisions for risks and charges – Item 200

13.1 Net provisions for credit risk relating to commitments undertaken and financial guarantees given: breakdown

	Total 30/06/2026	Total 30/06/2025
Net provisions for risks for commitments to disburse funds and financial guarantees given	(322)	(723)
Interest expenses from discounting the provision for commitments to disburse funds and financial guarantees given		
Reallocation in the income statement related to the provision for risks for commitments to disburse funds and financial guarantees given	874	251
Total	**552**	**(472)**

13.3 Other net provisions for risks and charges: breakdown

	Total 30/06/2026	Total 30/06/2025
Net provisions for risks for claim and annulment proceedings	(1,760)	(1,072)
Interest expenses from discounting of the provision for claim and annulment proceedings	(133)	(180)
Reallocation in the income statement related to the provision for claim and annulment proceedings	2,472	1,063
Other provisions	(2,217)	(154)
Interest expenses related to discounting other provisions	(323)	(389)
Reallocation in the income statement related to other provisions	228	1,523
Total	**(1,733)**	**791**

Section 16 – Other operating income/charges – Item 230

16.1 Other operating charges: breakdown

	Total 30/06/2026	Total 30/06/2025
Interest repayments for collections and payments in the clearing house	(1)	(1)
Amortisation on improvements to third party assets	(2,213)	(2,133)
Contingent liabilities	(5,624)	(3,741)
Other charges	(21,596)	(12,459)
Total Other charges	**(29,434)**	**(18,334)**

16.2 Other operating income: breakdown

	Total 30/06/2026	Total 30/06/2025
Rental income	1,022	869
Recovery of taxes	78,734	72,561
Recovery of interest for collections and payments in the clearing house	3	3
Contingent assets	12,905	2,926
Other income	31,460	127,960
Total Other income	**124,124**	**204,319**

The "Recovery of taxes" item includes the recovery of the higher charge resulting from the calculation of stamp duty on securities portfolios.

"Other income" also includes the revenues of the Group's operating companies and also recoveries of "Fast track loan approval process commission", regulated by paragraph 2 of Italian Law dated 23 December 2011. In 2025, this item included the result arising from the transfer of merchant acquiring activities, amounting to € 95 million.

17.1 Gains (losses) on equity investments: breakdown

Income/Sectors	Total 30/06/2026	Total 30/06/2025
1) Jointly controlled companies		
A. Income	4,139	3,824
1. Revaluations	3,689	3,824
2. Gains on disposal	-	-
3. Recoveries	-	-
4. Other income	450	-
B. Charges	-	(39)
1. Write-downs	-	(1)
2. Impairment losses	-	(38)
3. Losses on disposal	-	-
4. Other expenses	-	-
Net profit (loss)	**4,139**	**3,785**
2) Companies subject to significant influence		
A. Income	44	174
1. Revaluations	44	174
2. Gains on disposal	-	-
3. Recoveries	-	-
4. Other income	-	-
B. Charges	-	-
1. Write-downs	-	-
2. Impairment losses	-	-
3. Losses on disposal	-	-
4. Other expenses	-	-
Net profit (loss)	**44**	**174**
Total	**4,183**	**3,959**

For jointly controlled entities, the item "Income, 1. Revaluations" includes the profits of Credemassicurazioni, consolidated using the equity method; the item "Income, 4. Other income" relates entirely to the increase in the equity investment in Andxor, which rose from 40% to 75%. In accordance with IFRS 3, paragraphs 41 and 42, this increase has resulted in the fair value of the 40% stake held prior to obtaining control being recalculated.

For companies subject to significant influence, the item "Income, 1. Revaluations" includes the profits of SBC, Flairbit and Mynet, which are consolidated using the equity method.

PART D
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

DETAILED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Items	30/06/2026	30/06/2025
10.	**Profit (loss) for the year**	**312,905**	**371,752**
	Other income without reversal to income statement	**736**	**4,296**
20.	Equity securities measured at fair value through other comprehensive income:	928	3,901
	a) change in fair value	928	3,901
70.	Defined benefit plans	(181)	833
110.	Income tax relating to other income without reversal to income statement	(11)	(438)
	Other income with reversal to income statement	**(633)**	**25,420**
140.	Cash flow hedges:	1,551	9,320
	a) changes in fair value	1,551	9,320
160.	Financial assets (other than equity securities) measured at fair value through other comprehensive income:	(289)	35,721
	a) changes in fair value	(13,809)	10,252
	b) reversal to income statement	14,087	20,331
	- adjustments for credit risk	(97)	(636)
	- realised gains/losses	14,184	20,967
	c) other changes	(567)	5,138
180.	Share of valuation reserves of equity investments valued at equity:	(400)	399
	a) changes in fair value	(400)	399
190.	Revenues or costs of a financial nature relating to insurance contracts issued:	(1,761)	(7,638)
	a) changes in fair value	(1,761)	(7,638)
200.	Revenues or costs of a financial nature relating to reinsurance contracts held:	17	110
	a) changes in fair value	17	110
210.	Income tax relating to other income with reversal to income statement	249	(12,492)
220.	**Total other income**	**103**	**29,716**
230.	**Comprehensive income (Item 10+220)**	**313,008**	**401,468**
240.	Consolidated comprehensive income attributable to minority interests	30	-
250.	**Consolidated comprehensive income attributable to Parent Company**	**312,978**	**401,468**

PART E
INFORMATION ON RISKS AND RELATIVE HEDGING POLICIES

Summary of the organisation of the Group's risk management, of the relative processes and of the key functions

The Credem Group has always strived to achieve a high level of quality in risk management, considered it fundamental and as a strategic objective in order to:

- guarantee the safeguarding of company capital and ensure the utmost effectiveness and efficiency in the value creation process;
- integrate the risk-return dimension into the decisional and operational processes of the different business areas;
- ensure the consistency of operational processes with internal strategies, policies and regulations.

The governance bodies and the specialist functions involved in the process of risk control and management are:

- The Board of Directors of the Parent Company (body with strategic supervision function), which assesses all types of risk at consolidated level and approves the assumption of risks in a structured manner on the companies identified as relevant. In particular, the Risk Management Department, as part of its activities, conducts an adequate assessment aimed at resolving:
  - the Recovery Plan (only for the Parent Company);
  - the Risk Appetite Framework (RAF) process with particular reference to the risk objectives and the relative tolerance thresholds (Early Warning, Risk Appetite and Risk Tolerance) and the verification of the quarterly trend of the risk profile assumed as a whole with respect to the thresholds;
  - the ILAAP report, a document relating to the liquidity management process, the strategies adopted and the exposure to the related risk;
  - the annual Planning and Reporting of Risk Management activities;
  - the compliance of internal models and related risk metrics (Airb Scope);
  - the criteria for identifying the Most Significant Transactions (MST);
  - the risk measurement and control methods used also for the purposes of calculating internal capital and the scope of major risks, as part of the RAF, ICAAP and ILAAP processes;
  - the stress test methodologies used and the methods for defining the scenarios, as part of the RAF, ICAAP and ILAAP processes;
  - and to actively promote a risk-aware culture at all levels of the organisation. In this context, and in collaboration with the GOVREL Service, it is responsible for proposing and encouraging the organisation of regular training sessions and specific induction programmes for members of the Board of Directors, ensuring that the topics covered are consistent with the company's risk culture and with the evolving risk profile of the Bank.

- The Executive Committee (body with management function), which:
  - as part of the Recovery processes, proposes to the BoD the updates of the Recovery Plan, including the thresholds of the identified indicators;
  - as part of the Risk Appetite Framework (RAF) process, acknowledges situations where the Early Warning threshold has been exceeded, within the Risk Appetite threshold; authorises situations where the Risk Appetite is exceeded, within the Risk Tolerance, identifying the appropriate management actions to return within tolerance, overseeing their implementation by establishing and monitoring the operating limits consistent with the risk appetite defined by the BoD;
  - defines the internal information flows aimed at ensuring full knowledge and governability of the risk factors to the corporate bodies and corporate control functions, as well as the verification of compliance with the RAF; establishes the responsibilities of the corporate structures and functions involved in the risk management process, also in order to prevent potential conflicts of interest; it also ensures that the relevant activities are directed by qualified personnel, with an adequate degree of independent judgment and in possession of adequate experience and knowledge for the tasks to be carried out;
  - assesses the Planning of the activities carried out by the Risk Management Department;
  - facilitates the development and dissemination of a risk culture;

- ensures that the risk measurement systems are integrated into the decision-making processes and in the management of company operations, assigning tasks and responsibilities to the various company functions and ensuring the risk management process phase is formalised and documented;
- assess the activities carried out within the Risk Management Committee: approves the threshold for level II indicators for which only the soft target is established and monitors the level II indicators without any threshold or with only the soft target;
- examines the Most Significant Transactions (MST) with a negative opinion of the Risk Officer;
- carries out the analysis of the risks of new products and services and of the risks resulting from the entry into new operating and market segments; helps to boost the efficiency of business risk-taking processes;
- contributes to improving the efficiency of business risk-taking processes.

- The Board of Statutory Auditors is responsible for control and supervision.

GROUP RISK AND SUSTAINABILITY BOARD COMMITTEE (GRSBC) The Committee plays a supporting role – which entails consultation, examination and the formulation of proposals and opinions – with a view to assisting the Board of Directors in its assessments and decisions relating to risk management and to the internal control system, to guarantee the adequacy of the same in terms of the characteristics of the business and of the Group with relation to the development of the organisation and its operations, as well as of the relevant legislative scenario. The Committee also supports the Board of Directors in monitoring environmental, social and governance risks, and with the analysis of the Corporate Sustainability Report and the Code of Corporate Governance 2020 of listed companies, for the purposes of the internal control and risk management system.
With particular reference to the duties regarding risk management and control, the Committee performs the following support functions:

- it assesses the effectiveness of the assumptions and the analyses contained within the Recovery Plan and in its subsequent updates, proposed by the ERISK Department, and expresses a grounded opinion regarding its subsequent submission to the BoD;
- it assesses, on the basis of the disclosure of the Group Recovery and Resolution Management Committee, the effective existence of the recovery state, expressing a justified opinion in this regard, for the purposes of subsequent presentation to the Board of Directors;
- it assesses, based on information from the Recovery and Resolution Committee, the actual existence of conditions to close the state of recovery, expressing a reasoned opinion in this regard, with a view to its subsequent presentation to the BoD;
- it carries out the evaluation and expresses its opinion so that the Board of Directors can define and approve the Risk Appetite Statement (known as RAS, with particular reference to the evaluation of the risk objectives and of the tolerance thresholds);
- it monitors the performance of the risk profile assumed as a whole in relation to the Risk Appetite objectives and to the tolerance thresholds for all the indicators in the Group's RAS;
- it expresses its opinion on the methodologies for measuring, controlling and analysing the relevance of risks also for the purpose of calculating internal capital;
- acknowledges the assessments related to the materiality analysis and analyses any new risk;
- it evaluates the policies and practices for assessing the business operations (e.g. fair value policy and guidelines and criteria for the write-down of loans), verifying that the prices and conditions of transactions with customers are consistent with the business model and risk strategies;
- without prejudice to the responsibilities of the Group Remuneration Board Committee, it collaborates with the latter in order to ensure that the remuneration policy reflects and promotes sound and effective risk management, verifying the consistency of short- and medium-term incentive systems with the RAF process;
- without prejudice to the responsibilities of the Group Remuneration Board Committee, it also takes part in the definition of the individual objectives of the Heads of the Company Control Departments and their associated subsequent finalisation.

With particular reference to sustainability issues, the Committee supports the BoD, with advisory and proposal-making functions, to ensure efficient and effective identification, measurement, management and monitoring of the main environmental, social and governance risks in order to contribute to sustainable success in line with the Group's overall strategies. More specifically:

- it assesses the actual alignment with Supervisory and regulatory expectations;
- oversees the process of analysing and reviewing the Group's exposure to ESG risks as part of the materiality assessment process, i.e. the materiality analysis for ICAAP, ILAAP and RAF purposes;
- with particular reference to the framework for monitoring and managing ESG risks, it:

- monitors the impact of the above risk factors within the existing risk categories in the assessment of the materiality for all operational areas in the short, medium and long term, taking into consideration different scenario/stress analyses;
- verifies the consistency of the risk appetite with the company strategy;
- verifies the integration in the key risk management tools with a special focus on the Risk Appetite Framework process;
- monitors the adequate level of oversight and coordination between the various parties involved in the internal control and risk management system in order to maximise its efficiency;

- examines the content of the Corporate Sustainability Report relevant for the purposes of the internal control and risk management system;
- with specific reference to the Transition Plan, the Committee:
  - verifies the consistency of the content of the Plan with the materiality analysis of ESG risks, with particular reference to defined targets and objectives;
  - verifies the consistency between the content of the Plan and the key risk management tools (RAF, ICAAP and ILAAP).

The GROUP RISK MANAGEMENT COMMITTEE (RMC), whose mission is to inform the Executive Committee (EC) on the monitoring of the overall risk taken by each company and of its monitoring as part of the strategies and methods defined by the Parent Company in the Risk Appetite Framework. Periodically, the Committee:

- assesses the consistency of the level of risk assumed with respect to the risk objectives both from a regulatory and an economic perspective, through the Tableau de Bord for monitoring the Risk Appetite Framework;
- approves the threshold for level II indicators for which only the soft target is established;
- monitors level II indicators with only the soft target;
- also analyses any internal or external event that can considerably change the risk profile and, if appropriate, requests the competent bodies, through the Risk Officer (hereinafter RO), to carry out additional revisions of the RAF;
- analyses the consistency of the conditions applied to customers depending on the assumed risk;
- assesses specific analyses proposed by the RO that are considered examples of the trends of the various risk factors;
- analyses credit risk on the basis of reports relating to internal regulatory and accounting models (AIRB credit risk and IFRS 9 credit risk);
- analyses Credem's positioning with respect to the banking system in terms of liquidity position and exposure in securities, as per the Financial Stability Report of Banca d'Italia;
- makes valuations in accordance with the responsibilities assigned to Senior Management by regulations on Risk Management, particularly those relating to internal models.

The GROUP RECOVERY MANAGEMENT COMMITTEE is established to support the BoD, with advisory and decision-making powers, in the management of the recovery status regulated by the Recovery Plan, as well as in the management of the resolution status, if the conditions are met, in line with the provisions of the Resolution Plan. Under the Plan, the Committee is tasked with the following functions if the recovery thresholds are surpassed:

- it analyses situations of tension or crisis based on supporting elements contributed by the various company functions, coordinated by the Risk Officer, who ensures they are suitably presented to the committee;
- it assesses the actual existence of the recovery status, formalising the results of the analyses carried out within a reasoned proposal to be submitted to the BoD for approval, after obtaining the opinion of the Group Risk and Sustainability Board Committee (GRSBC);
- once a recovery status has been confirmed, it assesses the possibility of promptly activating recovery options, with the relative preparatory actions, assessing the feasibility and effectiveness of bringing the indicators of the Recovery Plan back to within their defined limits;
- with the support of the relevant company departments, it proposes the recovery options within a Plan of Action to the BoD, together with the actions to be taken;
- once a state of recovery has been confirmed:
  - it coordinates internal and external communication;
  - it coordinates the preparation of the disclosure for the Supervisory Authority, to be submitted to the approval of the GRSBC and the BoD;
- it assesses whether the conditions to close the state of recovery have been fulfilled and makes a reasoned proposal to the BoD in this regard, obtaining the opinion of the GRSBC;

- through its Secretary the Risk Officer, it monitors the implementation of the recovery options and whether the indicators of the Recovery Plan have returned to within the envisaged thresholds.

The Committee is also informed by the BoD if the Tolerance threshold is surpassed, as it is considered a warning threshold for the Recovery indicators and may be convened whenever there are significant signs of deterioration.

In the event the Recovery options are found to be ineffective, it analyses and acknowledges the Resolution Strategy defined by the SRB and:

- supports the BoD in identifying the strategic decisions falling within the Group's discretion;
- promotes the implementation of the Resolution Plan, also through the Resolution Manager;
- supervises the correct adoption of the resolution strategy pursuant to the "Credem Group Resolution Process" Regulation.

The aim of the Risk Management department, by means of the Risk Officer and of his/her collaborators, is to:

- ensure the measurement and precise and future control of the exposure to different types of risk, in particular, market, credit, interest rate, liquidity and operational risk;
- monitor capital absorptions;
- propose to the Management Body and to General Management, with the other competent company departments, the definition and revision of the operating limits in line with the allocated capital;
- follow regulation developments and provide the Supervisory Authorities with the information required by the regulations in force in relation to internal models;
- develop and maintain risk measurement, management and control systems compliant with the regulations.

The Risk Officer, in addition to supporting the BoD and the EC in the tasks defined above, carries out the following activities:

Formulates preventive opinions on:

- changes to the determination of the liquidity spread for the TTI;
- pricing models and parameters used, in particular the methodology for determining the credit spread curve;
- OMR (most important transactions) according to the criteria defined in the Risk Appetite Framework Regulation of the Credem Group;
- non-performing forborne proposals, subject to repeated forbearance measures, with the criteria indicated in Art. 2 of the Regulation on Non-Performing Financial Assets - Non-Performing Exposures (NPE) and proposals for forbearance measures in favour of performing customers (forborne performing) previously subject to other forbearance measures with consequent Forborne status still active ("repeated"), with the criteria indicated in Art. 3.15 of the Regulation for the assumption of credit risk for customers;

Within RDARR:

- the approval and periodic review of the Data Governance strategy and the related framework broken down into: organisational structure, data quality requirements and monitoring indicators;
- the approval of the data governance and quality policy and the data management principles (accuracy, integrity, completeness and timeliness) proposed to the BoD by the CIDO (Data & Innovation Officer Coordinator), in support of the member delegated by the BoD for the implementation of the RDARR framework ("RDARR Director").

Formulates advisory opinions as defined by the Risk Appetite Framework Regulation, relating to extraordinary transactions that fall under the direct competence of the BoD/EC of the Parent Company and the BoD of the Companies and for which the opinion of the Risk Management is requested.

The Risk Officer is responsible for overseeing Regulatory Compliance pursuant to the provisions of the Group Regulation on Non-Compliance Risk, which lists the scope of regulations overseen by the Company Control Functions, specifically by ERISK.

As part of the internal models, the Risk Officer:

-is responsible for the development, validation and maintenance of risk measurement and control systems, ensuring that they are subject to periodic monitoring and backtesting, including the measurement and assessment of the model risk;

-assesses the model risk and any uncertainty in the valuation of certain types of financial instruments;

-verifies the adequacy and effectiveness of the measures adopted to remedy the shortcomings identified in the risk measurement systems;

-manages the escalation process if there is a dispute between the development function and the validation function based on the results of the latter's activities.

As part of the outsourcing and ICT DORA supply process, the Risk Officer, as designated Senior Staff Member, is responsible for the management and supervision regarding the risks associated with part of Credem's internal control system and the supervision of the documentation of the outsourcing and ICT DORA supply agreements. The Risk Officer carries out the activities assigned to them in line with the reference internal regulations.

The Risk Management Department is required to be authoritative, given the position it holds within the organisation and its mandate, and to be professional, understood as possessing technical expertise and adequate experience in this position. The same is guaranteed organisational solutions able to preserve the independence of the business units entrusted with the assumption and economic management of risk, specifically:

- the hierarchical placement within the Enterprise Risk Management Service (ERISK) under the management body (Executive Committee);
- independent access to Management Bodies;
- an incentive system based on the Key Performance Indicators relating to control objectives, not dependent on the bank's economic results;
- envisaging situations of conflict of interest when assigning competences;
- the option to request the adoption of reliable information systems to adequately identify, measure and monitor all of the risks assumed or to be assumed in the various operating areas and to set in place suitable reporting procedures at the various management levels;
- expressing opinions, in advance, on significant transactions that are the responsibility of the departments and
- being consulted with regard to those assigned to Management Bodies;
- the option to assess proposals on guidelines and regulations regarding the assumption of risk in advance, including penetration into new markets and subscribing to new products.
- To better illustrate the activities performed, the organisational structure of the Risk Management Department is shown below, along with a description of its main areas of activity:
- Risk Officer; management leader;
- CREDIT RISK MODELS: Supporting Credembanca and the Credem Group in defining the operating principles of the Group Risk Management model and of the structure of operating limits and delegated powers, overseeing, in accordance with the Risk Appetite Framework, their functioning, compliance and development, restricted to the assessment of credit risks.
- CREDIT RATINGS AND CONTROLS: Assisting Credembanca and the Credem Group in defining the operating principles of the Group Risk Management model and of the structure of operating limits and delegated powers, overseeing, in accordance with the Risk Appetite Framework, their functioning, compliance and development, restricted to the assessment of credit risks. It oversees second-level controls on credit risk. It analyses and resolves on the counterparty rating and override proposals on Credembanca and Credemleasing customers forming part of the "Corporate Regulatory Function". It monitors and maintains the model for assigning ratings to Retail customers and ensures monitoring of the entire assignment process.
- VALIDATION: Submitting the rating system, and more generally, the validated internal models to an internal validation process in order to verify, on an ongoing basis, repetitively, the reliability of results and to maintain consistency with legislative provisions, with company operating requirements and with the development of the reference market. It checks the suitability of the method-based and process choices and of the impairment activities in light of IFRS 9. As regards the risk parameters for internal models and IFRS 9 impairment, and the models/metrics relating to the IRRBB rate risk and liquidity risk, it carries out periodic checks. It co-ordinates activities relating to the risk model and carries out annual reporting. It assists the Risk Officer to draw up the Self-Assessment of the ICAAP and ILAAP processes. It monitors and validates the pricing valuation models, parameters and fair value levels in compliance with the criteria defined in the Group Fair Value Policy, also drawn up in line with the regulatory and accounting provisions in force. It verifies the adequacy of the data governance framework and the practices for the aggregation and reporting of risk data and risk models with respect to the "Principles for effective risk data aggregation and risk reporting" (BCBS 239) and the "Guide on effective risk data aggregation" and risk reporting" (ECB, May 2024).
- GOVERNANCE, RISK INTEGRATION AND NON-FINANCIAL RISK (GRN): Providing support to the Risk Officer and the Group Risk and Sustainability Board Committee in quantifying and monitoring exposure to all material risks. It verifies that these risks comply with the defined thresholds (through the application of cross-cutting stress scenarios) in the RAF and Recovery processes, paying particular attention to their integration, in accordance with the relevant internal regulations. It manages and coordinates activities relating to the monitoring and measurement of Group operational risks. It

coordinates activities relating to ESG risks (in particular Climate and Environmental) for the Service. It assists the Risk Officer in the preparation, updating and management of the Recovery Plan. For the Risk Management Department, it coordinates the activities requested by ECB and liaises with SSE UO (the GOVREL Service). As regards the RCI Organisational Unit, its responsibilities include: - defining the ICT Risk Management Framework and the related Group-wide methodologies and processes; - overseeing ICT and security risk management and mitigation activities, conducting periodic risk analyses and keeping internal departments and supervisory bodies informed.

- "Financial Risk and Wealth Management" (FRW): assisting Credembanca and the Credem Group (including Credemvita) in defining the principles of the Group's Risk Management model, overseeing its operation, compliance, evolution and data management processes as regards the financial risks of its own portfolios and of third-party portfolios in the form of units of UCITS and portfolio management.

Description of the bank's risk culture and the manner in which its circulation is guaranteed.

The Board of Directors is responsible for the internal control system, in compliance with specific supervisory regulations in force. Credito Emiliano's Board of Directors has drawn up the guidelines for internal control systems, to guarantee that the main company risks are adequately identified, managed and monitored.

The guidelines of the internal control system, represented by a set of rules, procedures and organisational structures, which seek to permit, through an adequate process of identification, measurement, management and monitoring of the main risks, business activities to be conducted in a sound and prudent manner, are drawn up by the Board of Directors, which assesses their adequacy in terms of the characteristics of the business, with the assistance of the specific Group Risk and Sustainability Board Committee and of the company's control departments.

Credito Emiliano's internal control and risk management system is structured as follows:

- line controls: carried out by the operating structures and aimed at guaranteeing the regular performance of transactions and the absence of errors that could compromise their efficiency/effectiveness or compliance with internal and external regulations. This type of control may be incorporated in IT procedures and may be divided into:
  - first-level first-instance controls: this category includes line controls carried out directly by the personnel that implement the company process (or that carry out a phase or a single activity of the process) and the automatic controls based on the IT applications used by the operating structure itself;
  - first-level second-instance controls: these are the line controls carried out as part of the supervision activities by the hierarchically superior corporate structures and/or by specialist control units;
- second-level controls: meant to ensure compliance with the operating limits placed on the various departments,

the proper implementation of the risk management process and the compliance of company operations with laws, including self-regulations. In keeping with regulatory requirements in force, the company departments responsible for these controls are separate from the production departments and contribute to the definition of risk governance policies within the risk management process;

- third-level controls: targeted at identifying the violation of procedures and regulations as well as periodically assessing the internal control system and the IT system in terms of comprehensiveness, adequacy, functionality and reliability.

The Credem Group conducts the ICAAP-ILAAP processes at least once a year. The objective of the ICAAP process entails an independent assessment by the Credem Group, at consolidated level, of its current and future capital adequacy in relation to the risks assumed and the company strategies; while the objective of the ILAAP process is an assessment of the adequacy of the liquidity risk and funding profile and of the governance system, and management and monitoring of said risk.

In accordance with the processes described above and the business objectives identified in the planning process, the Board of Directors of the Parent Company assesses all types of risk at consolidated level and approves risk-taking in a structured manner on Companies identified as relevant in terms of contribution to the Group's risk, through a detailed Risk Appetite Framework process.

The RAF process considers the possibility that the risk profile may undergo significant changes in the presence of adverse market trends and therefore Risk Tolerance thresholds are defined, which represent the maximum change that the Credem Group is willing to accept in stress scenarios.

The Risk Management Committee also reports on the second level indicators aimed at strengthening the monitoring and control activities. The calculation methodologies for each indicator are shown in the manual "Risk Indicators": the Risk Management Department is responsible for its disclosure and updating.

During the year, the Board of Directors, with the assistance of the Group Risk and Sustainability Board Committee, assessed the functioning of the internal control system, considering it to be, on the whole,

adequate, efficient and implemented effectively with regard to the characteristics of the bank and of the Group. This opinion takes into account the plan for the implementation of the improvement measures identified following audits conducted by the Control Departments.
The Head of the Audit Service, as the Head of the Internal Audit Department, has been appointed by the Board of Directors, on the proposal of the Group Risk and Sustainability Board Committee assisted by the Appointments Committee, following the approval of the Board of Statutory Auditors.
The Board, after receiving the opinion of the Group Remuneration Committee, pursuant to the Banca d'Italia provisions in this regard, approves the remuneration policy for the Heads of all control departments. Incentive policies are drawn up in line with the tasks assigned, taking care to avoid situations of conflict as regards the areas of the company they monitor.
The Credem Group has envisaged specific procedures for the coordination of the various parties involved in the internal control and risk management system. Coordination is guaranteed as follows:

- receipt of reports produced by second- and third-level functions as well as by the relative board and interfunctional committees, from the Board of Directors, Executive Committee and the Board of Statutory Auditors; note that the Board of Statutory Auditors is also informed during individual meetings of the Committees and of the Board of Directors;
- the reports produced by second-level functions are sent to the Internal Audit Department;
- internal control matters and the relative risks are analysed by the Group Risk and Sustainability Board Committee, which also records the participation of the Head of the Audit Service, including in the role of Secretary (and therefore informed of all matters discussed by the Committee), the participation of the Head of the ERISK Service, the participation of the Manager responsible for preparing the company's financial reports and of the Head of the Compliance and Anti-Money Laundering Department, the latter in meetings relevant to their areas, and the potential attendance of any additional guests, whose participation is deemed appropriate, as already indicated previously.

The monitoring of critical issues and supervisory actions occur on a quarterly basis via a single Tableau de Bord for all company's control departments submitted to the Group Risk and Sustainability Board Committee and sent to the Supervisory Authority.
With a view to maintaining a strong focus on matters regarding the control of risks relating to banking activities, for several years now the Credem Group has organised training courses at all levels of the organisation, including management bodies.

Climate and environmental risks

The Enterprise Risk Management Service (ERISK) has also been entrusted with the identification, assessment, measurement and monitoring of climate and environmental risks (C&E) and social and governance risks.

These factors, in line with the supervisory expectations, were integrated into the main pre-existing risk categories in line with what is reported in the risk map and with the actions carried out for the relevance analysis used by the Enterprise Risk Management Department, and forming the basis of the main risk management processes (RAF, ICAAP, ILAAP, RRP, etc.):

- Credit risk linked to physical and transition risks: risk that a meteorological event (acute and/or chronic), other environmental factors (e.g. water stress, pollution) or the transition to a more sustainable economy (e.g. low carbon emission economy) may have an impact on the creditworthiness of the counterparty or on the value of the guarantees in the short, medium and/or long term.
- Market risk linked to physical and transition risks: risk that a weather event (acute and/or chronic), other environmental factors (e.g. water stress, pollution) or the transition to a more sustainable economy (e.g. low carbon emission economy) may lead to an unfavourable trend in market variables and therefore a reassessment of market risk in the short, medium or long term.
- Operational risk linked to physical and transition risks: risk that environmental events, resulting from acute natural events (e.g. landslides, floods) and/or chronic events (e.g. rise in temperatures) or from the transition to a more sustainable economy, may have an impact in the short, medium and/or long term on the organisation (in terms of operating losses, for example due to sanctions).
- Liquidity risk linked to physical and transition risks: risk that a meteorological event (acute and/or chronic), other environmental factors (e.g. water stress, pollution) or the transition to a more sustainable economy (e.g. low carbon emission economy) may have an impact on stable funding sources in the short, medium and long-term (e.g. due to an unexpected redefinition of prices) and on the securities of the institution.
- Strategic and business model risk related to physical and transition risks: the risk of incurring losses due to the low reactivity to reposition the business in order to adapt to external changes (market, regulatory, etc.) directed towards a more sustainable (e.g. low carbon emissions) and to cope with/mitigate the impacts of a possible occurrence of weather events (acute and/or chronic) and other environmental factors (e.g. water stress, pollution).
- Reputational risk linked to physical and transition risks: current or prospective risk of suffering losses attributable to business conduct and behaviour with respect to which the public, counterparties of the entity and/or investors associate the Group with adverse climatic and environmental effects.
- ESG risks: risks of a negative financial impact deriving from the current or future effects on the counterparties or on invested assets or on operational and reputational risks influenced by the following factors:
  - Environmental: related to the possible impacts of processes, products and services on natural resources, air, water, soil, biodiversity and human health. Biodiversity risk represents the financial risk that can arise from damage to natural ecosystems, which can adversely affect the stability and profitability of credit exposures or investments.
  - Social: linked to safety, conditions and health at work, workers' rights, human rights, participation and gender equity, etc.
  - Governance: related to anti-corruption, anti-money laundering, presence of initiatives and rules aimed at guaranteeing business ethics, solid and transparent governance, risk management and cybersecurity.

ERISK also coordinates the measurement and monitoring activities relating to C&E risk factors on the main risks, adopting methodologies in line with the practices recommended by the Regulator and with the best practices observed on the market.
It also supports assessments relating to the decarbonisation strategy (through the use of climate scenarios) and contributes to the main disclosure frameworks, including those related to Sustainability/ESG issues.
The Risk Officer is also responsible for overseeing regulatory compliance with respect to Supervisory expectations on Climate and Environmental risks.

The ERISK Department has integrated ESG risks into its overall risk management framework, in order to monitor and mitigate them and communicate them in a transparent manner in line with its

strategies, policies and risk management limits. In particular, it carried out a series of activities:
With regard to the materiality analysis, the materiality of the ESG factors was assessed for all risk categories, over different time horizons:

- short term: up to 3 years, consistent with the rationale developed for the RAF, ICAAP and ILAAP;
- medium term: 3 to 10 years, a horizon set to establish a point of observation at the year 2030, considered an important turning point of the climate transition (EU target of 55% net GHG reduction by 2030);
- long term: beyond ten years up to the year 2050, consistent with the global decarbonisation targets of the Paris Agreements and the Net Zero scenario to 2050.

In order to fully grasp the impact of climate and environmental risks on the main existing risk categories, the integration of the latter through quantitative or qualitative approaches was assessed:

- credit risk analyses were supplemented by investigating:
  - the impact, in terms of exposure concentration, of physical (both acute and chronic) and transitional factors in the short, medium and long term on both the counterparties and the real estate securing the credit or leasing exposures;
  - the materiality of environmental (risk factors: biodiversity, waste, water stress and soil degradation), social and governance risks. Environmental risks were analysed on both the counterparty and real estate perimeter, and in particular, an internal methodology for the biodiversity footprint and an initial quali-quantitative estimate of the cost of damage related to the group's exposure concentration to counterparties with higher biodiversity risk driver scores were developed; In addition, an analysis was conducted on the concentration risk of the counterparty perimeter and high physical risk properties clustered by geographical area and of the counterparty perimeter and high transition risk properties clustered by sector.
- with regard to market risk, a sector heatmap was built up to assess the impact of Environmental (both physical and transition), Social and Governance risks on the Banking Group's investment portfolio (banking and trading book). In addition, for the climate risk part, the Multi-horizon Climate Value at Risk (CVaR) metric at issuer level was used to perform the short-, medium- and long-term analysis based on scenarios supplied by NGFS;
- in order to assess the materiality of Climate & Environmental risks on liquidity risk, an analysis was conducted to assess both the impact of physical risk on retail deposits in the short, medium and long term and the impact of environmental risk on the securities portfolio along the same lines as what was done for market risk;
- to account for operational risk, evidence from the RSA and LDC processes on physical and transition climate risk and social and governance risks were analysed. A quantification of the impact of physical risk threats on the Group-owned real estate and the physical locations of the outsourcers (FEI and FEI ICT) was also carried out to assess the exposure of the market value of the Group's real estate assets and the contract value of the outsourcing to physical risk threats and biodiversity risk. With regard to transition risk, two main transmission channels were identified (regulatory non-compliance and greenwashing risk) and a qualitative approach was also adopted based on the operations performed by group companies;
- where reputational risk is concerned, the events included in the quantitative approach used by the Group to estimate the Reputational Loss were encompassed within the Environmental, Social and Governance categories (consistent with the standard CSRD topics), thus identifying a few potential scenarios. Additionally, in order to assess the materiality of the reputational risk resulting from C&E factors, a qualitative approach was also considered, identifying which Group companies are potentially exposed to a reputational risk linked to C&E components, based on their type of operations (products, services and customers);
- in order to verify the impact of climate and environmental risks on strategic risk, an analysis was carried out based on two components:
  - profitability (in terms of fees and interest) linked to counterparties with high transition or physical risk (business component)
  - achievement of strategic ESG objectives (strategic component).

Also in the strategic area, an analysis was carried out on the emission intensity of the sectors aimed at defining the CRD-based plans.

The ERISK Department conducted quarterly monitoring of the indicators relating to climate and environmental (transition and physical) risks on credit and market risk, as part of its Risk Appetite Framework (first-level and second-level indicators). For Level I indicators, it has defined, as part of the Recovery Planning Regulation and Risk Appetite Framework, the escalation procedures in the

event the Early Warning, Risk Appetite and Risk Tolerance thresholds are exceeded.

With regard to the stress test framework, the ERISK Department has:

- integrated the Recovery Plan with climate-related risk factors in both the systemic and combined scenarios;
- included the impact of climate risk in the adverse scenario of the RAF in order to assess the impact of transition risk on PD, using the NGFS scenarios, the impact of both physical risk and transition risk on the portfolio of collateral properties and the impact of both physical and transition risk on the Group's securities portfolio through the CVar metric and the Unexpected Loss relating to reputational risks, derived from the estimation of reputational loss in terms of a reduction in profitability (profit) and, consequently, in own funds. This estimate takes ESG issues into account;
- integrated the C&E factors into the ICAAP 2026 to assess:
  - in the base scenario: on the credit risk side, a climate risk impact, in terms of additional adjustments to performing loans (increase in ECL), based on preliminary quantitative estimates and on the operational risk side, the expected loss from the RSA process relating to ESG issues has been included as the budget for extraordinary charges;
  - in the adverse scenario: on the credit risk side, the impact (in terms of an increase in ECL) of physical and transition risks on both PD and LGD, using the NGFS scenarios; for market risk, by adopting the Climate Value at Risk (CVaR), the potential loss linked to both physical and transition risks that could occur in the investment portfolio (in terms of an increase in provisions for HTCS securities portfolio) under various climate scenarios (provided by the NGFS) was estimated; for reputational risk, the unexpected loss relating to the ESG areas included in the reputational risk questionnaire was considered in terms of a reduction in profit; and for operational risk, the effect of a physical risk event in Reggio Emilia (where the bank has the highest concentration of its operations) was considered. With regard to liquidity risk, additional stress factors (e.g. an increase in retail runoff following physical risk events) were added to also capture the impacts of climate and environmental risks on short-term liquidity indicators.
  - A scenario analysis of environmental risks was also carried out to estimate the actual regional damage caused by the loss of biodiversity and ecosystem services, based on the geographical distribution of the company's counterparties and real estate collateral, by measuring the Mean Species Abundance (MSA) indicator. The model uses Shared Socioeconomic Pathways (SSP) scenarios to analyse the impacts of human activities on biodiversity.

With regard to the operational and reputational risk processes, the ERISK Department has updated the related frameworks (for example, LDC, RSA, RepRisk Questionnaire) in order to also incorporate the C&E risk factors (for example, the RSA risk catalogue was integrated with ESG questions, classification guidelines were defined for operating loss events related to ESG factors that will allow them to be recognised and questions relating to ESG issues were added to the reputational risk questionnaire), thus making it possible to take into account these factors and their potential impact as part of the phases of monitoring, control and mitigation of the overall operational and reputational risk management process.
In order to quantify the potential financial impact of physical and transition risks on the proprietary portfolio (Banking Book and Trading Book), the Climate VaR metric has been introduced.
The opinions relating to the Most Significant Transactions on green/sustainable credit products and on dedicated commercial offers, which the Bank developed, were supplemented by the ERISK Department, highlighting how the characteristics of these products are suitable for mitigating ESG risk factors. With regard to the outsourcing management process, the Group has introduced ESG risk assessment to the onboarding phase of a supplier and to the supplier-supply risk assessment phase.

Section 1 - Accounting consolidation risk

Quantitative information

Credit Quality

A.1.1 Breakdown of financial assets by portfolio and credit quality (book values)

Portfolios/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	39,705	190,451	22,136	284,412	47,148,500	47,685,204
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	10,337,544	10,337,544
3. Financial assets designated at fair value	-	-	-	-	-	-
4. Other financial assets measured at fair value, as per mandatory requirements	-	-	-	-	726,569	726,569
5. Financial assets held for sale	-	-	-	-	-	-
Total 30/06/2026	**39,705**	**190,451**	**22,136**	**284,412**	**58,212,613**	**58,749,317**
Total 31/12/2025	**37,373**	**186,287**	**27,347**	**282,572**	**57,523,982**	**58,057,561**

A.1.2 Breakdown of financial assets by portfolio and credit quality (gross and net values)

Portfolios/quality	Non-performing				Performing			Total (net exposure)
	Gross exposure	Overall value adjustments	Net exposure	Total partial write-offs*	Gross exposure	Overall value adjustments	Net exposure	
1. Financial assets measured at amortised cost	579,212	326,920	252,292	23,987	47,525,735	92,823	47,432,912	47,685,204
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	10,341,078	3,534	10,337,544	10,337,544
3. Financial assets designated at fair value	-	-	-	-	X	X	-	-
4. Other financial assets measured at fair value, as per mandatory requirements	-	-	-	-	X	X	726,569	726,569
5. Financial assets held for sale	-	-	-	-	-	-	-	-
Total 30/06/2026	**579,212**	**326,920**	**252,292**	**23,987**	**57,866,813**	**96,357**	**58,497,025**	**58,749,317**
Total 31/12/2025	**614,722**	**363,717**	**251,005**	**20,659**	**57,210,451**	**95,870**	**57,806,555**	**58,057,560**

B. Disclosure of structured entities (other than securitisation companies)

A structured entity is an entity structured in such a way that the voting rights or similar rights are not considered relevant to establish control, as in the case in which voting rights only refer to administrative activities and the relevant activities are conducted by means of contractual arrangements.
For special purpose vehicles and investment funds, control is considered to exist when the Group has contractual rights to manage the entity's significant activities and is exposed to the entity's variable returns.

B.1 Consolidated structured entities

The Group has no consolidated structured entities.

B.2 Structured entities not consolidated in the accounts

The Group has no non-consolidated structured entities.

Section 2 - Prudential consolidation risks

This section provides information on the companies included in prudential consolidation (companies belonging to the Banking Group).

1.1 Credit risk

Qualitative information

According to the provisions of accounting standard IFRS 9, expected credit losses must be estimated by evaluating a range of possible scenarios adequately weighted so as to reflect a target amount with relation to the different levels of probability of the scenarios occurring.
To this end, the impairment model considers three future macroeconomic scenarios: a central scenario consistent with planning processes, ICAAP and RAF and two further consequential scenarios, to represent a range of variability between the hypothetical plausible scenarios:

- "Good scenario" - scenario with low likelihood that better scenarios will emerge;
- "Baseline Scenario" - central scenario in line with planning processes, ICAAP and RAF;
- "Bad scenario" - scenario with low likelihood that worse scenarios will emerge.

These scenarios are selected from those provided periodically by an external provider and are approved by the Board of Directors. Each scenario is accompanied by the relative probability of occurrence and provides future forecasts for the main macroeconomic indicators over a three-year horizon, with observations made at quarterly intervals.
The table below shows the macroeconomic scenarios provided for the standard calculation of weighted expected losses, including the weighting defined consistent with the relative probability of occurrence:

IFRS 9 scenario	Description of the scenario	Standard policy weight
"Good"	*Stronger Near-Term Recovery Scenario ("S1")*: a scenario with a probability of 10% that a better scenario will occur and a 90% probability that a worse one will	10%
"Baseline"	*Baseline scenario*: a scenario with a probability of 50% that a better scenario will occur and 50% that a worse one will	80%
"Bad"	*Deep Recession Scenario ("S3")*: a scenario with a probability of 90% that a better scenario will occur and 10% that a worse one will	10%

For the purpose of defining the macro-economic scenarios, GDP is the anchor point variable whose performance is considered as a representative indicator of the overall economic framework. Based on the trend of GDP, the trend of the other important macroeconomic variables is defined. A probability of occurrence is associated to each macro-economic scenario, under standard conditions, based on their reference percentile in the distribution of changes of GDP on the scenarios generated.

The effect of the Scenarios is then translated into the Impairment model using specific Satellite models that identify the most significant variables for expressing the correlation between the economic cycle and internal data, also taking into account effects in terms of time lag (adoption of variables delayed with respect to actual values – assessing various time lags – in order to correctly capture the dynamics of economic processes usually characterised by strong inertia and delayed adjustment patterns over time).
The latter are used to calculate the forward-looking components for all parameters that contribute to the calculation of ECL: PD, LGD and EAD/PrePayment.

Furthermore, to reflect future implications related to the climate situation, three climate scenarios, selected from those provided by the Network for Greening the Financial System (NGFS), are considered in order to assess different decarbonization trajectories and evaluate their effects on the Group's credit risk. In particular, the effects of an orderly transition ("Net Zero" scenario), a disorderly transition ("Delayed Transition" scenario) and a scenario reflecting current policies ("NDC") are considered, thus providing a comprehensive picture of possible future paths and related risks.
For further details on the scenarios and related weightings actually applied as at 30 June 2026, please refer to the sections below entitled "Methods used to measure expected losses" and "Measurement of expected losses – Description of the scenario".
With regard to Stage 3 exposures (Credit-Impaired), the determination of the lifetime ECL reflects an analytical valuation process aimed at incorporating the best estimate of recoverable cash flows, weighted according to multiple realisation scenarios. Specifically, the valuation of impaired loans includes forward-looking components: the estimate of cash flows takes into account the evolution of the macroeconomic context and specific sector drivers that influence both the recovery times and the realisable value of the guarantees (collateral). These estimates include updated projections on enforcement times and on the costs of managing judicial or out-of-court proceedings.

Taking into consideration the above and in line with the guidelines and objectives related to the NPL portfolio, the write-downs on impaired loans are applied through the following methodologies:
- Specific write-downs on individual exposures - in relation to the adjustments applied to said exposures, during the current period, the expected losses on non-performing loans are determined analytically based on the recovery forecasts made by the manager or resulting from the application of the internal regulation "Group's Loan Write-Down Regulation", discounted as a function of the original effective interest rates and of the relative envisaged recovery time. Considering that the recovery forecasts use the specific situation of the borrower as reference, the use of sensitivity analyses for the expected losses for these exposures is not considered consistent. Nonetheless, the persistence of geopolitical tensions in the Eastern Europe and Middle East areas, together with the fragmentation of global markets, fuels a framework of macroeconomic uncertainty. These factors could adversely impact debtors' creditworthiness, with particular reference to the energy-intensive, logistics and export-oriented manufacturing sectors. The instability of these segments and of the related supply chains could generate potentially higher value adjustments than the estimates made in June 2026. Starting from 2023, the minimum ageing write-down criterion introduced for the bad loan and UTP categories has become increasingly important.
- It should be noted that with regard to loans classified as bad loans and unlikely to pay with exposure less than or equal to € 25,000, a minimum lump-sum write-down percentage of 95% (bad loans) and 70% (unlikely to pay), respectively, is applied.
- Write-downs determined according to a specific model, which may be applied to a portfolio of bad loan exposures valued on a disposal basis (hereinafter referred to as the "Stage 3 Sub-Model Portfolio" or "Portfolio").

As at 30 June 2026, there are no positions classified in the Stage 3 Sub-Model Portfolio.

1. General aspects

The Credem Group confirms credit quality as a pillar of its capital stability and strategic driver for the creation of value. Lending activity is based on the following guiding principles:

- Commercial identity: consistency with the domestic commercial banking model, assessing the customer's activity in close relation to its size and the territorial coverage of the Credem network.
- Technical Risk analysis: adoption of objective criteria to align the credit with the real financial needs and repayment capacity (historical and prospective) of the customer, minimising the use of subsequent refinancing.
- Data Governance and Rating: centrality of information quality for a rigorous assessment of the risk profile, summarised in the internal rating models.
- Diversification and selectivity: risk splitting through a diversified portfolio, guided by a selective approach consistent with capital targets and the risk/return combination.
- Unitary Group vision: consolidated assessment of counterparties to ensure an integrated risk perspective over the entire Group.
- Formal and Specialised oversight: utmost care of pre-disbursement procedural regularity, supported by dedicated internal technical departments.
- Proactive monitoring: dynamic management of relationships and centralised controls to promptly identify signs of deterioration and implement effective recovery strategies.
- Management of non-performing loans: strict classification and provisioning policies, with a preference for settlement and out-of-court solutions aimed at streamlining recovery costs.
- Integration of ESG factors: systematic focus on climate and environmental risks, assessing their impact on the sustainability of debtors and on the value of collateral.
- Exclusion of controversial sectors: abstention from financing unethical activities defined by the Board of Directors, with particular regard to the production of unconventional weapons and speculation on food commodities.

1.1 Impacts deriving from the climate risk in relation to credit risk

With regard to climate risks, as part of the process of progressive alignment with the expectations of the European Central Bank (ECB) on the inclusion of ESG issues in the Risk Management Framework, the Group has completed a specific project: this initiative has led to the introduction of the main climate and environmental risk factors into the IFRS 9 accounting models.
In particular, methodologies have been defined to manage the following climate risk factors:

- "Physical Risk" on the real estate mortgage and lease portfolio: expressed by reducing the value of real estate collateral, in order to represent the hypothetical damage caused by climate events (floods and landslides), in relation to the riskiness of the territory where the property is located. This effect is represented by an estimated "haircut" that reduces the value of the mortgage collateral supporting the loan and results in an increase in the expected losses associated with it.
- "Transition Risk" on the corporate portfolio: aimed at representing the lower profitability that companies could incur as part of the process of adjusting their operations to a more sustainable economy, with the consequent deterioration of their creditworthiness. This effect is managed by estimating the increase in the probability of default for companies, in relation to the sector in which they operate (considering that the most carbon-intensive activities will bear the brunt of the costs associated with the transition process). In addition, by affecting creditworthiness, this risk component may affect the need to classify companies most exposed to the effects of the transition process in Stage 2. To detect this correlation, the SICR measurement approach was refined with the introduction of a specific variant for companies considered to be at high risk of transition (i.e., those focused on carbon-intensive activities and the main target of decarbonisation strategies).

Both components described above involve an increase in value adjustments calculated in accordance with IFRS 9 and are quantified considering different climate scenarios (differentiated by timing and intensity of climate policies implemented in the European context) to supplement the macroeconomic scenarios already used as a reference in the Group's IFRS 9 Framework.

It should be noted that, as part of the ICAAP/RAF processes, the following climate risk factors were also assessed in terms of relevance (materiality analysis):

- "Transition risk" on the mortgage portfolio: expressed through a reduction in the value of real estate collateral for properties that do not meet the energy efficiency standards required by the transition policies.

- "Physical risk" on the corporate portfolio: aimed at representing the potential damage to buildings and/or the production-distribution chain connected to climate events (floods/landslides). These risk drivers are not considered relevant for inclusion in the IFRS 9 Framework, following the results of the materiality analyses conducted, which highlighted their limited and therefore negligible effects on expected losses.

At the end of the project activities, the IFRS 9 Framework integrated with the management of the aforementioned climate components came into effect on 30 June 2025. At the same time as climate effects are integrated into the accounting models, the additional hedge applied from June 2024 as an advance on these effects has been removed.
For more details on the related impacts, please see the Explanatory notes to the financial statements - Part A - Section 5.

2. Credit risk management policies

2.1 Organisational aspects

At present, the Credit Service of Credito Emiliano is organised into three areas of responsibility:
Credit Strategy and Monitoring, which establishes the objectives and the guidelines for credit development as a business line in accordance with objectives and the Group's RAF, performs controls on the credit supply chain, draws up internal regulations and defines the main tools, processes and models supporting the entire credit process (without prejudice to the assignments of responsibility to the ERISK department in relation to models falling within the IRB scope);
Credit Management, which through decision-making activities and technical advice to commercial offices and to companies within the consolidation scope ensures that the risk profile of loans over time is consistent with the defined strategy objectives while overseeing the correct repayment of non-performing positions;
Non-Performing Credit, which handles the management and recovery of non-performing loans.
Credit Strategy guidelines are approved by the specific Group Credit Strategy Committee and resolved upon by the Board of Directors. With regard to the NPL scope, the Group's Non-Performing Credit Committee defines specific strategic and monitoring actions, including with regard to the performance of the relevant SREP indicators.
Credit risk management also involves, with regard to their respective areas of competence, the processes of responsibility of the Group ERISK Service:
The Risk Appetite Framework: in which tolerances and appetites are defined for the indicators relating to credit risk both in terms of performing loans and non-performing loans;
Management of the internal rating system, for the responsibility of the Corporate and Retail rating system, for the assignment of the rating to the individual counterparties, for the calibration of the metrics and for the relative validation.
The provisions introduced by reference regulations for adopting internal models and subsequent amendments were therefore systematically acknowledged by Credito Emiliano S.p.A. as an opportunity to improve risk management and increase the value generated for shareholders, thanks to its historical asset credit quality as well as the widespread and consolidated use of rating instruments in the assessment, disbursement, monitoring and pricing of loans.

2.2 Management, measurement and control systems

Credit assessment and disbursement activities are differentiated on the base of the type of customer. More specifically, for the corporate segment, an "expert" system is in place to guide formulation of the loan proposal and forms the basis of the rating system. This method is based on an analysis of the economic-equity items of the financial statements supported by an evaluation of cash flows and data from the Automated Interbank Risk Service, as well as qualitative assessments of competitive positioning, business risks and belonging to the Group.
For the Small Business segment, as part of the same general assessment method, differentiations were applied in order to give greater weight to information in terms of performance and data from the Automated Interbank Risk Service, which provide an important contribution to the predictive capacity of default.
A rating system has been developed for the small business and private consumer segment, specifically adjusted for this type of customers to support the approval process of transactions.

Moreover, for all Bank customers, an internal Loss Given Default (LGD) model is in place, which assesses the potential loss given the counterparty's default, taking into consideration the counterparty type, amount of exposure, technical form and any guarantee backing the position.
All systems are directly integrated into the loan proposal; the Electronic Credit Procedure is operational for all private managers and companies. The platform ensures high data quality and efficiency in the credit approval and rating processes.
A fundamental credit governance pillar is also represented by the assignment "ad personam" of delegated powers, after assessing fundamental elements of the decision-maker, such as expertise, results achieved in credit management and disbursement and training undertaken.
Delegated powers are based, for Credembanca only at present, on the "Weighted Agreement" indicator, which by allocating weights to the individual components of the position assigned, identifies the level of risk in accordance with policies and historical default data.
In recent years, investments in technology and the integration of Advanced Analytics have strengthened the automatic controls to support origination and monitoring processes, also benefiting from the evolution of Open Banking. In this context, the Performance Monitoring Indicator, as an Early Warning model, plays a central role in proactively identifying signs of anomaly before their full-blown materialisation. This indicator also contributes to the determination of the Maximum Credit than can be Granted, a parameter that defines the maximum credit facility amount that can be automatically attributed to each counterparty, while guaranteeing operating speed and valuation rigour.

The effectiveness of these tools translates into greater industrialisation of the credit granting process, making it easier to implement automatic campaigns. The ability of these indicators to consider, in different historical phases, the surrounding economic context, as highlighted during periods of crisis and challenging geopolitical contexts (for example, wars), should be highlighted. These assessments of payment credit capacity make it possible to contextualise and grade commercial actions in a dynamic way.
Furthermore, the adoption of Early Warning methods is gradually making it possible to move beyond the traditional concept of periodic review deadlines, moving towards event-based creditworthiness review approaches, i.e. in response to specific reasons for expected credit risk that emerge during the course of activities.
To support the monitoring of credit risk, the consolidated early warning system is supplemented by enhanced monitoring of the entire portfolio, aimed at identifying the vulnerability of counterparties with respect to changes in the macroeconomic and geopolitical context. This analysis identifies the segments potentially exposed to shocks deriving from the fragmentation of supply chains and the volatility of production costs.
This year, for example, the monitoring focused on the counterparties operating in the export-oriented manufacturing sectors and in the energy-intensive sectors still in the transition phase, such as metallurgy and ceramics, in addition to the automotive sector, the latter heavily impacted by the technological transformation and the redefinition of international trade routes. In addition, within the Group's Credit Strategy Committee the "sector thermogram" is presented on a quarterly basis. During 2026, the "thermogram" focused exclusively on the impact of geopolitical risk, with coverage extending to 21 sectors and almost entirely encompassing manufacturing and retail.

The Group has fully integrated the EBA guidelines on Loan Origination and Monitoring (LOM) into its operating framework, consolidating compliance with governance, credit strategy and IT architecture requirements. The function of defining and controlling the risk limits is overseen by the specific Group Credit Committee, in charge of establishing the Maximum Exposure Threshold (SME). This threshold represents the maximum cap of credit risk that the Group is willing to assume with respect to a single counterparty or groups of connected customers. Specific regulations are also envisaged in the area of securities.

The determination of the SME takes as a reference, first and foremost, the Group Eligible Capital and the Prudential Supervisory thresholds. The determination of the SME mainly follows the methodology based on the credit limits of the Group Credit Regulation related to the rating, an approach considered more prudent and consistent with the size of the Group with respect to the Supervisory limits. In this context, the Committee monitors and reports on positions exceeding the set thresholds, without prejudice to the fact that exceeding the Maximum Exposure Threshold is qualified as a Transaction of Major Significance pursuant to Banca d'Italia Circular 285, activating

the information flows and enhanced decision-making processes envisaged by the internal control system.

Credem Group has determined that the identification of the governance bodies is a prerequisite for risk management from a consolidated perspective:
- Parent Company BoD: responsible for defining the general risk management and risk appetite guidelines, approving internal regulations that also govern the structures of specific limits;
- BoDs of the individual companies adopt the objectives established by the Parent Company BoD in relation to the company mission and risk profile;
- Executive Committee (hereinafter EC): management body of the Parent Company.

In addition, specialist functions have been set up within the Parent Company, and in particular:
- Group Risk and Sustainability Board Committee (hereinafter also Risk Committee);
- Risk Management Committee;
- Risk Management Department, which is part of the Enterprise Risk Management Service (ERISK).

The Risk Management Department is composed not only of the Team Leader of the Risk Management Department (Risk Officer), identified as the head of the ERISK Service, but also:
- Credit Risk Models Team;
- Rating and Credit Controls Team;
- Validation Team;
- Governance, RAF, ESG and Operations Team;
- Financial Risks and Wealth Team;
- Information Security & IT Risk Governance.

At portfolio level, periodic analyses and monitoring are carried out by the Risk Management Department.
The Risk Committee plays a supporting role – which entails consultation, examination and the formulation of proposals and opinions – with a view to assisting the Board of Directors in its assessments and decisions relating to risk management and in general to the internal control system, to guarantee the adequacy of the same in terms of the characteristics of the business with relation to the development of the organisation and its operations, as well as of the relevant legislative scenario.
In particular, the Risk Management Department allows the Board of Directors, assisted by the Risk Committee and the Board of Directors of the Companies (for the part within their competence), to carry out an appropriate assessment for deciding:
- the Risk Appetite Framework (with a special reference to the assessment of the risk objectives and tolerance thresholds) ensuring that the implementation is consistent with the risk objectives and the tolerance thresholds approved;
- the quarterly performance of the risk profile assumed as a whole in relation to the Risk Appetite objectives and to the tolerance thresholds in respect of all the indicators in the Group's RAF;
- the Recovery Plan;
- the criteria for identifying the Most Significant Transactions (MST) and approving the related annual reporting;
- the risk measurement and control methods used also for the purposes of calculating internal capital and the scope of major risks, as part of the RAF, ICAAP and ILAAP processes.

On 2 October 2015, Banca d'Italia authorised the Credem Group to use the IRB Advanced method (PD, LGD and EAD parameters) from 30 September 2015 to quantify the capital requirement against customer credit risk classified under the Corporate and Retail regulatory function of Credito Emiliano and Credemleasing. As regards internal models, the Risk Management Department allows the Board of Directors, assisted by the Risk Committee and the Board of Directors of the Company (within its scope), to carry out an appropriate assessment for deciding:
- the compliance of the internal models with the instructions envisaged by the prudential regulations subject to the opinion of the Board of Statutory Auditors;
- the risk parameters related to the internal models used subject to the opinion of the validation function.

In addition, the Validation team:
- validates the internal models as required by the "Internal Rating Management System" Regulations and the Group Risk Management Regulations;
- checks the monitoring of the loan performance.

2.3 Methods used to measure expected losses

As already illustrated in part A, the IFRS 9 provides criteria for measuring expected losses that are broken down into three increasing levels of credit deterioration. Financial instruments are grouped into three stages (categories or buckets), based on credit risk and the increase in credit risk between initial recognition and the reporting date of the financial statements.
In detail:

- Stage 1: performing financial instruments that did not undergo a significant increase in their risk level following initial recognition, or that had a low level of risk at the measurement date (low credit risk scope). In this case, a value adjustment is defined equal to the expected loss within the next 12 months of the residual life of the instrument.
- Stage 2: performing financial instruments that did not undergo a significant increase in their risk level following initial recognition and which do not have a low level of risk at the measurement date. In this case, an adjustment is defined equal to the expected loss over the entire residual life of the instrument (lifetime expected losses).
- Stage 3: impaired financial instruments, which show objective evidence of impairment. The value adjustment is analytically defined and covers the expected loss over the entire residual life of the loan (lifetime expected losses).
- In general, the allocation rules for the three stages defined by the Credem Group are based on the main elements provided by the internal rating system as well as on the main credit deterioration indicators monitored by the Credem Group for the management of risk.

The Group identifies the presence of a significant increase in credit risk (SICR) as a deterioration of at least 2 classes in the counterparty's rating from the time of initial recognition. If the counterparty is a company operating in carbon-intensive sectors, in order to factor the prospective effects of climate risks into the measurement of SICR, the SICR detection threshold is changed to a deterioration of at least one rating class. At the same time, rating classes that are comparable to the "investment-grade" category are considered low-risk profiles; exposures that at the measurement date fall into these categories are classified by the relevant internal application in Stage 1, without the need to check for any deterioration in creditworthiness following initial recognition (low credit risk exemption).
In addition, the inclusion of the relationship in the list of customers under observation because they are assessed as at greatest risk of deterioration (Watchlist), the presence of forbearance measures or continuous past due of more than 30 days is considered an objective sign of a deterioration in creditworthiness; therefore, financial instruments displaying such signs are classified directly in Stage 2 without assessing the simultaneous presence or absence of a significant increase in credit risk or adherence to a low-risk profile.
To identify non-performing loans, and their allocation in the Stage 3 risk bucket, the Credem Group refers to the internal definition of non-performing loans governed by the "Group Credit Policy" regulation. This regulation specifies that the categories of non-performing loans are considered "default" in compliance with the relevant supervisory provisions of Banca d'Italia (Circular no. 272 of 30 July 2008 "Accounts Matrix", Sec. B Chapter II, "Credit Quality", 16th update of 2 November 2022) listing the criteria and characteristics required for each category. The default definition includes the following categories, which represent default states of increasing severity:

- past-due and/or overdue non-performing exposures (PS);
- unlikely to pay (IP);
- bad loans (Z).

For the financial instruments allocated in Stage 3, value adjustments are defined on an "expert" basis, excluding non-performing past due positions and positions classified as bad loans and UTP with a value of less than € 25 thousand in relation to evidence of management and recovery of non-performing loans: for each problem/non-performing loan, a percentage of coverage is identified that is suitable to represent the expected losses over the residual life of the loan, in relation to the analysis of significant characteristics such as: type of credit product, amount of credit exposure, aging of the non-performing state, presence/absence of supporting guarantees (type of guarantee and level of "loan to value" coverage).
In particular, the Group believes that a prolonged period of non-performing loan (NPL) status increases the expected loss and may affect the value of the guarantees. The date of entry into continuous default is therefore identified as a key indicator of credit deterioration.
In the case of financial instruments allocated in Stages 1 and 2, the expected losses are calculated by categories of loans that are homogeneous in terms of credit risk. In particular, with each asset containing similar characteristics in terms of credit risk, the following are associated:

- a Probability of Default (PD);
- a Loss Given Default (LGD) that is also commensurate with the type of financing, i.e. the technical form, guarantee type or other relevant factors;
- an Exposure at Default (EAD);
- an estimated due date in the case of exposure without a contractual due date (Maturity).

In general, the risk parameters adopted by the Group to determine value adjustments are based on the same assumptions and estimation techniques as those used for internal models, in the most recent version shared (or otherwise being shared) with the supervisory authority, for quantifying the capital requirement for credit risk using the IRB Advanced method (PD, LGD and EAD parameters). Unlike the latter, which are defined using a through-the-cycle approach and include adverse macroeconomic conditions (downturn recession period), the parameters adopted to determine value adjustments in accordance with IFRS 9 are based on a precise ("point in time") and forward-looking approach so as to be able to represent the current and expected macroeconomic situation in the short to medium term, as well as climate effects. Therefore, they are estimated by taking historic data into consideration, where trends and correlations with credit risk have been identified, both forecast indicators of expected events as well as forecasts on the macroeconomic cycle and climate change.

Hence, value adjustments are calculated by assessing a range of possible results so as to reflect a target amount weighted in relation to their respective probabilities of occurrence. In particular, to reflect the implications of the climate situation and assess different decarbonisation trajectories, three scenarios are considered from among those provided by the NGFS: a "Hot House World" scenario (without effective climate policies), an orderly transition scenario and a disorderly transition scenario. The analysis of the effects on each scenario allows for the calibration of a synthetic climate effect, which is used to adjust the risk parameters adopted for calculating expected losses in each macroeconomic scenario to climate change. In relation to financial and macro-economic forecasts, the Group considers three scenarios of increasing severity, and projects the trend on risk parameters adopted to measure expected losses, so that they reflect the macroeconomic conditions expected from these scenarios. The techniques used to condition the macroeconomic cycle are consistent with the Group's approach to carry out stress testing exercises requested by European supervisory bodies:

- methods of conditioning the probability of default (PD) cycle, which combine assumptions of changes in the counterparty's creditworthiness (i.e. changes in the valuation of future ratings associated with the counterparty) with assumptions of changes in the probability of default associated with each risk profile (adoption of internal "satellite models", which express the relationship between the probability of default and the main macroeconomic factors);
- methods of conditioning the default exposure cycle (EAD) for instalment credit lines, which combine the type of product and counterparty and the assumptions of occurrence of PrePayment events, with consequent influence on risk exposure in the event of default;
- methods of conditioning the cycle of loss given default (LGD), which combine assumptions of changes in the level of credit deterioration (i.e., transfers between different default states) and assumptions of changes in the level of coverage of guarantees supporting the loan, thereby affecting the ability to collect and the amount of loss recognised in the event of default.

During 2025, the accounting models structure:

- was developed, starting in June 2025, to include the effects of the main climate components in the calculation of IFRS 9 value adjustments.
- was updated, starting in December 2025, with a view to incorporating the latest changes to the IRB system and the most recent time series both in terms of metrics and macroeconomic scenarios, in particular:

• the projections of the satellite models that determine the forward-looking component of the PD, LGD and EAD metrics have been updated, taking as a reference the macroeconomic scenario of June 2025;
• the time series underlying the models with a 2011-2024 time horizon were updated for all metrics;
• the methodological changes made to the IRB models in the most recent version being shared with the Supervisory Authority at the reference date of December 2025 were incorporated.
• PD and LGD parameters for Sovereign and Financial/Non-Financial Institution portfolios were updated.

In addition to the evolution of the risk models used to quantify the expected loss (as previously described), the economic effects were anticipated, through specific provisioning add-ons equal to

€ 20.8 million deriving from some methodological updates planned for the two-year period 2026/2027. Among these, the main update concerns the evolution of staging criteria. Furthermore, in view of the unfavourable developments in the macroeconomic and geopolitical environment between February and April 2026 (characterised by ongoing tensions in the Middle East and the closure of the Strait of Hormuz) a specific additional provision of € 1 million was introduced from March 2026.

In general, the detailed criteria applied to determine the value adjustments for each stage, as well as the management approach of the climate components, are governed by the internal policies "Loan Write-Down Policy" and "Guidelines and criteria for the write-down of securities" in the latest update issued in 2025, which was also submitted for approval by the Board of Directors.

Assessment of the significant increase in credit risk (SICR)

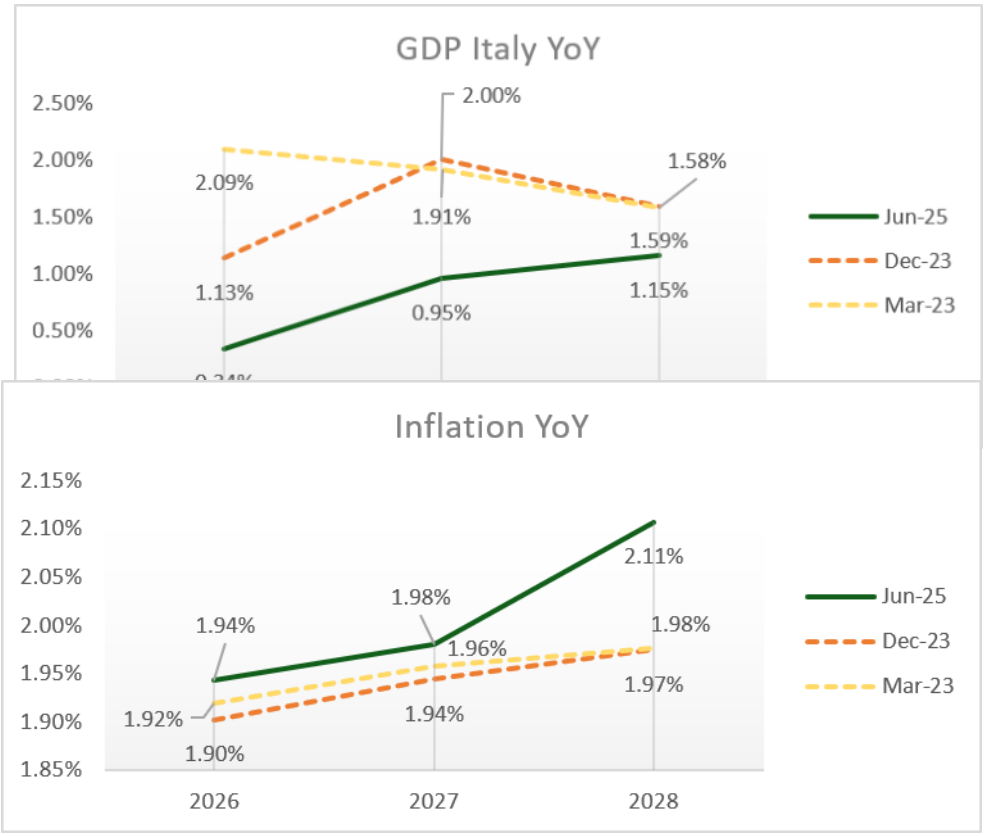
The approach adopted is based on an analytical classification principle, i.e. based on the analysis of individual positions. The staging drivers used are:

- assessment of Significant Increase in Credit Risk (i.e. SICR) by measuring the change in the rating at the reference date compared to the date of origination of the position: if a worsening delta equal to or greater than 2 notches on the rating masterscale is detected, the position is automatically classified as Stage 2. If the counterparty is a company operating in carbon-intensive sectors, notwithstanding the above, the SICR detection threshold is changed to a deterioration of at least 1 rating class. If the rating at the reference date is included in one of the first 3 classes, the position is automatically maintained in Stage 1 by virtue of the Low Credit Risk Exemption. Otherwise, the position is classified as Stage 1. This criterion is relative, requiring comparison with the credit situation at the time the loan was granted;
- backstop criterion on days past due: if 30 or more days of continuous past due are verified, the position is automatically classified as Stage 2;
- backstop criterion on forbearance measures: in the case of a forborne performing classification, the position is automatically classified as Stage 2 (for more information please refer to paragraph "4. Financial assets subject to commercial renegotiations and forbearance exposures");
- backstop criterion on accounts classified in the Watchlist: in the event of inclusion of the relationship in the list of customers under observation because they are assessed as at greatest risk of deterioration (so-called Watchlist), the relationship is automatically classified as Stage 2.

Measurement of expected losses

Description of the scenario

The scenarios are provided by an external provider. In detail, three Scenarios are identified: Baseline (as indicated by the Supplier), Bad and Good (respectively identified as Scenarios *S3* and *S1* of the same supplier). For these different scenarios, the related probabilities of occurrence are also provided, which are used to weight the different derived ECL estimates and arrive at the overall estimate.
On the back of the health emergency linked to the Covid-19 pandemic, followed by the Russia-Ukraine conflict, tensions in the Middle East and increased trade tensions, the Institutions were called upon to establish mechanisms for monitoring the Scenarios underlying the models and the related sensitivity in contexts of high volatility.
In this context, the Group confirmed the use of the provider already in use, however assessing from time to time the weighting to be attributed to the three available macroeconomic scenarios.
The last delivery of the provider, used to update the models in use since December 2025, refers to the situation in the Eurozone as at 30 June 2025. These scenarios incorporate slightly less optimistic growth forecasts, compared to previous releases, due to tensions in the Middle East and the emergence of protectionist policies such as the introduction of new tariffs by the United States.
The expected trends of Italian GDP and European inflation variables in the Baseline scenario of the last deliveries of the provider used to estimate the IFRS 9 risk metrics are reported below, including those of June 2025, used to update the models in use since December 2025.



In consideration of the persistent climate of uncertainty stemming from the escalation of global geopolitical tensions, in order to adequately reflect the potential risks of instability and the related economic impacts, the Group deemed it appropriate to increase the weighting of the BAD scenario. The weightings approved for the scenarios are: 10% good, 40% bad, 50% baseline (the standard policy weighting involves the following weights: 10% good, 10% bad, 80% baseline). In this configuration, the BAD scenario – whose assumptions include the potential impacts deriving from the exacerbation of geopolitical risks (assumptions described in detail in the paragraph *Sensitivity analysis of scenarios*) – assumes the role of second scenario for probability of occurrence. Through this redistribution of weights, this scenario becomes the main alternative to the Baseline scenario, reflecting the Group's choice to favour a risk representation that prudently pinpoints possible negative developments in the macro-economic context.

Scenario IFRS 9	Description of the scenario	Standard Weight envisaged by the policy	Weight applied as at 31/12/2025
"Good"	*Stronger Near-Term Recovery Scenario ("S1")*: a scenario with a probability of 10% that a better scenario will occur and a 90% probability that a worse one will	10%	10%
"Baseline"	*Baseline scenario*: a scenario with a probability of 50% that a better scenario will occur and 50% that a worse one will	80%	50%
"Bad"	*Deep Recession Scenario ("S3")*: a scenario with a probability of 90% that a better scenario will occur and 10% that a worse one will	10%	40%

Furthermore, to reflect future implications related to the climate situation, three climate scenarios are considered, chosen from those provided by the "Network for Greening the Financial System" (NGFS), in order to consider different decarbonisation trajectories and assess their effects on the Group's credit risk. In particular, three climate scenarios are selected:

- Net Zero 2050: scenario that limits global warming to 1.5 °C through strict climate policies and innovation, reaching net zero CO_2 emissions around 2050.

- Delayed Transition: scenario which presumes that annual global emissions will not decrease until 2030, making very stringent policies necessary to limit global warming to below 2 °C.
- NDC: scenario that provides for the implementation of Nationally Determined Contributions (NDCs), i.e. all the promised policies, even if still not implemented.

This selection allows for a comparison between: an orderly transition (Net Zero), a disorderly transition (Delayed Transition) and a "Hot House World" scenario reflecting current policies (NDC), thus providing a comprehensive view of possible future paths and related risks. Climate scenarios are not assigned a probability of occurrence by NGFS. Therefore, for the purposes of weighting the results, they are weighted equally, as there are no qualifying factors available to guide different choices.

Sensitivity analysis of scenarios

The information below shows the average values of the main macro-economic and financial indicators used in the June 2025 scenarios, relating to the three-year period 2026-2028.

Macro-variable	Final	Dec-26			Dec-27			Dec-28		
	Jun-25	Bad	Baseline	Good	Bad	Baseline	Good	Bad	Baseline	Good
ITALIAN GDP	**1938**	5.36%	**1948**	-1.92%	4.78%	**1966**	-1.72%	3.88%	**1989**	-1.61%
EUROPEAN GDP	**11462**	5.30%	**11612**	-2.18%	4.73%	**11821**	-2.07%	3.73%	**12032**	-1.96%
Unemployment rate	**6.30%**	-10.32%	**6.25%**	2.99%	-18.80%	**6.38%**	5.43%	-18.03%	**6.49%**	6.66%
Industrial production index	**94**	10.33%	**95**	-3.58%	6.65%	**96**	-2.73%	5.13%	**97**	-2.43%
Residential property index	**2266**	2.79%	**2455**	-0.69%	3.81%	**2619**	-0.95%	5.29%	**2780**	-1.68%

The actual reference value is shown for each indicator (in this case June 2025) in absolute terms, the value of the same variables in the Baseline scenario and the percentage change with respect to it of the scenarios designated as adverse and favourable for each of the 3 year-ends within the available time horizon.

Baseline scenario

The partial resolution of geopolitical tensions and a prudent economic policy paint a picture of limited economic growth. The tariffs imposed by the United States on all trading partners (including the EU) are around 15%. The conflict between Russia and Ukraine continues with varying intensity, but an expansion of the conflict has been avoided, despite the persistent tensions in the Middle East. Energy supplies (primarily oil) maintain stable prices and are not subject to crises. ECB interest rates fall further and subsequently remain unchanged for an extended period. Due to the impact of the trade war, the Eurozone's recovery almost comes to a halt, but recession is still avoided.

Good scenario

The macroeconomic picture described envisages an optimistic scenario, characterised by an easing of US trade tensions and a partial ceasefire in the Russia-Ukraine conflict, which restore commodity flows. Greater energy security, the complete elimination of supply barriers and increased efficiency driven by NextGenerationEU funds and defence spending lead to a period of rapid productivity growth. The solidity of the economy eases internal political tensions in Italy, which promotes effective reforms and investments.

Italy witnesses a strengthening of consumption and investments, thanks to the increase in wages and employment. The solid growth in Europe is reflected in the financial markets: the Euro strengthens, public budgets improve and the Italy-Germany spread decreases.

Bad scenario

This negative scenario is dominated by a serious escalation of trade wars (with tariffs rising to 25%) and by heightened geopolitical tensions (Ukraine, Middle East, Taiwan Strait), which damage supply chains and trust. Geopolitical tensions rise due to fears that the war in Ukraine may spread to neighbouring States and relations between China and the United States get worse, leading to temporary barriers to shipping along the Taiwan Strait. Internal political risks in Europe intensify and put spreads under pressure. The resulting increase in risk aversion causes a fall in global financial markets, which sets the stage for a moderate but prolonged recession. The ECB responds, albeit with a certain delay, by cutting rates and resuming the purchase of securities to limit stress

on the financial markets, characterised by a generalised sell-off, a weak euro and a modest increase in the spread on sovereign bonds. As at 30 June 2026, the sensitivity measured by expected losses, when the probability of occurrence attributed to the Good and Bad scenarios changes compared to the Baseline scenario, is in the range -3.42%/+11.77%.

Treatment of public guarantees

In the calculation of the ECL, state guarantees (including those backed by emergency funds) are managed according to the substitution principle: the guaranteed portion reflects the risk profile of the sovereign issuer rather than that of the counterparty. The mitigation effect is based on the creditworthiness of the Italian Republic, monitored through the ratings of the main agencies. Where there are multiple guarantees covering the same exposure, the public guarantee takes precedence for the purposes of determining the total write-down.

Credit risk mitigation techniques

Collateral and guarantees are of particular importance in the Credem Group's lending strategies insofar as they enable mitigation in the complex life cycle of the loans, albeit being additional in the assessment and granting process of the loan, where the fundamental element is the assessment of the customer's ability to repay the loan. In this sense, acquiring collateral and guarantees involves an in-depth analysis, both in the acquisition phase and in monitoring and management phase.
General principles have been defined for property collateral, in accordance with legislative requirements, which enable a sound and prudent process of valuation of the property which is to be used as collateral to be made:

- Independence of the valuation by using independent external appraisers unrelated to the lending process.
- Compliance and consistency of the valuation, adequate to the complexity of the transaction, its size and the type of property, to identify the market value on which the loan to value indicator is calculated.
- A robust system of controls, in accordance with legislative requirements, to oversee the valuation process.

Given the importance of the mortgage loans segment in the overall portfolio, and with a view to adaptation to supervisory provisions, a periodic monitoring process for the value of mortgaged properties has been set in place as regards real estate mortgage loans, in order to properly assess the degree of coverage of collateral.
The weighting to be applied to the various mortgage transactions, based on the nature of the property, is included in the "Regulation for the assumption of credit risk for customers". The Credit Strategy Committee also periodically proposes guidelines in terms of the average Loan To Value of the portfolio and of new loans. In particular, due to the very nature of medium-term credit, collateral for mortgage loans is envisaged on the basis of varying percentages, depending on the type of the loan.
For collateral in the form of securities, safety margins are applied according to the type of product acquired as a guarantee and to the issuer rating, if applicable.
In addition, collateral in the form of securities and their valuation for the purposes of Credit Risk Mitigation are constantly monitored.
As regards sureties, their valuation is always carried out on the basis of a prudential assessment of the assets of guarantors.
As regards public guarantees, the Credem Group adopts specific procedures to comply with the modus operandi required by the legislative provisions issued by the Government or by the entities that issued said guarantees.

Non-performing exposures

Management strategies and policies

The Non-Performing Credit department provides technical support to the bank network and to Group companies, managing problem and non-performing loans and calculating the write-downs. Within this department, credit collection is managed according to processes established on the basis of the channel/segment, the type of loan and the level of irregularity, and is conducted by central offices or by local offices. The business model allows for an all-inclusive vision of the loan

throughout the life cycle, enhancing the fluidity and integration of processes and continuity of vision. In particular, note the presence of central structures dedicated to the management, monitoring and recovery of positions according to a horizontal organisation that allows for different collection methods based on the type of counterparty and size of the loan. In detail, provision is made for en-bloc or single-name management of the positions. There is also another structure dedicated to management reporting and accounting entering of positions classified as NPLs.

During 2025, the project to strengthen the organisational unit dedicated to the coordination of the management of NPLs for the Group companies was completed. This structure aims to centrally manage both bad loans and loans classified as unlikely to pay (UTP) pertaining to the subsidiaries, taking into account the unique characteristics of the individual legal entities.

The valuation of losses is based on the guidelines of the document approved by the Board of Directors entitled "Group's Loan Write-Down Policy"; the purpose of this document is to guide and standardise the work of the offices in charge of managing non-performing loans at Group level, in terms of calculating the relative write-downs, both for statutory purposes and as regards recovery times. The ECB Guidelines recommend that Banks establish a clear strategy aimed at reducing the amounts of NPLs in a credible, sustainable and timely manner. Although those guidelines are a non-binding instrument, the Banks are required to promote rapid convergence towards the indications provided.

Write-offs

Autonomy with respect to the valuation of losses and write-offs is almost completely centralised under monocratic structures, thus enabling particularly short response times to settlement proposals; in any case, recourse to this measure is of a marginal nature and only occurs when the actions of direct (or through the outsourcer/legal network) recovery or sale have not had the desired effects. By virtue of the residual/secondary use compared to the other envisaged collection activities, as well as due to the lower stock of NPLs, the amount of write-offs remains at contained levels.

Purchased or originated credit impaired financial assets

In accordance with the IFRS 9, loans considered impaired from the moment of their initial recognition in the financial statements, because of the high associated credit risk, are defined as Purchased or Originated Credit Impaired (POCI) Assets. Consequently, if at the time of initial recognition a credit exposure recognised in item 30 "Financial assets measured at fair value through other comprehensive income" or in item 40 "Financial assets measured at amortised cost" is impaired, it is qualified as Purchased or Originated Credit Impaired (POCI) asset.
These loans, pursuant to IFRS 9, are valued by setting aside – from the date of initial recognition – provisions to cover losses that cover the entire residual life of the credit (Expected Credit Loss lifetime). As impaired loans, they are initially recognised as Stage 3, although they may be moved to Stage 2 over their lifetime if, based on the credit risk analysis, they are no longer impaired. These assets are never classified as part of Stage 1 since the expected credit loss must always be calculated considering a time horizon equal to the residual duration.
The POCI receivables recognised in the annual consolidated financial statements, consistently with the provisions of IFRS 9, are divided into two types of:

- Purchased credit impaired financial assets (hereinafter, also "PCI"), credit exposures already impaired at the time of purchase, including in the context of business combinations;
- Originated credit impaired financial assets (hereinafter, also "OCI"), credit exposures originated in the case of restructuring transactions of non-performing exposures that have resulted in the provision of new finance or have introduced material changes to the original contractual terms.

In June 2026, the receivables belonging to this category, included under assets in the consolidated financial statements of Credito Emiliano Group, originate entirely from the merger by incorporation of the former Cassa di Risparmio di Cento and from the operations of Avvera S.p.A.

Financial assets subject to commercial renegotiations and forbearance exposures

The Group regulates the identification and management of forborne exposures within the Group's Loans Policy, in full compliance with the standards of the EBA and of the European Central Bank. In accordance with the EBA's standards, forborne means exposures against which forbearance measures have been agreed, namely measures to support debtors who are facing, or are about to face, difficulties in meeting their financial obligations (financial hardship status).
In general, possible forbearance measures agreed for the debtor in financial difficulty may fall into the following categories:

- changes to the terms and contractual conditions of an exposure that the counterparty is unable to repay, with new conditions that would not have been agreed if the customer had not been in financial difficulty;
- partial or total refinancing of the debt, which would not have been agreed in the absence of financial difficulty of the counterparty.

In line with the reference standards, the classification in the Forborne portfolio is independent of the state of default or the presence of analytical write-downs, based on a centralised valuation process at the central decision-making structures. This process is supported by advanced alerting systems that monitor the entire life cycle of the measure: from the proactive identification of potential forborne positions and their routing to the competent bodies, through to the rigorous monitoring of the expiry of cure and probation period terms.
In line with the ECB Guidelines on NPLs, operations are supplemented by analytical tools such as Decision Trees and Affordability Assessment models (provided with data from the Customer Questionnaire and by indices such as DSCR and NPL/EBITDA), which guarantee the homogeneity of choices and the verification of economic sustainability for exposures exceeding € 25,000. For non-performing positions, the framework also provides for the Net Present Value (NPV) test to compare the measurement with alternative workout options and the inclusion of renegotiation clauses for legal entities, while ensuring constant monitoring of Unlikely to Pay triggers through the binding opinion of the Risk Management Department in the event of repeated forbearance.

Disclosure to the public of information regarding capital adequacy, exposure to credit risk and the general features of the systems set up to identify, measure and manage risk, envisaged by Regulation (EU) 575/2013 (CRR), publication of the disclosure related to "Pillar 3", shall be communicated to the market in accordance with legal requirements, on the website www.credem.it.

Quantitative information

A. Credit quality

A.1.4 Prudential consolidation – Balance sheet and off-balance sheet credit exposures to banks: gross and net amounts

Type of exposure/amounts	Gross exposure					Overall value adjustments and total provisions					Net Exposure	Total partial write-offs*
		Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired		
A. Balance sheet credit exposures												
A.1 On demand	**675,052**	**668,384**	**6,668**		**-**	**-**	**35**	**19**	**16**		**-**	**-**	**675,017**	**-**
a) Non-performing	-	X	-		-	-	-	X	-		-	-	-	-
b) Performing	675,052	668,384	6,668	X		-	35	19	16	X		-	675,017	-
A.2 Others	**3,220,669**	**3,125,770**	**92,108**		**-**	**-**	**702**	**608**	**93**		**-**	**-**	**3,219,967**	**-**
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	238	141	97	X		-	1	-	-	X		-	237	-
- of which: forborne exposures	-	-	-	X		-	-	-	-	X		-	-	-
e) Other performing exposures	3,220,431	3,125,629	92,011	X		-	701	608	93	X		-	3,219,730	-
- of which: forborne exposures	-	-	-	X		-	-	-	-	X		-	-	-
Total (A)	**3,895,721**	**3,794,154**	**98,776**		**-**	**-**	**737**	**627**	**109**		**-**	**-**	**3,894,984**	**-**
B. Off-balance sheet credit exposures												
a) Non-performing	-	X	-		-	-	-	X	-		-	-	-	-
b) Performing	259,093	102,750	39,397	X		-	17	2	15	X		-	259,076	-
Total (B)	**259,093**	**102,750**	**39,397**		**-**	**-**	**17**	**2**	**15**		**-**	**-**	**259,076**	**-**
Total (A+B)	**4,154,814**	**3,896,904**	**138,173**		**-**	**-**	**754**	**629**	**124**		**-**	**-**	**4,154,060**	**-**

A.1.5 Prudential consolidation – Balance sheet and off-balance sheet credit exposures to customers: gross and net amounts

Type of exposure/amounts	Gross exposure					Overall value adjustments and total provisions					Net Exposure	Total partial write-offs*
		Stage 1	Stage 2	Stage 3	Purchased or originated		Stage 1	Stage 2	Stage 3	Purchased or originated		
A. Balance sheet credit exposures												
a) Bad loans	197,515	X	-	194,757	2,758	157,810	X	-	156,685	1,125	39,705	23,847
- of which: forborne exposures	47,415	X	-	46,308	1,108	38,139	X	-	37,510	628	9,276	2,688
b) Unlikely to pay	345,127	X	-	340,341	4,786	154,675	X	-	153,890	785	190,452	20
- of which: forborne exposures	112,262	X	-	107,714	4,549	44,823	X	-	44,148	674	67,439	-
c) Non-performing past due exposures	36,573	X	-	36,573	-	14,436	X	-	14,436	-	22,137	120
- of which: forborne exposures	395	X	-	395	-	92	X	-	92	-	303	-
d) Performing past due exposures	289,746	182,380	107,233	X	132	5,571	620	4,946	X	4	284,175	-
- of which: forborne exposures	1,673	-	1,633	X	40	41	-	41	X	-	1,632	-
e) Other performing exposures	49,292,567	46,773,971	2,472,077	X	6,158	87,757	38,862	48,803	X	91	49,204,810	-
- of which: forborne exposures	49,526	-	46,474	X	3,051	1,117	-	1,068	X	49	48,409	-
Total (A)	**50,161,528**	**46,956,351**	**2,579,310**	**571,671**	**13,834**	**420,249**	**39,482**	**53,749**	**325,011**	**2,005**	**49,741,279**	**23,987**
B. Off-balance sheet credit exposures												
a) Non-performing	43,330	X	-	43,119	210	976	X	-	916	61	42,354	-
b) Performing	13,343,090	12,664,773	636,676	X	764	4,767	3,351	1,369	X	46	13,338,323	-
Total (B)	**13,386,420**	**12,664,773**	**636,676**	**43,119**	**974**	**5,743**	**3,351**	**1,369**	**916**	**107**	**13,380,677**	**-**
Total (A+B)	**63,547,948**	**59,621,124**	**3,215,986**	**614,790**	**14,808**	**425,992**	**42,833**	**55,118**	**325,927**	**2,112**	**63,121,956**	**23,987**

As per the indications of Banca d'Italia Circular no. 262 of 22 December 2005, and subsequent amendments, balance sheet credit exposures include all cash financial assets due from banks or customers regardless of the accounting portfolio they are allocated to (measured at fair value through profit or loss, measured at fair value through other comprehensive income, measured at amortised cost, held for sale) with the exception of equity securities and units of UCITS; off-balance sheet credit exposures include all financial assets other than cash-based ones (financial guarantees given, revocable and irrevocable commitments, derivatives, etc.) which involve the assumption of credit risk, regardless of the purpose of said transactions (trading, hedging, etc.).
Non-performing credit exposures (balance sheet and off-balance sheet) do not include financial assets held for trading and hedging derivatives, which are therefore, conventionally, recorded under performing loans credit exposures.

B. Securitisation operations

Qualitative information

The Group holds a 10% interest in Emilia SPV S.r.l., a special purpose vehicle specifically established for the exclusive purpose of performing one or more securitisation transactions pursuant to Italian Law no. 130 of 30 April 1999.
Emilia SPV S.r.l. has in place a revolving securitisation transaction, finalised by Credem during 2015, on performing residential mortgages granted by the Bank to its customers, not eligible for purposes of the use in the "Covered Bond Programme" by the special purpose vehicle Credem CB S.r.l. and selected on the basis of predefined criteria in order to form a "block" pursuant to and in accordance with the law applicable to credit securitisation.
The special purpose vehicle financed the transaction through the issue, during April 2015, of different classes of "RMBS" notes (senior and junior).
The senior notes are listed on the Irish Stock Exchange and have an official rating assigned by the accredited agencies DBRS and Scope Ratings (as at 30 June 2026, an "A high" rating from DBRS and an "Aa+" rating from Scope), the latter having taken over from the rating agency Moody's in April 2026. The notes pay quarterly variable interest corresponding to the 3-month Euribor rate plus 75 bps with a cap at a coupon rate of 100 bps, while the unrated junior notes pay 3-month Euribor rate plus 200 bps. Junior noteholders have also the right to receive, at each payment date and, in the order of priority of payments and available funds, a residual bonus after payment of all other amounts of greater priority.
The notes are structured as partly paid notes (PPN) and are fully issued for their nominal value on the issue date (€ 3,000,000,000 for the senior notes and € 900,000,000 for the junior notes). The price of the notes was paid only partially on the issue date, while the remaining balance can be paid in a number of instalments over time, in accordance with the revolving nature of the transaction.
At the time of the issue, Credem subscribed the total liabilities issued by the vehicle and holds them in its portfolio. Therefore, based on the regulations of IFRS 9 as regards derecognition, the loans subject to securitisation remain recorded under assets in Credem's financial statements. The revolving structure of the transaction allows the Bank, during a period known as replenishment, to sell new portfolios of suitable loans to the special purpose vehicle which pays for them by using the income from the existing portfolio and/or income from the payment by the note-holders of further shares of the price of the notes issued. Once this phase is complete, the notes are redeemed during an amortisation period defined at the time of issue.
In April 2026, the restructuring of the Emilia securitisation was completed, with changes made to the structure and contractual documentation aimed at extending the replenishment period (which was originally due to expire in May 2026) by a further five years. In addition, the disposal criteria and concentration limits have been reviewed and updated, and the amortisation mechanism for notes has been brought into line with best market practice. The legal maturity of the notes has been extended from 2064 to 2080, whilst the rating agency SCOPE has replaced Moody's in assigning the rating to the Senior Notes.
As at 30 June 2026, following the finalisation of a new transfer of assets relating to performing residential mortgages, the working capital of the senior tranche is equal to € 2,127,641,192.37 while that of the junior tranche is equal to € 644,423,646.06.
The senior tranche may be used by the Bank for refinancing transactions with the Eurosystem or on the market with Institutional Counterparties. The aim of this transaction is in fact to create liquidity reserves and falls within the scope of the liquidity management activities implemented by Credem.
The special purpose vehicle has also given Credem the following options: to repurchase individual loans, within certain parameters, to repurchase loans en bloc that may become eligible for use in the Covered Bond Programme by Credem CB S.r.l. and to repurchase the whole loans portfolio en bloc and without recourse (in accordance with the contractual limitations envisaged).
During the first half of 2026, no partial and/or block repurchases of loans from the special purpose vehicle were carried out.

Other transactions

The accounting category "Financial assets measured at amortised cost" includes a total of approximately € 578 million as at 30 June 2026. These are financial instruments linked to receivables originated in Europe, with a predominance of the Italian origination component (approximately € 236 million). The portfolio consists of different types of ABS with a prevalence of "auto loan" securitisations, which account for approximately 34%.
Current exposure broken down by country risk is as follows:

Country	Amount (€/thousands)	Exposure %
ITALY	235,988	40.8%

FRANCE	136,423	23.6%
SPAIN	92,217	15.9%
GERMANY	74,652	12.9%
NETHERLANDS	38,994	6.7%
TOTAL	**578,274**	**100.0%**

C. Disposals

A. Financial assets sold and not fully derecognised

Qualitative information

Disposals

As already outlined in relation to the Emilia SPV S.r.l. securitisation, in 2015, Credem finalised a revolving securitisation transaction, regarding performing residential mortgage loans, not eligible for purposes of the use in the "Covered Bond Programme" by the special purpose vehicle Credem CB S.r.l., disbursed to its customers and selected on the basis of predefined criteria in order to form a "block" pursuant to and in accordance with the law applicable to credit securitisation.
Following the first sale of assets, completed in the fourth quarter of 2014 at a price of € 1,002,811,119.07, between 2015 and the first half of 2026, in the periods indicated below, fifteen sales of portfolios of eligible loans were made to the special purpose vehicle for a price of:

- Fourth quarter 2015: € 285,392,481.54
- Fourth quarter 2016: € 293,707,640.58
- Fourth quarter 2017: € 245,710,926.70
- Fourth quarter 2018: € 52,416,789.64
- Second quarter 2021: € 1,304,130,865.63
- Fourth quarter 2021: € 353,874,864.16
- Second quarter 2022: € 274,726,751.12
- Fourth quarter 2022: € 190,056,443.89
- Second quarter 2023: € 163,629,812.82
- Fourth quarter 2023: € 271,235,442.14
- Second quarter 2024: € 140,344,103.48
- Fourth quarter 2024: € 144,587,852.93
- Second quarter 2025: € 164,223,038.62
- Fourth quarter 2025: € 163,350,175.59
- Second quarter 2026: € 154,245,358.18

The loans were acquired without recourse, meaning without the guarantee of solvency of the debtors or their guarantors, by EMILIA SPV S.r.l., a special purpose vehicle specifically established, in which Credem has a 10% interest, for the exclusive purpose of performing one or more securitisation transactions pursuant to Italian Law no. 130 of 30 April 1999.
The special purpose vehicle financed the operation through the issue, during April 2015, of different classes of "RMBS" bonds (*senior and junior*).

D.4 Prudential consolidation - covered bond transactions

Credem CB Programme

At the meetings held on 26 May 2010 and 25 June 2010, the Board of Directors of Credito Emiliano resolved to launch the structuring of a programme to issue covered bonds for a maximum amount of € 5 billion.
On 22 October 2010, the Board of Directors approved the first disposal by Credem of a loans portfolio worth a maximum of € 2.4 billion to Credem CB S.r.l., a Special Purpose Vehicle (SPV) selected to participate in the Programme and in which Credem holds 70% shareholders' equity.
In Italy, the legislative framework for the issue of Covered Bonds (hereinafter also the "Legislation") is represented by, in particular:

- Directive (EU) 2019/2162 (the "CB Directive") and Regulation (EU) 2019/2160 (the "CB

Regulation") which introduced for the first time a European regulation of the instrument of the CBs issued by European banks, with the aim of standardising the different regulatory frameworks that had developed over the years in the countries of the European Union;
- from Title I-bis of Law no. 130 of 30 April 1999 ("Title I-bis" or "Law 130"), introduced by Italian Legislative Decree no. 190 of 5 November 2021 in implementation of the CB Directive, entirely dedicated to CBs, as well as the other provisions of Law 130 referred to therein;
- Art. 129 of Regulation (EU) 575/2013 (the "CRR"), as amended by the CB Regulation;
- the provisions issued by Banca d'Italia on Covered Bonds pursuant to the Third Part, Chapter 3 of Circular no. 285 dated 17 December 2013 containing the "Supervisory provisions for banks" as amended and updated on each occasion (the "Instructions").

The issue of Covered Bonds by Credem is part of the Group's strategic plan, the objective of which is, among other things, to obtain several benefits in terms of funding, such as diversifying sources of deposits, reducing the relative cost as well as extending the maturities of liabilities.
Generally speaking, the basic structure of a covered bond issue – according to that outlined in the legislation – envisages the following steps:
- the bank (Transferring Bank, Credem) transfers a package of assets with specific characteristics (the "Portfolio") to a Special Purpose Vehicle (Credem CB S.r.l.). The assets transferred to the Special Purpose Vehicle represent separate assets from those of the Special Purpose Vehicle, a benefit to the covered bond holders and other parties in whose favour the guarantee is issued. The Transferring Bank gives the Special Purpose Vehicle a subordinated loan, the purpose of which is to fund the purchase of the assets by the same Special Purpose Vehicle;
- Credem (the Issuer) issues bonds. The Special Purpose Vehicle issues a guarantee in favour of the holders of the bonds issued by the Issuer.
As a result of the above, the repayment of the covered bonds, which will be issued as part of the transaction, is guaranteed, not only by the issuer but also by an unconditional and irrevocable guarantee, issued by the Special Purpose Vehicle to the exclusive benefit of the investors that will subscribe the Covered Bonds and other counterparties, including those providing hedging, involved in the transaction. The latter guarantee is issued by the Special Purpose Vehicle on the Portfolio.
The covered bond transaction illustrated is categorised as a "simple transaction" because the originator bank, financing bank and issuing bank are all the same entity, Credem.

Transferred Portfolio

The portfolio which, on each occasion, is assigned to the Special Purpose Vehicle must possess several common features.
The main criteria common to identifying and selecting the mortgages from which the loans that make up the Cover Pool originate have been established following consultation with the rating agencies, who were asked to give a rating to the covered bonds that Credem will issue under the Programme.
At the end of October 2010, September 2011, February 2012, April 2014, October 2014, October 2015, April 2016, October 2016, April 2017, November 2017, May 2018, October 2018, May 2019, November 2020, November 2021, November 2022, November 2023, November 2024, November 2025 and June 2026 mortgage loans originating from mortgage agreements were selected, which, on the relative cut-off dates, met, by way of example and not limited to, the following main cumulative criteria:
- loans not deriving from mortgage agreements that benefit from forms of financial support;
- loans not classified as "non-performing credit exposures", pursuant to the applicable "Supervisory instructions for banks" issued by Banca d'Italia;
- loans not disbursed (even jointly) to employees or directors of Credito Emiliano or of its subsidiaries that are part of the Credem Banking Group.
The Cover Pool, as of the accounting date of 30 June 2026, consists of receivables arising from 64,861 mortgage loans, with a total residual debt of approximately € 5,446 million, as detailed belowi.

Region where the borrower is located	No. of mortgages	% no. of mortgages	Residual Debt (€/thousand)	% Residual Debt
Abruzzo	710	1.10	55,656	1.02
Basilicata	134	0.21	10,379	0.19
Calabria	2,327	3.59	142,873	2.62
Campania	6,721	10.36	599,560	11.01
Emilia Romagna	9,867	15.21	747,253	13.72
Friuli Venezia Giulia	710	1.10	52,298	0.96
Lazio	6,762	10.43	708,865	13.02
Liguria	1,428	2.20	109,844	2.02
Lombardy	9,391	14.48	938,155	17.23
Marche	1,196	1.84	94,828	1.74
Molise	146	0.23	9,651	0.18
Piedmont	1,997	3.08	155,888	2.86
Puglia	4,678	7.21	309,847	5.69
Sardinia	3,221	4.97	299,515	5.50
Sicily	7,134	11.00	497,771	9.14
Tuscany	4,352	6.71	363,103	6.67
Trentino Alto Adige	278	0.43	26,915	0.49
Umbria	308	0.48	20,465	0.38
Val D'Aosta	21	0.03	2,546	0.05
Veneto	3,480	5.37	300,527	5.52
Total Portfolio	**64,861**	**100%**	**5,445,940**	**100%**

Subordinated Loan

When the Initial Portfolio was assigned, on 29 October 2010, Credem and Credem CB signed a subordinated loan agreement, through which Credem granted Credem CB a subordinated loan to pay the purchase price of the Initial Portfolio and undertook to grant Credem CB further subordinated loans, each for an amount equal to the price to be paid by Credem CB for the purchase of subsequent loans portfolios, assigned by Credem in accordance with the terms of the framework agreement governing the transfer of assets.
A further subordinated loan was therefore then granted at the time of the assignment of each subsequent portfolio, for an amount corresponding to the relative assignment price.

Asset Swap

Swap contracts can be stipulated between the Special Purpose Vehicle and Credem, for an amount sufficient to hedge the Cover Pool, in order to guarantee the Special Purpose Vehicle protection against interest rate risk and/or base rate risk due to the presence of assets with different indexation.
As at 30 June 2026, there are no asset swap contracts between the Special Purpose Vehicle and Credem.

Covered Bond Swap (or Liability Swap)

When the Covered Bonds are issued on the market, a swap contract may be stipulated between the Special Purpose Vehicle and Credem in order to mitigate interest rate risk between the cash flows received by the Special Purpose Vehicle and that due from the same to investors in the event of the default of the issuer.
There is currently a swap contract entered into at the time of issuance of the Covered Bonds with a duration 08/30/2013-2028.

Bank accounts

The Programme envisages a complex structure of current accounts to sustain the cash flows of the transaction. Said structure means that a series of accounts in the name of the Special Purpose Vehicle have been opened and in particular, but not limited to: Collection Accounts, Reserve Account, Payments Account, Eligible Investment Account and Expenses Account. Credem has been the Account Bank of the vehicle company since April 2022.

Parties involved in the Programme

This section illustrates the main roles and counterparties involved in the transaction:

- *Servicer*: the role played by Credem, which, as such, has been engaged by Credem CB to collect and recover the loans included in the Initial Portfolio and in the portfolios that Credem itself assigns to Credem CB under the Assignment Framework Agreement;
- *Back-Up Servicer*: entity which, upon the occurrence of certain events, governed by the Programme, may take over from Credem in the role of Servicer described above. Currently this role is not covered by any party;
- *Investment Manager*: the role played by Credem, which, as such, has been engaged to invest the available liquidity in the current accounts opened by Credem CB and to draw up and send the Investment Manager report, which contains the results of the investment activities, to the parties to said contract;
- *Account Bank*: the role currently played by Credem, which, as such, has been engaged to invest the available liquidity in the current accounts opened by Credem CB and to draw up and send the Investment Manager report, which contains the results of the investment activities, to the parties to said contract;
- *Principal Paying Agent*: the role played by BNP Paribas Securities Services, which has the main task of determining and making (both on behalf of Credem and on behalf of Credem CB) the payments due, in terms of both principal and interest, to the Covered Bondholders;
- *Calculation Agent*: the role played by BNP Paribas Securities Services which, as such, has the main task of drawing up and sending the Payments Report to the parties to the contract. This Report contains an indication of the Credem CB funds available and of the payments to be made, according to the order of priority of the payments determined according to the Intercreditor Agreement;
- *Asset Monitor*: role played by BDO Italia S.p.A. which, in that capacity, makes the calculations and checks the Compulsory Tests and the Amortisation Test conducted according to the Cover Pool Management Agreement, verifying the accuracy of the calculations made by the Calculation Agent. Separately, it is currently envisaged that the Asset Monitor also checks whether the assets making up the Portfolio comply with the requirements envisaged by the legislation and the integrity of the guarantee in favour of investors;
- *Representative of the Bondholders*: the role played by BNP Paribas Securities Services which, as such, exercises the rights of the counterparties involved in the transaction in relation to Credem and Credem CB;
- *Listing Agent*: the role played by BNP Paribas Securities Services which, as such, has the main task of managing, on behalf of Credem and Credem CB, relations and compliance with the stock exchange on which the Covered Bonds are listed.
- *Arranger*: financial institution that receives a mandate from the issuer to assist it in the structuring, execution and management of the transaction and the reference general contracting, as well as in relations with relevant third parties (i.e. Rating Agencies, markets and regulators).
- *Corporate Servicer*: company that performs service functions for the Vehicle company.

Lastly, it should be noted that some of the Programme's contracts envisage that the parties engaged to perform some of the activities and some of the roles indicated above, for the purpose of the same, are in possession of specific ratings. Therefore, although some roles are currently played by Credem, it is possible that in the future the same may be assigned to parties external to the Credem Group.

Risks associated with the transaction

The Covered Bond issue programme entails the following financial risks, with respect to which various mitigating measures have been taken: issuer risk, interest rate risk, credit risk, liquidity risk, refinancing risk, counterparty risk, legal risks related to the transaction.

At least once every 12 months, Credem's Internal Audit department (Auditing service) conducts a full audit of the controls put in place, also on the basis of information received and the evaluations made by the Asset Monitor. The results of these audits are reported to the competent management bodies.

Main characteristics of the Programme

The financial structure of the Programme envisages that Credem proceeds with the issue, in several consecutive series, of Covered Bonds with ratings, as at June 2026, of Aa2 and AA, assigned respectively by the following rating agencies: Moody's Investors Services Inc. and Fitch Rating Limited.

Said bonds have been placed with institutional investors with the support of Dealers selected on each occasion. At the initial stage, the Programme Arrangers were Barclays Bank PLC and Société Générale; at present there is just one Arranger, Barclays.
Under the Programme, Credem may issue Covered Bonds for a total amount, on each occasion, of no more than € 5 billion. Said maximum amount may be increased in accordance with the provisions of the Programme's contractual documentation. As part of the Programme, Credem may issue a wide range of different types of securities; however, at present, the type most widespread on the market are soft bullet securities, that envisage the periodic payment of interest, a one-time repayment on maturity and the option, for the Special Purpose Vehicle, should Credem default, to extend the maturity date by a further period (usually one year).
Issues were made in 2010, 2011, 2012, 2013, 2014, 2019, 2021, 2022, 2024 and 2025 while no new Covered Bonds were issued from 2015 to 2018, in 2020 and in 2023. The total nominal value of the Covered Bonds outstanding as at 30 June 2026, issued under the programme guaranteed by Credem CB S.r.l., amounted to € 3.6 billion.

1.2. Market risks

1.2.1 Interest rate risk and price risk – regulatory trading book

Qualitative information

The aim of the risk management model is to facilitate the achievement of a series of objectives:

- the governance and guidance role of the Parent Company in the management of the risks for each individual company and their impact on the Group's risks, in compliance with supervisory provisions in force and the Group's Risk Appetite Framework;
- management control to optimise the risk-return profile at Group level;
- uniformity of the method of analysis and of the "language" used by all Group companies.

In this regard, Market Risk, intended as the risk of losses caused by negative changes in risk factors (interest rate, price, exchange and other market factors), is measured and monitored both with reference to the banking book (on demand and maturity items) and the trading book (financial instruments traded for the purposes of positioning, trading and dealing).

Organisational structure

The main tasks of the organisational units involved in the process of market risk control and management are described below.

The Board of Directors of the Parent Company, BoD, is responsible for defining the general risk management guidelines for each business area; it also decides the powers to be assigned in relation to operational strategies, assumption of risks and corrective action; it identifies the set of Risk Appetite indicators and the relative calculation metrics; it establishes and approves risk objectives and tolerance thresholds, periodically assessing the adequacy of the Risk Appetite Framework (RAF) and the compatibility between objectives and effective risk; it approves the general structure of the operating limits and powers and the lines of responsibility and authority for the risk management process.

The Boards of Directors of the individual companies adopt the risk appetite and the tolerance threshold established in the RAF by the Parent Company; they approve the strategic plans and the guidelines for risk management formulated by the Parent Company as well as the structure of the internal operating limits and powers within the scope set by the Board of Directors of the Parent Company.

The Management of the individual companies conduct their business operations in compliance with the powers and operating limits for risk assigned by the respective Boards of Directors.

The Parent Company Executive Committee (EC), as a management body, handles the implementation of the strategic plans and the risk management policies defined by the BoD, and in particular defines and oversees the implementation of the risk management process. The EC is also tasked with establishing operating limits consistent with the risk appetite.

The Parent Company's Committees involved in the RAF have the following responsibilities.

The Group Risk and Sustainability Board Committee carries out the evaluation and puts forward proposals in order for the BoD to approve the risk objectives and tolerance thresholds and periodically assess the adequacy of the RAF and the compatibility between objectives and effective risk.

It also expresses an opinion to the BoD on the proposals regarding risk measurement, control and analysis methods also for calculating the internal capital; lastly, it assists the Parent Company's BoD by proposing general strategies for risk management.

The Risk Management Committee, set up to inform the EC on the monitoring of the overall risk assumed and its monitoring within the strategies and methods defined by the Parent Company in the RAF, performs the following functions:

- it manages the overall risk taken by each company and its monitoring within the strategies and methods defined by the Parent Company in the Risk Appetite Framework;
- it periodically assesses the overall level of risk taken by monitoring RAF indicators by type of risk;
- it also analyses any internal or external event that can considerably change the risk profile and so requests the competent bodies, through the Risk Officer, to carry out additional revisions of the RAF.

The Risk Management Department assists the Group Risk and Sustainability Board Committee and performs the following activities. As regards the RAF:

- it assesses, at least once a year, the adequacy of the metrics used by backtesting the risk estimation models, introducing the results, any shortcomings and the need to develop new methods to the RAF;

- it reports to Group Risk Committee at least once a quarter on the performance of the risk profile assumed as a whole in relation to the Risk Appetite objectives in respect of all the indicators, including those related to market risk.

It also handles:

- the measurement and reporting of financial risks by individual company and at Group level, mainly using risk measures in terms of sensitivity, aimed at verifying compliance with the limits assigned and consistency with the risk-return objectives established;
- the development and management of the risk measurement system through the acquisition of the market data required for the calculation;
- the definition of the risk profile for new products.

The results of Risk Management Department operations are reported on a regular basis to the Group Risk and Sustainability Board Committee.

A. General aspects

Interest rate risk

Credembanca

The management of financial risks takes place through the definition of a structure of limits, which represents a direct expression of the acceptable level of risk with reference to the individual business areas/lines, in line with the Group's Risk Appetite Framework. Specifically, market risks stem from the following operations:

- traditional funding and lending;
- trading and investment in financial markets;
- trading in financial instruments where customers are the counterparty.

Interest rate risk in the regulatory trading book is generated by operations carried out in the markets for bonds and interest rate derivatives. The interest rate risk generated by these activities is managed and controlled by means of limits in terms of sensitivity and vega.

The specific or issuer risk is monitored by means of concentration limits per sector and rating class in terms of both countervalue and sensitivity. Furthermore, the VaR model adopted exclusively for management purposes includes issuer risk, through the use of specific time series on market spreads.

The Risk Management Department produces risk reports on a daily, weekly or quarterly basis depending on the department they are to be sent to, indicating any overruns of the limits assigned by the Regulations in terms of the assumption of financial risk and the measurement of management risk in terms of VaR.

Any amendments to the Regulations and to the limits set forth therein can be submitted for approval to the Board of Directors or the Executive Committee, as appropriate, on the proposal of the Finance Department, after having obtained the opinion of the Risk Management Department.

Credem Euromobiliare Private Banking

Market risks linked to interest rate risk are managed through limits in terms of overall sensitivity and on individual time buckets.

The Parent Company's Risk Management Department checks compliance with these limits and monitors the capital requirement trend given the market risks, calculated according to the standard approach.

Price risk

The main source of price risk in the "regulatory trading book" consists of shares, funds and the relative derivative instruments.

Credembanca

Equity risks stem from trading activities. Stock market trading activities involve assuming directional positions managed and controlled through position limits, both gross and net, limits in terms of Greek frets and concentration limits by underlying.

Credem Euromobiliare Private Banking

The Regulations on the assumption of financial risk, monitored by the Risk Management Department, do not contemplate ordinary limits for operations on equity risk.

Climate and environmental risks

Climate and environmental risks (physical and transition) are integrated into the relevance analysis through which the Credem Group periodically assesses the materiality of all the risks to which it is exposed. In particular, the Group has developed a methodology for quantifying the impact of ESG market risk, using the Climate VaR (CVaR) metric applied to securities in both the trading book and the banking book.
This risk is managed on an ongoing basis through an operational limit, which is monitored by the Risk Management Department and reported to the Executive Committee.

B. Interest rate risk and price risk: management processes and measurement methods

Interest rate risk – measurement methods and metrics

Interest rate risk for Credembanca is calculated daily using the VaR method; the measurement is for management purposes, and is not used to calculate capital requirement on market risk for which the Credem Group adopts the standard approach. The VaR measures the maximum potential loss that the portfolio may incur based on the trend in market factors, given a certain level of confidence, over a given time horizon. The methodology applied within the Credem Group includes the following parameters:

- 99% confidence level;
- 1-day time horizon;
- volatility calculated on the basis of 2 years of daily observations, giving more weight to the most recent data (decay factor λ=0.94).

To calculate absorption in terms of internal capital, the figure is converted into a 10-day VaR, prudently applying a multiplication ratio of 3.
The risk figure also undergoes stress testing as part of the process to verify capital adequacy, which aims to verify the change in capital (estimated in terms of VaR) in the event of high volatility of the financial markets.

With regard to Credem Euromobiliare Private Banking, interest rate risk is monitored through the capital requirement for market risk, which follows the standard approach.

Quantitative information

1. Regulatory trading book: breakdown of balance sheet financial assets/liabilities and financial derivatives by residual life (repricing date)

The table in question has not been included because a sensitivity analysis for interest rate risk based on internal models and other methods is provided below.
This section briefly summarises the results of the interest rate risk analyses relative to the trading book. In particular, the average, maximum and minimum VaR values generated by the interest rate risk factor for Credembanca are reported below for 2024, 2025 and the first half of 2026.

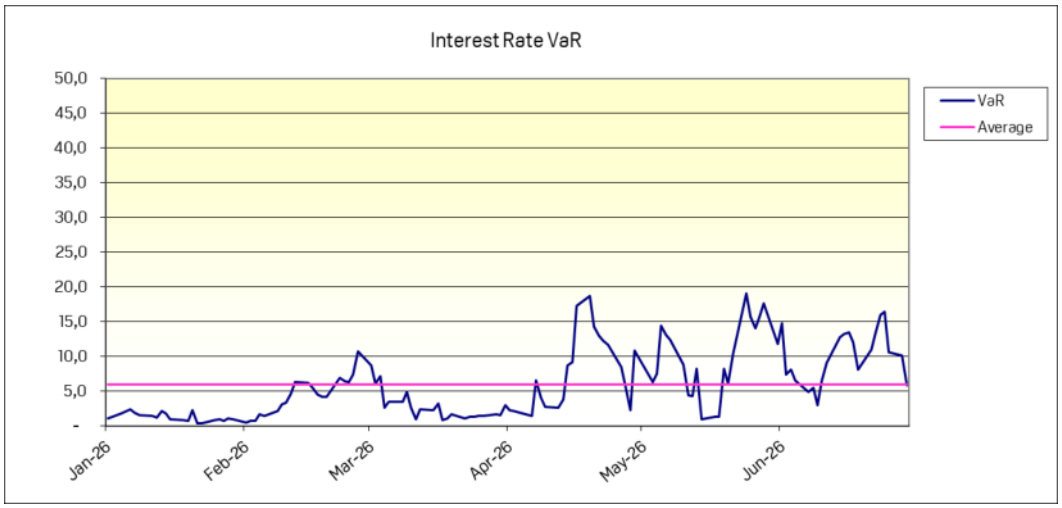
Table 1. Interest rate risk data

		2026 06	2025	2024
Credem				
Interest Rate VaR -	*average*	6.0	5.5	11.8
	min	0.4	0.3	0.3
	max	19.0	20.7	37.3

*data in € million, VaR 99% 10 days * Multiplicative coefficient*

The following figure shows the performance of the aforementioned VaR for Credem in the first half of 2026.
The figure shows a slight increase compared with 2025, whilst remaining at very low levels.

Figure 1. Performance of Interest Rate VaR Credem (99%, 10-day* multiplication coefficient). Figures in €/million



As regards the shift sensitivity analysis and restricted to the regulatory trading book, the table below illustrates the data regarding the impact on the net interest income over a time horizon of 12 months, in the hypothesis of a parallel shift in interest rates of +/-100 bps (figures refer to the Group).
The analysis was conducted in line with the methodology used to measure the interest rate risk of the banking book as part of the Risk Appetite Framework and with interest rate risk regulatory reporting (IRRBB), in line with the reference European guidelines.

Parallel shift assumption (figures in €/million)		
	Shock -100 b.p.	Shock +100 b.p.
Figures as at 06/2026	0.4	-0.3

Price risk – measurement methods and metrics

Equity market risk is calculated with the same frequencies and methods indicated for interest rate risk.

Quantitative information

This section briefly summarises the results of the price risk analyses relative to the trading book. In particular, the average, maximum and minimum VaR values generated by the price risk factor for Credem are reported below for 2024, 2025 and the first half of 2026.

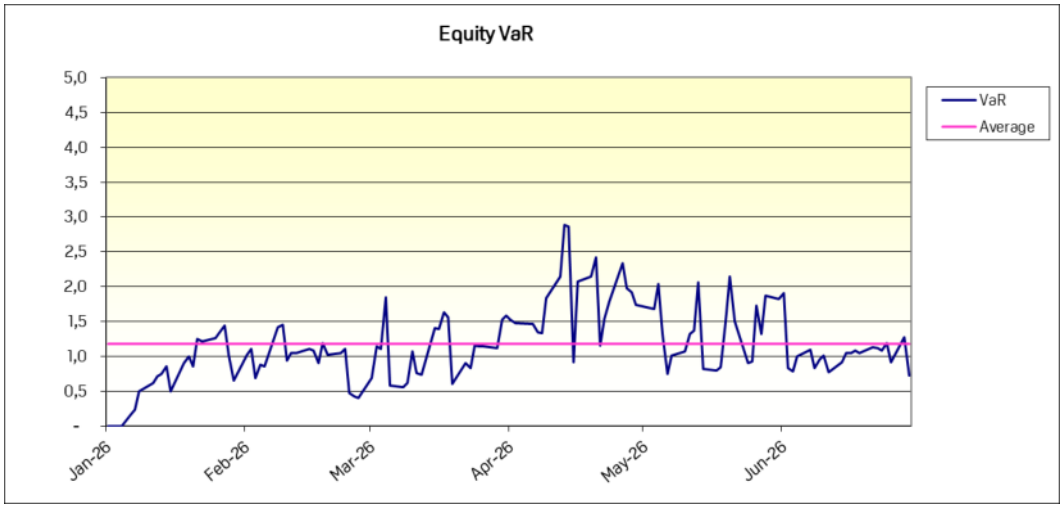
Table 2. Price risk data

		2026 06	2025	2024
Credem				
Equity VaR -	*average*	1.2	1.1	0.6
	min	0.0	0.0	0.0
	max	2.9	4.0	2.7

*data in € million, VaR 99% 10 days * Multiplicative coefficient*

The Credem figure is generally stable on the previous report but always at very limited levels. The figure below illustrates the performance of VaR for Credem in the first half of 2026.

Figure 2. Performance of Equity VaR Credem (99%, 10 day* multiplication coefficient). Figures in €/million



The results of backtesting are shown in the footnotes in paragraph 1.2.3 "Foreign exchange risk".

SPECIFIC RISK – QUANTITATIVE INFORMATION

Specific risk is the risk of losses caused by an unfavourable change in the price of the financial instruments traded, due to factors related to the situation of the issuer.
The average, maximum and minimum values (in €/million) of specific risk, calculated on the basis of supervisory weightings, are reported below for 2024, 2025 and first half of 2026.

Table 3. Specific risk data

		2026 06	2025	2024
Credem				
Specific risk -	average	0.3	0.2	0.1
	min	0.3	0.1	0.1
	max	0.3	0.3	0.1

data in € million

With regard to Credem Euromobiliare Private Banking, the capital requirement for generic and specific market risks is substantially insignificant.

1.2.2 Interest rate risk and price risk – banking book

Qualitative information

A. Interest rate risk and price risk: general aspects, management processes and measurement methods

Interest rate risk

Credem adopts the regulatory definition of interest rate risk in the banking book, according to which, the risk in question is: "interest rate risk deriving from activities other than trading: risk deriving from potential changes in interest rates".
The exposure to interest rate risk may be broken down into:

- income risk, resulting from the possibility that an unexpected change in interest rates leads to a fall in the net interest income and depends on the timing difference between maturities and periods to redefine the interest rate conditions of loans and deposits;
- investment risk, namely suffering negative changes in the values of all off-balance sheet assets, liabilities and instruments, following a change in interest rates, with a consequent destabilising impact on capital equilibrium.

The Group policy to manage interest rate risk in the banking book seeks to manage risk at Group level in a healthy and prudent manner, in order to ensure that risk/return objectives are optimised consistently with the Risk Appetite Framework defined at Group level. These objectives are pursued by maintaining an imbalance within the limits defined in the Risk Appetite Framework and in the Regulations on financial risk-taking, in line with the guidelines issued by the ALM Committee.

With regard to the interest rate risk in the banking book (IRRBB), the Group has a dedicated internal policy for defining the guidelines and the principles of governance and management for interest rate risk, outlining a set of rules and control processes in order to stabilise the net interest income in the banking book for the Group and for individual companies.
The guidelines contained in the Policy refer to provisions issued by national and European authorities relating to instructions for the governance and management of the interest rate risk and credit spread of the banking book.
The Policy, in accordance with European legislation, provides for two reference metrics to measure interest rate risk, economic value sensitivity and net interest income sensitivity within the Risk Appetite Framework, as well as in Capital Adequacy processes (ICAAP).
The Group also monitors the credit spread risk (CSRBB) within the Risk Appetite Framework on the investment portfolio of the banking book, according to the regulatory definition and in line with the internal Policy which, as for interest rate risk, governs the principles of governance and management of this risk. It represents the risk determined by changes in the market price against changes in the credit spread and is monitored both in terms of changes in economic value and in net interest income.
These metrics, calculated by the Risk Management Department and reported periodically to the relevant committees[1], are supported by operating indicators included in the regulations of existing companies for the assumption of Financial Risk.
The main bodies to which the Parent Company BoD refers by virtue of its role of strategic supervision and to which the EC refers as the body responsible for the management of interest rate risk in the banking book are the Group Advisory Risk and Sustainability Committee, the Risk Management Committee (with the responsibilities set forth in paragraph 2.1 Interest rate risk and price risk - regulatory trading book) and the Asset & Liability Management (ALM) Committee, which makes proposals to the BoD after examining the Group risk profile by monitoring the risk limits with respect to the objectives set under RAF and identifies the guidelines and strategies to manage interest rate risk.
The operational management of interest rate risk and the credit spread on the banking book is assigned to the Finance Business Unit, which has the following responsibilities:
- proposing guidelines for the management of interest rate risk and the credit spread in the banking book to the ALM Committee, and formulating proposals to Risk Management for the subsequent approval of the Group Risk and Sustainability Board Committee on the strategic direction of the interest rate risk profile of the banking book;
- managing the interest rate risk and credit spread of the Parent Company and of Group companies, consistent with the overall risk profile defined and with the guidelines received from the ALM Committee, as well as within the limits assigned;
- establishing, together with Risk Management, the structure of operating limits to submit to the EC, consistent with the RAF and sharing of the risk measurement models defined by Risk Management.
In performing its operational management activities, the Finance Business Unit relies on overall and bucketised interest rate sensitivity analyses, in order to highlight the degree of asset- or liability-sensitive exposure on individual curve sections.
The Finance Business Unit is also responsible for making proposals to the ALM Committee on the actions considered necessary to improve the overall profile in terms of interest rate risk (and structural liquidity) and to implement these actions operationally.
Within the process of risk management and assessment of current and future capital adequacy, the Risk Management Department:
- assists the BoD in evaluation exercises, with a view to setting risk objectives and tolerance thresholds within the RAF, as well as continuously checking its implementation;
- proposes to the Group Risk Committee, in collaboration with the Finance Business Unit, within the RAF process, the strategic direction as regards the interest rate profile of the banking book and adoptable tolerance thresholds;
- defines the methods for measuring interest rate risk in the banking book with the support of the Finance Business Unit, to be submitted to the EC;
- validates the models used to quantify interest rate risk and the assessment of the adequacy of the underlying stress assumptions;

[1] Risk Management Committee and Asset Liability Management (ALM) Committee

- defines, together with the Finance Business Unit, the structure of the limits, of the operating proxies and of the stress tests to submit to the EC, consistent with the tolerance threshold established by the BoD;
- prepares interest rate risk management and monitoring reports for the relevant committees;
- on a daily basis, monitors compliance with the operating limits established in the Regulations for the assumption of financial risks, including therein verifying that any overruns of said limits are corrected.

The Daily Report summarises compliance with the operating limits with reference to interest rate risk, and includes the following information:
- interest rate risk ceiling in terms of overall interest rate sensitivity;
- ceilings in terms of interest rate sensitivity per bucket;
- interest rate sensitivity limit on positions in currencies other than the Euro.

As regards demand items, the Group adopts a valuation model that quantifies the effects of persistence over time and the imperfect elasticity to changes in market interest rates (viscosity effect). The modelling is based on the internal time series, by individual relationship, of customer behaviour, and consists of two components for each customer segment: the estimate of the relationship of the rates of on-demand items with market rates, based on a econometric model that envisages different rates of elasticity for different levels of market rates; the estimate of the persistence of volumes, through the multivariate analysis of cash outflows and the closing rates of current accounts, through which the amount of on-demand items is translated into a portfolio of fixed-rate items at maturity (replicating portfolio).
The Group also uses a mortgage prepayment model. The modelling adopted is behavioural, based on historical series analysis of the events of early termination and renegotiation of the rate. Unlike market models, in behavioural models the predominant factors that contribute to determining the value of the early redemption option are not exclusively financial, but include explanatory variables that depend on the characteristics of the loan (e.g. loan to value) and of the borrower (e.g. age).
In the first half of 2026, the Group reported its exposure to interest rate risk through the quarterly IRRBB supervisory reports and the STE IRRBB - CSRBB reporting to the ECB.
The European regulatory framework on interest rate risk in the banking book (IRRBB) is also continuously monitored, taking into account the indications of the Supervisory Body in relation to SREP.

Quantitative information

1. Banking book: breakdown of financial assets and liabilities by residual life (repricing date)

The table in question has not been included because a sensitivity analysis for interest rate risk based on internal models and other methods is provided below.

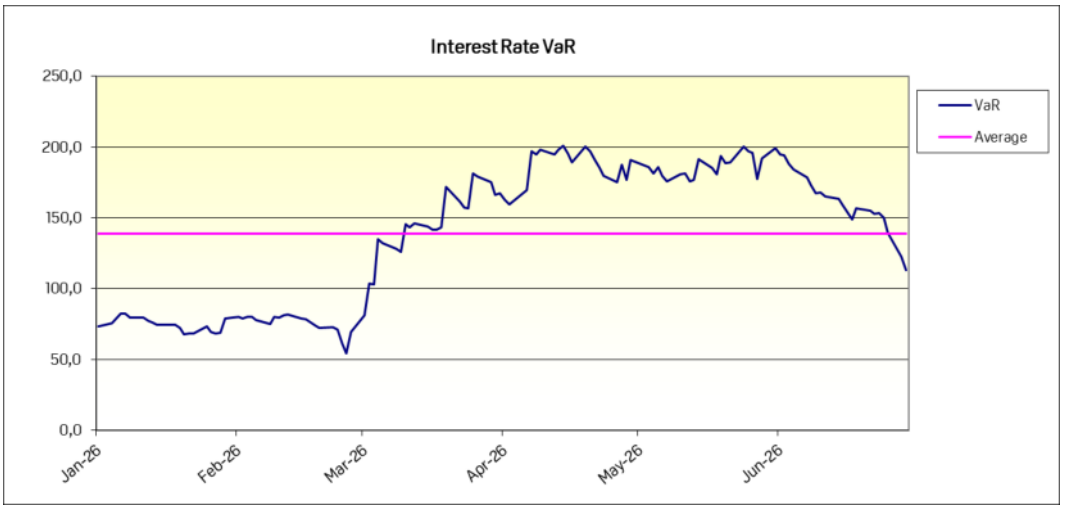
2. Banking book: internal models and other sensitivity analysis methods

This section briefly summarises the results of the interest rate risk analyses relative to the banking book. In particular, the table below shows the data regarding the impact on the net interest income (shift sensitivity analysis), over a period of 12 months, on the assumption of a parallel shift in interest rates of +/- 100 basis points. The measurement is based on end-of-year positions, and therefore does not include assumptions on future changes of the composition of assets and liabilities. For the purpose of the analysis, the floor on the customer interest rates of items with customers was set as zero.
The analysis was conducted in line with the methodology used to measure the interest rate risk of the banking book as part of the Risk Appetite Framework and with interest rate risk regulatory reporting (IRRBB), in line with the reference European guidelines.

"Parallel shift" assumption (figures in €/million)		
	Shock -100 b.p.	Shock +100 b.p.
Figures as at 06/2026	-62.0	+96.9

The exposure to interest rate risk from an equity perspective is measured at a consolidated level by a sensitivity analysis of the economic value (change in fair value of asset and liability items), based on a full evaluation approach, following a parallel shock on the spot interest rate curve of +/- 200 basis points. In the first half of 2026, the average change in economic value in relation to Tier1 Capital was 9.5%.
In addition to the impact of the parallel shocks of interest rates, stress tests are periodically conducted internally, assuming non-parallel shocks based on standard regulatory shocks defined internally.
The methods used to analyse sensitivity to interest rate risk also include the modelling of demand items and prepayments on mortgages according to the behavioural models described above.
For the interest rate risk of the banking book, the same VaR analyses are provided as described in the paragraph on the trading book, to which readers should refer for a description of the method.
The figures below show the performance of the VaR of the Credem banking book over 2026.
The results of backtesting are shown in the footnotes in paragraph 1.2.3 "Foreign exchange risk".

Figure 3. Performance of Interest Rate VaR Credem – banking book (99%, 10 day* multiplication coefficient) Figures in millions of euro



The trend in VaR during the first half of 2026 relates to the performance of the banking book positions and the rate volatility experienced in the markets.

Price risk

The Group does not have significant positions in listed shares or equity investments in the banking book. There are € 9.1 million in a private equity fund managed by a Group company and insignificant shares in funds resulting from the merger with Cassa di Risparmio di Cento, of which € 0.9 million in real estate funds.

Price risk hedging

The Group does not have any hedging transaction in place.

1.2.3 Foreign exchange risk

Qualitative information

A. General aspects, management processes and measurement methods of the foreign exchange risk

Foreign exchange transactions involve the assumption of positions managed and controlled through position limits, both gross and net, and concentration limits by currency.
The currency market risk is calculated with the same frequency and method indicated for interest rate and equity risk.

B. Hedging of foreign exchange risk

There are no hedging transactions in place.

Quantitative information

1. Breakdown by currency of assets, liabilities and derivatives

Items	Currencies					
	USD	GBP	CHF	JPY	CAD	OTHER CURRENCIES
A. Financial assets	**646,343**	**61,885**	**16,739**	**12,981**	**4,313**	**2,443**
A.1 Debt securities	**550,077**	**52,531**	**-**	**-**	**39**	**460**
A.2 Equity securities	15,188	-	-	-	-	-
A.3 Loans to banks	30,103	9,354	7,278	12,098	2,383	1,983
A.4 Loans to customers	50,975	-	9,461	883	1,891	-
A.5 Other financial assets	-	-	-	-	-	-
B. Other assets	**3,705**	**956**	**2,402**	**586**	**599**	**495**
C. Financial liabilities	**-590,627**	**-75,012**	**-13,043**	**-9,129**	**-11,076**	**-3,687**
C.1 Deposits from banks	-67,537	-54,547	-3,081	-406	-1,200	-387
C.2 Deposits from customers	-520,921	-20,465	-9,962	-8,723	-9,876	-3,300
C.3 Debt securities	-2,169	-	-	-	-	-
C.4 Other financial liabilities	-	-	-	-	-	-
D. Other liabilities	**-2,115**	**-1,420**	**-182**	**0**	**-19**	**-2**
E. Financial derivatives	**-844,842**	**-319,815**	**-52,067**	**-4,639**	**-19,011**	**-11,115**
- Options	**-**	**-**	**-**	**-**	**-**	**-**
+ Long positions	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-
- Other derivatives	-844,842	-319,815	-52,067	-4,639	-19,011	-11,115
+ Long positions	-359,080	-166,075	-23,206	-139	-12,639	-5,931
+ Short positions	-485,762	-153,740	-28,861	-4,500	-6,372	-5,184
Total assets	**1,009,128**	**228,916**	**42,347**	**13,706**	**17,551**	**8,869**
Total liabilities	**1,078,504**	**230,172**	**42,086**	**13,629**	**17,467**	**8,873**
Difference (+/-)	**-69,376**	**-1,256**	**261**	**77**	**84**	**-4**

Internal models and other sensitivity analysis methods

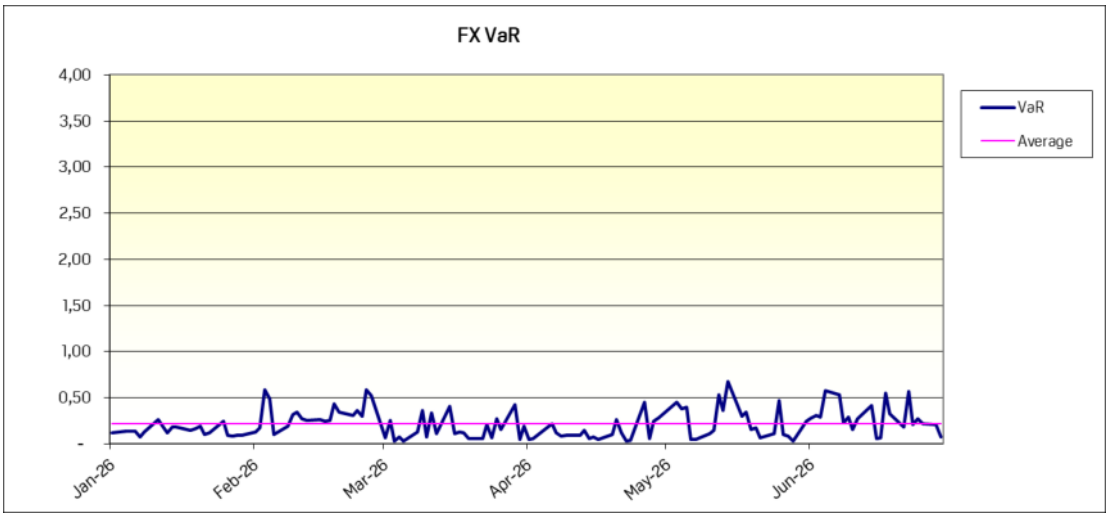
This section briefly summarises the results of the foreign exchange risk analyses. In particular, the average, maximum and minimum VaR values (in €/million) generated by the currency risk factor are reported for the years 2024, 2025 and the first half of 2026.

Table 4. Currency VaR data

		2026 06	2025	2024
Credem				
VaR -	average	0.2	0.3	0.3
	min	0.0	0.0	0.0
	max	0.7	1.5	1.0

*data in € million, VaR 99% 10 days * Multiplicative coefficient*

The following figure shows the performance of the aforementioned VaR for Credem in the first half of 2026.



The table below shows the average contributions of equity risk, foreign exchange risk and interest rate risk during the first half of 2026 to the total non-diversified VaR.

Table 5. Average % contribution of risk factors to total non-diversified VaR

	Equity Risk	FX Risk	Interest Rate Risk
Credem 2026 06	2.7%	0.2%	97.2%

As part of the more comprehensive annual backtesting analysis of models, the VaR data is compared with the effective P&L recorded.

Backtesting is carried out by comparing the VaR figures with the daily management P&L figures (or weekly, for the portfolios for which the calculation of profitability is on a weekly basis), based on the analysis of "exceptions", or cases in which the loss recorded is higher than the estimated VaR for the same reference period, both in terms of numbers and in terms of time breakdown.
The scope of the backtest analysis is the portfolios of the Finance Regulation (trading and banking) and covers the risks reported in this section. The VaR time horizon is in line with the calculation of the P&L. The year is based on 12 months of figures. The hypotheses were checked through a series of tests:

- Frequency Test: Basel and Kupiec (or POF, Proportion of Failure);
- Independent Test: Christoffersen and Mixed Kupiec;
- Joint Test: POF + Christoffersen, POF + Mixed Kupiec.

With regard to the period backtesting, the tests conducted confirm the solidity of the VaR model.

1.3 Derivatives and hedging policies

Transactions in derivative instruments are managed by the Group by means of a specific application that makes daily valuations on a Mark to Model basis. The reference document "Technical Annex to the Group Fair Value Policy: Pricing Models Manual" governs the main pricing models most often used by the Group for its derivatives measured on a Mark to Model basis. In particular, a specific section provides a detailed illustration of these models. The series of models illustrated identifies the methods used to date and validated for valuations of own instruments.

Classification of derivative instruments and market parameters

The Credem Group has drawn up a Fair Value Policy and related technical attachments, which also contain the accounting rules for the valuation of instruments on a Mark to Model basis, the related parameters and the processes used for the valuation of said instruments.

In particular, the manual is divided into the following sections:

- classification of the derivative instruments, historicised within the application;
- mapping and detail of the market parameters used by the application for the valuation of all instruments;
- description of automated procedures to historicise prices.

Market parameters

The market parameters used for the valuations and managed within the application may be:

- data acquired automatically, information downloaded periodically from infoproviders (e.g. daily market parameters);
- market data estimated by the application, mainly through data acquired automatically.

In general, the parameters entered manually are those that don't need to be updated continuously and on a daily basis.

Process to validate models and parameters

As already mentioned, the reference documents illustrate all of the pricing models and market parameters validated and used by the Group for the valuation of derivative instruments.

In the event that new parameters and/or models need to be introduced, the process envisages the involvement of the validation office, which issues a specific opinion on the new element and organises the validation of the models, as provided for in the specific Group regulations for new products.

The validation function is responsible for periodically updating the reference documents with new models and/or parameters used and for analysing the validity of the models in use.

Automatic procedures and specific controls enable the valuations of the derivatives and of the parameters used to be monitored on a daily basis.

The type of valuation is shown for each type of derivative (through market quotation - Mark to Market or through valuation according to the Mark to Model technique). If the derivative has been measured using the Mark to Model technique, the pricing model and the market parameters used for the valuation are indicated.

Family	Group	Transaction Type	Description	Mark to Model/Mark to Market	Pricing Model/Market Parameters
CURR	FXD	FXD	Spot-Forward	MARK_TO_MARKET, MARK_TO_MODEL	**Models:** COST_OF_CARRY **Parameters:** FX_SPOT_RATE, FX_CURVE
CURR	FXD	XSW	Forex Swap	MARK_TO_MODEL	**Models:** COST_OF_CARRY **Parameters:** FX_SPOT_RATE, FX_CURVE
CURR	OPT		FX Option	MARK_TO_MODEL	**Models:** BLACK_EXOTIC (Back to back only) **Parameters:** FX_SPOT_RATE, FX_CURVE, IR_CURVE, FX_VOL_SURF
EQD	BONDS	CNV	Convertible Bond	MARK_TO_MARKET, MARK_TO_MODEL	**Model:** CN_CREDIT_ALL (Sensitivity only) **Parameters:** BOND_PX, IR_CURVE, EQ_VOL_SURF, EQ_DIV_CURVE
EQD	EQUIT		Equities	MARK_TO_MARKET	**Models:** **Parameters:** EQ_STOCK_PX, EQ_INDEX_PX
IRD	ASWP		Asset Swap	MARK_TO_MODEL	**Models:** DISC_CASH_FLOW **Parameters:** IR_CURVE
IRD	BONDS		Vanilla Bond	MARK_TO_MARKET, MARK_TO_MODEL	**Models:** DISC_CASH_FLOW **Parameters:** BOND_PX, IR_CURVE, CREDIT_SPREAD_CURVE
IRD	CF		Cap/Floor	MARK_TO_MODEL	**Models:** BLACK_NORM_YLD, FISCHER_BLACK **Parameters:** IR_CURVE, IR_CAP_FLOOR_VOL_SURF
IRD	CS		Currency swaps	MARK_TO_MODEL	**Models:** DISC_CASH_FLOW **Parameters:** FX_SPOT_RATE, FX_CURVE, IR_CURVE
IRD	FRA		Forward Rate Agreement	MARK_TO_MODEL	**Models:** DISC_CASH_FLOW **Parameters:** IR_CURVE
IRD	IRS		Interest Rate Swap	MARK_TO_MODEL	**Models:** DISC_CASH_FLOW **Parameters:** IR_CURVE

Family	Group	Transaction Type	Description	Mark to Model/Mark to Market	Pricing Model/Market Parameters
IRD	IRS		Inflation Swaps	MARK_TO_MODEL	**Models:** DISC_CASH_FLOW **Parameters:** INFL_ZERO_CURVE, IR_CURVE
IRD	LFUT, SFUT		Long/Short Future	MARK_TO_MARKET	**Models:** **Parameters:** IR_FUT_PX, BOND_FUT_PX
IRD	LN_BR		Loans/Deposits	MARK_TO_MODEL	**Models:** DISC_CASH_FLOW **Parameters:** IR_CURVE
IRD	OPT	OTC	Bond Option	MARK_TO_MODEL	**Models:** BLACK_NORM_YLD, FISCHER_BLACK **Parameters:** IR_CURVE, BOND_VOL_SURF
IRD	OSWP		Interest Rate Swaption	MARK_TO_MODEL	**Models:** BLACK_SHIFTED (Optional component) (swaption)), DISC_CASH_FLOW (Coupon component of the swap) **Parameters:** IR_CURVE, IR_SWAPTION_VOL_CUBE
IRD	REPO	REPO	Bond Repo	MARK_TO_MODEL	**Models:** DISC_CASH_FLOW **Parameters:** BOND_PX, IR_CURVE

1.3.2 Hedge accounting

Qualitative information

With regard to hedge accounting, as envisaged by IFRS 9, the Group will continue to apply the provisions of accounting standard IAS 39 (adopting the carved-out version endorsed by the European Commission) for all hedges in place.

Fair value hedging, hedging instruments and items hedged

The Macro Fair Value Hedge accounting method was adopted to hedge the interest rate risk associated with:

- Fixed-rate mortgages/loans;
- the core inelastic component of demand deposits.

In addition, the Micro Fair Value Hedge accounting method was adopted to hedge the interest rate risk associated with:

- debt securities held as HTCS and HTC (including inflationary BTP, where also the inflation risk is hedged);
- fixed-rate bonds issued by Credito Emiliano;

By applying hedge accounting, it is possible to symmetrically represent, in accounting terms, both the hedged items and the derivative products used for the hedge. In particular, to hedge interest rate risk, unlisted derivative instruments (IRS, OIS, IRS inflation) are used, which allow the differences between the financial characteristics of loans and deposits to be realigned.
The Fair Value Hedge method requires that the hedging relationship be formally documented by a hedging card and that the effectiveness of the hedge is verified by prospective and retrospective tests of effectiveness. If the tests of effectiveness give a positive result, an adjustment of the fair value of the hedge instrument is recorded in the accounts, to align its valuation method with that of the hedging instrument.
These effectiveness tests are performed periodically during the life of the operation. The hedge is considered effective if the ratio between the change in fair value of the hedged item with respect to the hedging instrument is within the range of 80%-125%. The test of prospective and retrospective effectiveness of the hedge is carried out on a quarterly basis.
Hedge accounting cannot be maintained when the hedge becomes ineffective (outside of the range of 80%-125%). Possible sources of inefficiency may include different payment dates or arrangements between the hedged and hedging instrument, or a change of basis between the forwarding and discounting curves.

Cash flow hedging, hedging instruments and items hedged

The basic objective of cash flow hedging is to avoid that unexpected changes in market rates have a negative impact on the net interest income.
In particular, for interest rate risk hedging, unlisted derivative instruments (interest rate swaps) are used, which allow realignment of the financial differences between loans and deposits. The objective of hedging is to partially eliminate the risk of fluctuations in future cash flows caused by changes in the floating rate over the period hedged, and the consequent achievement of indexing at a "target" fixed rate, equal to that calculated from the "fixed-leg" cash flows of the group of hedging instruments.
The Macro Cash Flow Hedge is in effect for floating-rate mortgages. The definition of mortgage packages with Macro Cash Flow Hedges was made on the basis of the following criteria:

- same payment frequency
- same type of indexing
- frequency of interest rate review and payment of interest (split into the following 3 buckets: from the 1st to the 10th day of the month, from the 11th to the 20th day of the month and from the 21st day to the end of the month).

The homogeneity of these characteristics of the mortgage portfolio and the related derivatives guarantees the effectiveness of the hedge and therefore makes it possible not to carry out effectiveness tests, but only of minimum nominal capacity for each future period starting from the current bucket.

1.4 Banking group – liquidity risk

Qualitative information

A. Liquidity risk: general aspects, management processes and measurement methods

Liquidity risk is defined as the possibility that the Group finds itself in a situation in which it is unable to meet its ordinary or extraordinary payment commitments when they become due without incurring losses that may undermine daily operations or the overall financial situation of the Group. Liquidity risk management can be divided into:

- management of short-term liquidity, including intra-day liquidity, the objective of which is to ensure the capacity to meet expected or unexpected cash payment commitments by maintaining a sustainable balance between the incoming and outgoing cash flows; this management constitutes the essential condition for normal operational continuity of banking activities;
- structural liquidity management, the objective of which is to maintain an adequate ratio between total liabilities and assets, in order to avoid pressures on short-term, current and future sources.

The Credito Emiliano Group adopted a liquidity risk management policy some time ago. The approved Policy regulates:

- the principles of liquidity risk governance and management adopted by the Group, and
- the set of regulations and control processes that aim to prevent the emergence of liquidity crisis situations for the Group and for individual Group companies, with the objective of encouraging proper and careful management of liquidity risk at consolidated level, with a view to assuring the stability and safety of company transactions, financial solidity and consequently Group solvency.

The basic principles behind the liquidity management policy are:

- definition of the Risk Appetite and Risk Tolerance (or tolerance threshold) in the context of the normal business activities and stress scenarios, which have appropriate buffers against regulatory requirements;
- definition and formalisation of roles and functions, in line with the principle of separating operational functions from control functions (known as "segregation of duties");
- centralization of the liquidity risk governance function at the Parent Company;
- implementation of a policy of transformation of the deadlines managed within the limits assigned;
- adoption of a diversified funding policy in terms of sources, duration and type of funding instruments;
- definition and formalisation of the principles relating to the definition of the pricing system for the internal transfer of funds;
- definition and formalisation of an emergency plan to be activated in the event of stresses and/or market crises or in the event of specific Group situations (Contingency Funding Plan);
- adoption of an internal control system.

The changes in cash flows over time are examined, on a daily basis, through a liquidity gap model, enabling the implementation of transactions aimed at establishing a balance between cash inflows and outflows. In addition, from 2023 the Ilias platform is used for the daily operational monitoring of internal regulatory and management indicators.
The Group Asset Liability & Management Committee is awarded with decision-making powers to draw up strategies on Group funding policies. The financial equilibrium status is also regularly analysed, within the Committee, to guide funding strategy decisions. This includes the Committee's analysis of extraordinary measures that may become necessary due to contingent market situations.
Under the RAF process, the Risk Appetite and Risk Tolerance thresholds, the metrics and control procedures are also defined for the following liquidity indicators:

- Liquidity Coverage Ratio (LCR);
- Asset Encumbrance;
- Net Stable Funding Ratio (NSFR);
- Cumulative Gap at 1 month on Total Assets.

The Liquidity Management rules adopted establish liquidity limits for short-term maturities and other indicators to monitor the overall position on a daily basis.

As regards structural liquidity, limits are envisaged to control and manage risks resulting from mismatches of medium/long-term maturities of assets and liabilities. Gap ratios at 1, 2 and 5 years are envisaged.
These limits enable the bank to avoid medium-long term transactions triggering excessive imbalances that require short-term financing.
The stress test scenarios envisaged by the Regulation are broken down into:
- systemic stress: systemic liquidity crises caused by unexpected instability of the money and capital markets, political tensions and/or climate and environmental events, accompanied by high levels of intensity and global impacts;
- idiosyncratic stress: liquidity crises caused by particularly negative events for the Group;
- combined stress: this is the combination of events of the two previous scenarios.

The purpose of the Contingency Funding Plan procedures, constantly updated, is to safeguard the Group's stability during the initial stages of a state of liquidity tension and to guarantee the continuity of the Group in the event of a serious liquidity crisis.
The management of short-term liquidity and structural funding is carried out by the Parent Company's Finance Department, which, overall:
- manages the intragroup cash flows arising from the net liquidity needs/surplus of the Group companies;
- measures and monitors the liquidity position of the Group and the individual Group companies;
- coordinates and raises funds in the interbank market to maintain adequate liquidity conditions for the Group;
- periodically establishes the financial interventions required to achieve medium and long-term equilibrium, sustainable growth and greater efficiency in funding;
- manages relations with the ECB (overseeing the management account and any lending or funding activity) and participates in the ECB's refinancing operations.

This set-up enables the Group's financial requirements to be adequately supported and is aimed at:
- reducing the total requirements for funding from counterparties external to the Group;
- optimising access to markets and, thus, minimising total costs of external funding.

During the first half year of 2026, the Group continued to submit to the supervisory authorities as part of its regulatory reporting:
- on a monthly basis, the reports relating to the Liquidity Coverage Ratio (LCR), on the basis of the formats compliant with EU Implementing Regulations no. 322/2016, no. 2114/2017 and no. 2018/1620;
- on a monthly basis, the reports relating to Additional Liquidity Monitoring Metrics (ALMM) on the basis of the schemes compliant with EU Implementing Regulation no. 2114/2017 and the technical standards contained in the EBA document "Final Report on draft ITS on Supervisory Reporting regarding COREP, AE, ALMM and GSIIs";
- on a quarterly basis, the Net Stable Funding Ratio liquidity report (so-called "NSFR CRR2") as required by Regulation (EU) no. 2019/876 (so-called "CRR2").

In the first half of 2026, the Group also continued to send the weekly Single Supervisory Mechanism Liquidity Exercise (SLT) at consolidated level required by the ECB (from September 2023).

Liquidity reserves

As at 30 June 2026, total unrestricted liquidity reserves, meaning the high-quality liquid assets used to calculate the LCR indicator, amounted to € 9.25 billion at market value. 98% of these reserves belong to the Parent Company and the remaining 2% to the subsidiaries.

Funding with the ECB

At the end of June 2026, there were no outstanding loan transactions with the ECB.

Other funding activities

During the first half of 2026, as part of money market operations, the Bank continued to raise funds through short-term unsecured deposits with the Ministry of Economy and Finance (MEF) via two transactions of € 500 million each, each with a one-week maturity, which took place in the first and second quarters. However, as at 30 June 2026 there were no transactions in place.
With reference to repo refinancing operations, mainly involving government bonds and European Supras, the Group remained very active during 2026, with net outstanding borrowings at the end of June amounting to approximately € 740 million at market value. The excess liquidity over cash requirements was partly reinvested in the money market and partly deposited with the European Central Bank. Part of the excess liquidity was re-invested in repurchase agreements secured by bonds issued by financial institutions, amounting to € 500 million at the end of June.
With regard to transactions in currencies other than the euro (and in particular in US dollars) the position remained predominantly in a net inflow during the half year. However, at the end of June, following a change in the overall customer position, the overall position closed with a net outflow. Furthermore, during the period, following the purchase of 45 million UK government securities, repurchase agreements were entered into for the same amount.

Covered Bond Issue Programme

As part of the Covered Bond programme by Credem CB, the nominal value of the issues outstanding at the end of June 2026 stood at € 3.6 billion, of which € 1.75 billion was represented by two self-retained issues. The self-retained issues are suitable for refinancing transactions at the European Central Bank and qualify as a level 1 asset for the purposes of the Liquidity Coverage Ratio for potential collateral borrowing counterparties in repo transactions.

"Euro Medium Term Note" (EMTN) issue programme

In May 2026, the annual renewal of the EMTN Programme was finalised.
In May 2026, Credem placed a Senior Preferred Green bond issue on the market for € 500 million, maturing in June 2032 and with an option for early redemption in June 2031.

Securitisations

With reference to the securitisation transaction with Emilia SPV S.r.l. as the vehicle, in the first half of 2026 a new sale of assets relating to performing residential mortgage loans was carried out. As at 30 June 2026, the current tranche of senior notes corresponded to around € 2.13 billion and that of the junior notes to around € 0.64 billion.
In April 2026, the restructuring of the Emilia securitisation was completed, with changes made to the structure and contractual documentation aimed at extending the replenishment period (which was originally due to expire in May 2026) by a further five years. In addition, the disposal criteria and concentration limits have been reviewed and updated, and the amortisation mechanism for notes has been brought into line with best market practice. The legal maturity of the notes has been extended from 2064 to 2080, whilst the rating agency SCOPE has replaced Moody's in assigning the rating to the Senior Notes.

Commercial Paper Programme

In the first half of 2026, under the Credito Emiliano Commercial Paper Programme, which gives the possibility to issue Italian Commercial Paper for institutional and professional customers, 4 issues of Commercial Papers were carried out, in the form of Zero Coupon instruments with an average duration of 11 months for a total amount of € 95 million. At the end of June 2026, there were outstanding issues with a nominal value of € 225 million.

1.3 Operational risk

Qualitative information

A. Operational risk: general aspects, management processes and measurement methods

The Group has developed an integrated management system for the operational risks it is exposed to, which while following strategic guidelines, improves the ability of the Organisational Units to consciously manage them, by introducing identification, measurement and control tools able to guarantee the conscious assumption of risk in line with Governance strategies and with financial and equity circumstances, in compliance with the instructions of the Supervisory Authorities.

The Parent Company's Board of Directors has approved the Group Policy on Operational Risk Management and the "Operational Risk Management" Regulation (ORM Regulation), which establishes policies for the management of operational risk at Group and Bank level, and sets out a common and coordinated system with shared rules for the division of tasks and responsibilities at company level.

According to the regulation, operational risk is defined as "the risk of incurring losses resulting from inadequacy or inefficiency of procedures, human resources and internal systems, or external events, including legal risk; it does not include strategic or reputational risk".

Starting from the regulatory reporting as at 31 March 2025, the method used to calculate the capital requirement for operational risk adopted both at the level of individual companies of the "Credito Emiliano - CREDEM" Banking Group and at consolidated level is the Standardised Approach introduced by CRR3 implementing the Basel 4 reform at EU level.

No significant changes were recorded with respect to the previous year as regards the operational risk management model, which is outlined below: the Body entrusted with Group strategic supervision is the Board of Directors of Credito Emiliano S.p.A., the Parent Company of the Credito Emiliano - CREDEM Banking Group.

A number of bodies entrusted with management functions have been identified at Group level. These coincide with the Boards of Directors of each of the individual subsidiaries that adopted the Group Policy on Operational Risk Management, implementing the related "form" in their specific corporate situation and concretely establishing the "local" functions needed for the positive outcome of the process.

From an operational perspective, the bodies entrusted with strategic supervision and those with management functions are assisted by the Parent Company's Governance, Risk Integration and Non-Financial Risk (GRN) Office. Within the process that is centrally coordinated by GRN (the "Central ORM"), operational risk management is carried out with the support of a number of "Peripheral ORM" functions belonging to various departments of the Bank and the companies of the Banking Group.

The Board of Statutory Auditors is the body with a controlling role, in compliance with regulations in force regarding entities that adopt a "traditional" model of corporate governance. More specifically, the Board of Statutory Auditors of the Parent Company is responsible for supervising compliance with provisions in force, both legal and statutory, fair administration, the adequacy of accounting and organisational structures of the Group, also through coordination with similar entities operating in the subsidiaries.

In carrying out its activities, this body is supported by the Group Audit Service.

Specific information flows towards the supervisory entity of the companies involved have been established.

The Operational Risk Management System is periodically reviewed independently by the Parent Company's Audit Service.

The operational risk management system is defined as the structured set of processes, functions and resources to identify, measure and audit operational risks, and is divided into the following sub-processes:

- Identification;
- Measurement;
- Monitoring and Control;
- Mitigation.

The companies included in the measurement, monitoring and mitigation processes are those

which, for the purposes of operational and IT risk, are relevant on an annual basis based on the analysis carried out as part of the approval of the Risk Appetite Framework (RAF) and of the capital adequacy assessment process (ICAAP) carried out by the Parent Company.

The "Identification" process consists of the following procedures:

- Loss Data Collection: this entails collecting data regarding internal operating losses, with the direct involvement of all business units. Within this context, operating loss events (including IT-related) are classified by Business Line (corporate finance, trading and sales, retail banking, commercial banking, payment and settlement, agency services, asset management, retail brokerage) and Event Type (internal fraud, external fraud, employment ratio and occupational safety, customers, products and professional practices, external damages and events, interruption of operations and malfunctioning of systems, execution, process delivery and management);
- Risk Self-Assessment: this entails collecting, through a questionnaire, subjective estimates expressed by the risk owners regarding operating events (including IT-related) potentially relevant for their business units and taking into account the development guidelines emerging from the preliminary group planning process;
- Data Pooling/Communication with external entities: this entails taking part in external common initiatives and in managing the relative relationships (e.g. DIPO consortium), as well as in communicating the operating loss data collected by the Supervisory Authorities (Banca d'Italia and European Central Bank).

The "Measurement" process involves quantifying Capital at Risk (CaR) through subjective estimates. The aim of the methods used to measure expected and unexpected losses is to monitor and identify potentially critical situations. These methods are based on Risk Self-Assessment (RSA) questionnaires, carried out at least once a year, which, for each single type of event, ask the heads of the organisational units (OU) that could generate/manage operational risks, for a subjective estimate of some risk-generating factors:

- "standard occurrence", the expected average number of events over the reference period of time;
- "standard impact", the expected average loss by type of event;
- "worst impact", the impact of an individual event when the same occurs in the worst (reasonably) conceivable way.

The analysis is performed on various levels such as department, business unit, company and consolidated group and an expected loss amount and an unexpected loss amount are calculated for each level. The results of the assessment are used for operational purposes to prevent and mitigate the operational risks and in the operational planning process, on a consistent basis with the matters defined by the "Group planning, scheduling and control regulations".
Contributing to the measurement of operational risk is also the quantification, at least on an annual basis, of capital absorption according to the Standardised Measured Approach (SMA), in accordance with which the Group has developed and applies (in line with the provisions of the new prudential supervision regulations and related EBA mandates) a specific methodology for calculating the exposure to the risk in question referring to the last three complete years (so-called "Business Indicator") and consequent determination of own funds (so-called "Business Indicator component") through allocation of the Business Indicator in the buckets provided for by CRR3.
The "Monitoring and Control" process seeks to promptly identify any dysfunctions in business processes or in risk management procedures so that the necessary mitigation measures are assessed.
Operational risks are also monitored within the wider Group Risk Appetite Framework (RAF) process (quarterly monitoring).
In order to ensure continuous monitoring, a reporting mechanism is in place for each individual instance of an operating loss, for which the authority to make decisions (as defined in the regulations already in effect or, in the absence thereof, exceeding the threshold of € 100,000) rests with the Executive Committee/ Board of Directors; the same applies to controls that were unsuccessful and corrective actions taken to address any organisational and/or process/product deficiencies. If available, the peripheral ORM that is in charge at any given time includes the information to be reported within the proposals and sends them to the relevant departments, depending on the particular case (e.g., the Audit and Compliance Service). In any event, the resolutions adopted by the EC/BoD are sent, for informational purposes, to the Risk Officer of the Parent Company and the GRN. The GRN checks every six months that the relevant departments

have been set up by the Peripheral ORMs and if this has not happened, it directly sets up the relevant departments, if necessary, in coordination with the Peripheral ORMs.
In addition, the GRN checks, every six months, for BU/Credembanca Service and for the relevant companies, that the respective losses recorded in the reference half year or year do not exceed the related expected loss value estimated in the risk self-assessment and, if this occurs, reports at the Credembanca Executive Committee on the reasons for the deviation provided by the BU managers/Credembanca Service Managers. For the individual relevant companies, in the event that losses are greater than Expected Loss, the company's peripheral ORM reports to its BoD on the reasons for the deviation and notifies the Parent Company's Risk Officer.
The reporting system provides the management bodies and the relevant department heads with information on the level of exposure to operational risk and is a tool used to support their active management, representing a combination of measurement, monitoring and control processes.
The "Mitigation" process defines actions to be taken to prevent and mitigate operational risks and consists of the following procedures:

- Management analysis: this entails analysing critical events that have occurred and the various possible solutions available within traditional alternative risk management methods (retention, transfer, mitigation), from a cost-benefit perspective;
- Management of mitigation: this entails selecting, planning, starting-up activities, implementing and completing mitigation actions set in place and then checking the progress and efficacy of risk mitigation interventions performed;
- Management of forms of transfer: this entails identifying, evaluating, selecting and managing the various forms of risk transfer (e.g. insurance policies).

The mitigation actions defined in the reporting are also included in the operational planning process.

As at 30 June 2026, the operational risk weighted assets amounted to € 3,499 million (capital requirement of € 279.9 million), in application of the new approach envisaged by CRR3. The requirement is determined on the basis of the historical three-year average of the Business Indicator, resulting from the aggregation of the Interest, Lease and Dividend (ILDC), Service (SC) and Financial (FC) components, to which the progressive weighting rates are applied. The final calculation incorporates an Internal Loss Multiplier (ILM) of 1.

LEGAL RISKS

As part of its normal business operations, the Group is involved in various judicial proceedings, which may result in compensation and/or restitution obligations, and the consequent outlay of economic resources (legal risk). All outstanding disputes have been duly analysed by the Bank and, in the light of these analyses, as well as of the recommendations of its external attorneys, the appropriate allocations have been made, where necessary, on the basis of the circumstances in question.

More specifically, a provision for risks and charges has been established to cover the contingent liabilities that may arise from pending lawsuits.

Most of these disputes relate to the Group's core activities and may concern, for example, investment services, compound interest, payment systems and methods, seizures, tax matters, and products falling within the "Lexitor" scope.

For details on the cases related to the risks illustrated above, please refer to the Explanatory notes to the financial statements – Part B – Section 10.

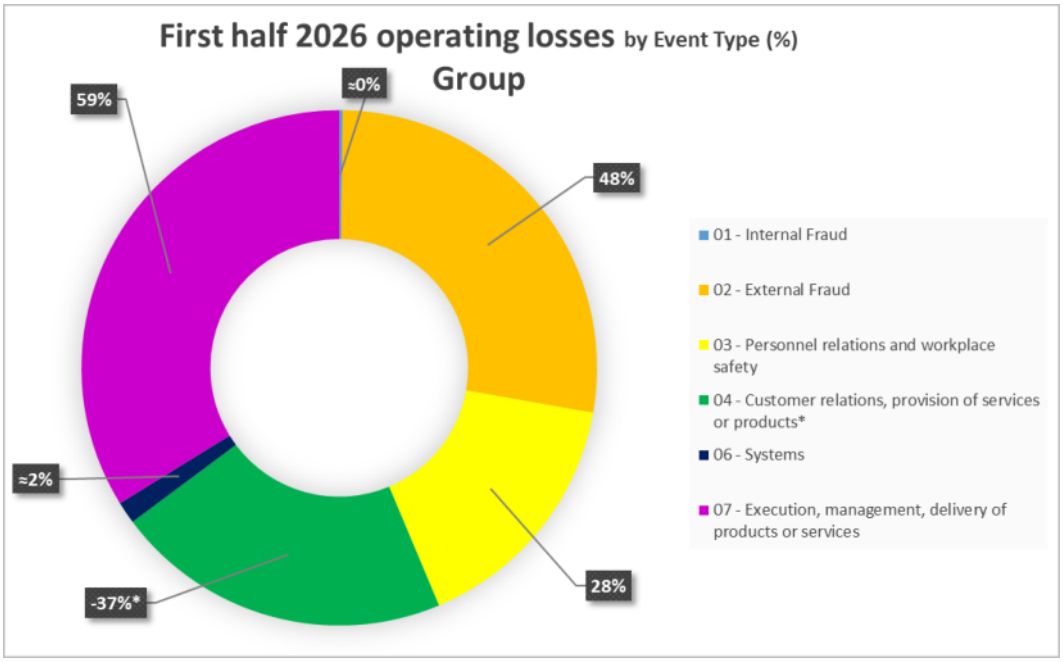
Evolutionary guidelines in the management of the operational risk component

In 2026, the RAF indicators relating to the incidence of operational losses were revised; specifically, some of the Level II RAF indicators (up to 31 December 2025) were revised and now constitute some of the Key Risk Indicators (KRIs) monitored by the GRN Office. Work is currently underway to bring the framework into line with the regulatory changes set out in the RTS implementing the new rules introduced by Basel IV. Throughout the year, the work required to implement the new system (e.g. reviewing the Event Type hierarchy, integrating new attributes and updating reporting templates) will continue, ensuring that the system is fully operational in time for the first data transmission.

Quantitative information

The breakdown (in %) of the operational losses of the Credem Group by type of event is illustrated below:

- ET 01 - Internal Fraud
- ET 02 - External Fraud
- ET 03 - Personnel relations and workplace safety
- ET 04 - Customer relations, provision of services or products
- ET 05 - Disasters and other events
- ET 06 - Systems
- ET 07 - Execution, management, delivery of products or service



(*) Please note that this Event Type has seen a recovery in value.

During the first half of 2026, the main source of operational risk, in terms of loss amount, was the "Execution, management and delivery of products or services" (ET07) type of event. The second source of operational risk regards losses due to "External Fraud" (ET02), followed by "Personnel relations and workplace safety" (ET07).
The remaining types of losses have an overall incidence of less than 3% or they relate to recoveries. In percentage terms, losses relating to the malfunctioning of technological systems (ET 06) are marginal.
Finally, almost all losses attributable to "Conduct Risk" refer to Event Types 01 and 04.

Section 3 – Risks of the insurance companies

3.1 Insurance risks

CREDEMVITA S.P.A.

Credemvita's approach to risk management

Risk management strategies

Credemvita S.p.A has adopted a strategy for undertaking and managing risk based on criteria of sound and prudent management, coherent with the company's level of capital. This strategy is based on risk assessment principles that consider aspects relating to their relevance/significance. The approach followed in risk management is based on the criterion of proportionality and is outlined in specific internal policies pursuant to IVASS Regulation no. 38/2018, for each of the areas of risk that the Company is concerned with.
The key elements on which the Company's risk strategy and management policy are based are as follows:

- risk identification and classification - risk map;
- risk assessment;
- risk measurement tools and methods;
- risk management;
- monitoring and reporting.

The general principles adopted for the definition of the risk management system therefore consider:

- consistency checks between the level of risk assumed and the level of expected available capital (so-called Risk Appetite);
- risk measurability/assessment (for risks that can be quantified) to enable management to assess the impact of risk on business performance;
- the determination of processes and operating controls for those that cannot be quantified;
- the presence of a continuous monitoring system for the current and future risk profile and the related risk and/or return indicators identified.

As part of its risk management system, Credemvita has designed and implemented an independent process to assess its current and future capital adequacy, in relation to the significant risks to which the Company is exposed (ORSA - Own Risk and Solvency Assessment process). This process has the following phases:

- Forward-looking assessment of the Solvency II Ratio;
- Stress Test;
- Forward-looking Liquidity Plan;
- Adequacy of the Standard Formula with respect to the risk profile of the Company;
- Back Testing;
- Preparation and forwarding the ORSA Report.

They also include ESG risk assessments (with a particular focus on climate risks).
The following processes are also an integral part of the ORSA process:

- Definition of the preliminary plan and of the company budget;
- Definition of the Risk Appetite;
- Risk identification and assessment and Continuous Monitoring.

As part of the Company's strategic policy, the Board of Directors identifies and approves the proper size of the overall capital endowment and the profitability targets adjusted for risk. The formulation of preliminary strategic guidelines by the Board of Directors guides the calibration of the risk targets and the development of the strategic plan. These activities are significantly connected and are both developed considering the starting situation of the Company, the prospective view of the external context, the risk profiles and the guidelines in terms of risk/return.
The Risk Management Department continuously supports the corporate bodies in the choices deriving from the implementation of the plan by facilitating the understanding and awareness of the risks assumed / to be assumed and their monitoring.

Risk identification and classification – risk map

The sector regulations, containing provisions on the risk management system, require companies to catalogue the risks to which they are exposed regardless of whether they can be quantified, depending on the nature, scope and complexity inherent in the activity carried out, from a current and future perspective, as well as the indirect effects associated with significant risks.
This cataloguing constitutes the common language for the performance of all activities connected with the company risk management system.
Company risks are classified into the following main classes:

- Life underwriting risks (or technical insurance risks):
- Assumption and pricing risks;
- Reserve risk.
- Market risks:
- Market risks;
- ALM risk;
- Liquidity risk.
- Credit and counterparty risks:
- Investments;
- Reinsurance;
- Intermediaries and counterparties.
- Operational risks:
- Operational Risks;
- IT Risk and Cyber Risk;
- Compliance risk;
- Model risk;
- Business continuity;
- Regulatory operational risk.
- Second-level risks:
- Risk associated with belonging to a group;
- Reputational risk;
- Conduct risks;
- ESG risks;
- Strategic risks;
- Emerging risks.

The process of identifying the risks to which the Company is exposed constitutes a fundamental element for the correct implementation and assessment of the broader risk management process. Credemvita, in line with regulatory legislation, has provided for a risk census procedure, to be intended as a methodological support tool in carrying out risk identification and assessment activities, which enables it to continuously collect information on existing and prospective internal and external risks to which it is exposed, and which may affect all operational processes and corporate areas. By its nature, this procedure is ongoing, based on the gradual refinement of the risk management system and the evolution of the reference regulatory framework.
Credemvita's risk analysis procedure is divided into four phases:

- analysis of the company's strategic plan and identification of emerging risk factors;
- identification of external risk factors;
- identification of operational (including IT and cyber risk), non-compliance with regulations and second-level risk factors;
- identification of strategic risk factors.

The methods adopted for identifying risks are essentially based on one or more of the following approaches:

- Specific Risk Assessments (by risk families);
- Evaluations of the differences between each risk assumption and the current outcome;
- Loss or error events that have occurred;
- Review of processes, regulatory risk matrix or regulatory risk assessment;
- Brainstorming with management and risk owners;
- Internal/External Audit evaluations;
- Communications and comparisons with regulators;
- Other external events;

- Reporting transmitted by the functional areas of the Company.

Once the risks have been identified, they form the Company's risk map.

Risk Assessment

The risk assessment process is carried out with both current and forward-looking approaches and integrates quantitative (both regulatory and non-regulatory) and qualitative methods and approaches.

The risk assessment is carried out on an individual basis, at individual risk level, and on an aggregate basis, to take into account the interrelationships between the sources of risk. Indirect effects related to the most significant risks are also considered.

The frequency of the risk assessment depends on the type of risk, the tools and the assessment methodologies used and is established in line with the frequency and requirements of the strategic and decision-making processes of the Company. The frequency of forward-looking risk assessment is consistent with the annual strategic planning process.

In addition to the ordinary management of the risk assessment process, management is envisaged when necessary, based on events that may determine a significant change in the risk profile. In particular, the following main events were identified:

- Updating of the strategic plan;
- Acquisition or divestment that significantly changes the business, risk profile or solvency position;
- Significant change in the financial markets that has a significant impact on the Company's asset portfolio;
- Significant change in the Company's liabilities;
- Reduction in the solvency position below critical values;
- Significant change in the regulatory framework;
- Significant change in the risk profile and the emergence of new risks;
- Significant change in company processes, systems and procedures.

Measurement Tools and Methods

Pursuant to regulatory provisions, the Company has defined a risk assessment and analysis process based substantially on the tools and methodologies developed as part of the risk profiling procedure or on risk indicators which can be constructed from the following methodological approaches:

- regulatory quantities based on the principles underlying the Solvency regulatory amounts, including the Capital Requirement;
- non-regulatory (or operational) quantities based on general concepts such as exposure, concentration, volatility, expected or potential loss, and/or aimed at assessing those risks not included in the standard formula and/or supplementing the assessment of the same regulatory risks, including:
  - Liquidity Risk;
  - ALM Risk;
  - Operational Risks;
  - ICT & Security Risk;
  - Risk associated with belonging to a Group;
  - ESG Risk (climate risk);
  - Strategic Risk;
- qualitative values based on non-quantifiable or difficult to quantify quantities, whose assessment by expert judgment plays a predominant role, including:
  - Model Risk;
  - Legal & Compliance Risk;
  - Conduct Risk;
  - Reputational Risk;
  - Emerging Risks.

In addition to the methodologies underlying these risk indicators, the measurement of the Company's risk, both current and forecasted, is based on the regulatory methodologies for the calculation of the Capital Requirement (so-called SCR): the reference methodology is that of the Standard Formula. It should also be noted that the Company adopts the application of the Volatility Adjustments: the current and forward-looking assessments of the regulatory risks makes provision for the use of the Volatility Adjustment as the Long-Term Guarantee measure. The

Volatility Adjustment is applied to the total liabilities held and sold entirely in Italy and in the Euro currency. The Matching Adjustment is not applied by the Company. In order to better understand the effects deriving from the application of the Volatility Adjustment on technical provisions and own funds, a sensitivity analysis is also carried out whenever the deviation between the risk-free EIOPA curve and the risk-free EIOPA curve with volatility adjustment is significant.
All these figures, in addition to constituting the framework for continuous monitoring at the basis of the risk management organisational model, represent the elements at the basis of the Company's risk profiling methodology. This activity aims to identify and assess risk factors and assign a level of significance to each of them.
From a methodological point of view, the following also contribute to the assessment of risks:

- Sensitivity, stress test and scenario test: pursuant to Art. 19, paragraph 4 of IVASS Regulation no. 38, the Risk Management Department, in order to assess the current and future impacts on the economic and financial situation deriving from adverse trends in the main risk factors, carries out, for each of the sources of risk identified as most significant, stress test and sensitivity analyses.
- Risk Self-Assessment on operational risks (including ICT risk and Security risk).

Risk Management

The objective of the risk management system is to maintain the risks to which the Company is exposed at an acceptable level, by indicating the risk appetite and tolerance established in line with the objective of safeguarding the assets of the same to guarantee business continuity. The guidelines on risk management are set out in the individual policies drawn up, reviewed and approved annually by the Board of Directors, after being reviewed by the Company Board Committee for Internal Control and Risks. Elements of risk management are:

- Risk Appetite Framework

The Company adopted a Risk Appetite Framework (see RAF) that defines the risk appetite, the tolerance thresholds, the risk limits, the risk governance policies as well as the reference processes needed to define and implement them. As part of the strategic direction of the Company, the Board of Directors identifies and approves its risk appetite. The process of defining/revising the Risk Appetite Framework therefore supports the Strategic/Operational Planning (Budget) process and takes into account the internal risk and solvency assessment. In fact, these elements are not separate, but influence each other with the aim of maximising the risk-return profile of the Company. The RAF is defined taking into account the following aspects:

- the Company's strategy, including the organisational objectives, the strategic plan, financial and regulatory constraints and the expectations of the stakeholders;
- the key aspects of the Company's business;
- the willingness and capability of assuming risks;
- the skills, resources and technology available to the Company to manage and monitor risk exposures.

The Company's risk appetite, together with the assessment of the corporate governance system adopted as well as the mapping and identification of risk factors and a general application of the prudent person principle, represent the main constitutive elements at the basis of the determination of the organisational model for the management of the risks (specific for each risk class).
In defining its business strategies, the Company assesses, on an ongoing basis, compliance, in the various years of development of the plan, with the target risk levels defined in the Risk Appetite Framework (RAF), in order to ensure consistency between the medium to long term objectives and the Company's capability and willingness to assume risks.
The concepts relevant for defining the RAF are broken down below:

- the Risk Profile represents the actual risk of the Company assessed at a given time;
- the Risk Appetite represents the real propensity to risk of the Company and consists, therefore, of the risk level that it intends to assume to attain its strategic objectives;
- the Risk Tolerance identifies the maximum risk tolerance threshold, set in order to ensure the Company sufficient margins to operate, both in the normal course of business and in particularly stressed market conditions;
- the Risk Capacity represents the maximum risk that can be assumed by the Company; therefore, it consists of the level of risk that it is able to assume without violating regulatory requirements or other constraints imposed by the Supervisory Authority.

Moreover, when defining its business strategies, the Company assesses, on an ongoing basis, compliance, in the various years over which the plan is developed, with the target risk levels defined in the Risk Appetite Framework, in order to ensure consistency between the medium- to long-term objectives and the capability and willingness to assume risks. In particular, the strategic plan, based on the risk profile of the Company at the time of preparing the plan itself, takes into account the risk that can be assumed without violating regulatory requirements or other constraints imposed by the Supervisory Authority, the risk appetite (i.e. the level of risk that it intends to assume in order to achieve its strategic objectives) and the risk tolerance (i.e. the maximum threshold of deviation from the risk appetite), set by the Board of Directors.
Moreover, the Company has defined a Capital Management Policy and a Capital Management Plan, the purpose of which is to adopt adequate procedures to ensure the safeguarding of the regulatory requirements and of Risk Appetite target levels, as well as to guarantee that, both at the time of issue and later, the elements of Own Funds, which the business intends to use in order to achieve the business objectives established at the time of strategic planning, meet the regulatory requirements defined by EIOPA and are correctly classified. This plan is drawn up in line with the results of the future risk assessment according to the Solvency II approach (ORSA), with the objectives and the methods established in the Capital Management Policy and with the solvency requirements established by the Regulator, in order to guarantee the Company's capital solidity for its own operations and potential future development.

- Risk Indicators

In line with the provisions of the Company's Risk Appetite Framework Regulation, the current and future risk management of the Company is based on the definition of indicators for each risk category assessed as relevant.

The indicators are further broken down into:

- *first-level indicators:* these are indicators mainly aimed at observing the solvency, liquidity and profitability restrictions. They are indicators of possible negative impacts and provide warnings aimed at identifying potential damaging events which threaten the achievement of the objectives and the continuity of the Business. The indicators are integrated in the Company's Risk Appetite Framework Regulation and are associated to a Risk Appetite, a Risk Tolerance and a Risk Capacity and the related Risk Appetite Statement system;
- *early warning indicators*: in order to carry out preventive and continuous monitoring of solvency indicators, early warning indicators were also defined that are aimed at identifying potentially highly critical phenomena and/or events and/or those that merit attention;
- *second-level indicators*: these are operational/management type indicators useful for strengthening the risk monitoring activities and possibly providing preventive signs of a potential deterioration of the first-level metrics. These indicators are integrated into the Company's Risk Appetite Framework Regulation.

In the general context of the risk management system, the Company also defines specific operating limits on management (e.g. in terms of exposure, concentration, etc.) consistent with the Company's risk appetite.
The main first-level indicator of the Company is the Solvency II Ratio, that is, the ratio between Eligible Capital and Solvency Capital Requirement. The Company's objective in 2026 is to have an adequate Economic Capital level in line with the strategic objectives, greater than a previously established level of Solvency Ratio, as illustrated below:

- Risk Appetite: 170%;
- Risk Tolerance: 125%;
- Risk Capacity: 105%.

As part of the definition of the RAF, it is necessary to fix the level of risk that, if not complied with by the Risk Profile of the Company, requires corrective actions. Therefore, the thresholds identify the tracks within which the Company can carry out its action aimed at achieving the business objectives. The violation of these thresholds requires an escalation process by the Company and the definition of specific intervention plans to deal with the situation.

Monitoring and Reporting

Credemvita's risk management organisational model involves all business departments, from operating units (involved in the management of risks for the relevant processes) to the Committees up to the Board of Directors, including therein the Key Functions.

In this context, the Risk Management Department acts as coordinator of the risk monitoring activities. More specifically, it contributes to defining risk measurement methods and limits (both RAF and operating), defining appropriate verification procedures, and has the task of validating the information flows from risk monitoring activities, preparing reports for top management and verifying the consistency of the risk measurement models with the company's operations.
Risks are continuously monitored by the Risk Management Department and by the relevant individual departments; to this end, reports on the development of risks have been created and fine-tuned over time and are submitted to the Board of Directors, the Company's Board Committee for Internal Controls and Risks, the Investment and ALM Committee, the Actuarial Committee, Top Management and the relevant operational structures, with a view to improving the communication of the results and permitting a better understanding of the topics related to risk assessment.
The risk management model adopted by Credemvita is characterised by:

- a phase in which the risk indicators and/or the limits (both RAF and operating) for managing risk are updated on the basis of organisational requirements and/or following changes of the internal and external scenario, or whenever they are no longer in line with the risk profile requested by the management body;
- a consequent monitoring of operational and risk governance indicators and limits. Monitoring activities take the form of specific organisational controls established to guarantee compliance with said limits, to promptly trigger warning processes in the event of any overruns and to define specific recovery plans in response to such reports.

As part of the risk management system and in line with regulatory requirements, the Board of Directors has drawn up a formal set of policies, regulations and attachments which, for each of the areas of risk to which Company is exposed, specify the objectives, the tasks, the responsibilities, the process and define the tools and procedures, including those related to reporting, required to identify and consequently manage all risk areas. These documents also have a more general objective of encouraging a culture of risk control and management within the company.
Compliance with and application of the documents are guaranteed by an Internal Control System represented by a set of rules, procedures and control techniques and organisational structures aimed to ensure the proper running and good performance of the company.

Risk analysis

Pursuant to sector regulations, the Company has defined a risk assessment and analysis process that includes both a qualitative assessment and, for those risks that are quantifiable, the adoption of methods to measure exposure to risk, including a system to establish the amount of maximum potential loss, both current and future. These analyses make it possible to carry out a continuous profiling of the risks to which the company is exposed.
Note that in order to assess capital solvency requirement according to the regulatory Solvency II system, the Company uses the Standard Formula in compliance with that defined in the Delegated Regulation (EU) no. 2019/981 of the Commission. Therefore, the current and future risk assessments take into account all the risks, included in the framework of the Standard Formula, to which the business is exposed.
In order to continuously assess its solvency situation, the Company also calculates on a quarterly basis its capital requirement, determines its eligible own funds and the related quality and composition, at the same time checking the compliance with the operating limits and the risk appetite. Specific stress tests and sensitivity analyses are made with the same frequency on capital. Adequate documents are reported to the Board of Directors and sent to the Supervisory Authority through the Quantitative Reporting Templates (QRT). Compliance with the Level I and II indicators set out in the Risk Appetite Framework Regulation is verified with the same frequency.
If, in the context of the various monitoring activities carried out by the Company, continuous and/or significant deviations of the risk profile with respect to the company's Risk Appetite or significant deviations with respect to the main technical/financial/market/product assumptions defined in the Strategic Plan (and therefore in the ORSA assessments) emerge, a Non-Regular ORSA is carried out in order to assess the impacts of these changes also in forward-looking terms.
In the first half of 2026, the Company complied with the following regulatory deadlines:

- Preparation and forwarding to the Supervisory Authority of quarterly reports (QRT) required by Pillar III within the regulatory deadline;
- Preparation of the Regular Supervisory Report - RSR (Periodic Report to the Supervisory Authority) with reference to the financial year closing date 31.12.2025, approved by the Board of Directors in March 2026 and sent to IVASS within the regulatory deadline;

- Preparation of the Solvency Financial Condition Report - SFCR with reference to the financial year closing date 31.12.2025, approved by the Board of Directors in March 2026 and sent to IVASS within the regulatory deadline;
- Execution of the ORSA (Own Risk and Solvency Assessment) processing required to assess the solvency profile of the 2026-2028 strategic plan and preparation of the ORSA Report approved by the Board of Directors in April 2026 and sent to IVASS within the regulatory deadline.

Life underwriting risks (or technical insurance risks)

Underwriting risk is defined as the risk of a loss or an unfavourable change in the value of insurance liabilities due to inadequate assumptions in terms of price setting and establishing technical reserves (see Art. 1, paragraph 1, letter vv-bis 4 of the CAP).
Within the Company's risk framework, this risk can be further divided into the following categories:
- Assumption risk: represents the risk resulting from underwriting insurance contracts, linked to insured events, to the processes followed for the pricing and selection of the risks, to the unfavourable trend of actual claims compared to that expected (these risks consist in particular in the risk resulting from a price default linked to the valuation of the risk and in initial price assumptions unsuited to the evolution of the risk);
- Reserve risk: namely the risk relating to the fact that the amount of insurance reserves is insufficient to cover the commitments made to insured parties.

This class of risk can be broken down into the following risk factors:
- mortality: namely the risk resulting from an unexpected rise in mortality rates; it is associated with policies (such as insurance coverage in the event of death or mixed policies) in which the enterprise guarantees a series of individual or recurring payments in the event of the death of the policyholder or during the duration of the policy;
- survival: the longevity risk, which stems from an unexpected fall in mortality rates; this is associated with policies (for example, annuities) that envisage the enterprise guaranteeing a series of payments until the death of the policyholder or with policies (for example mixed policies) that envisage a guarantee by the enterprise of a single payment in the event of the survival of the policyholder for the entire duration of the policy;
- invalidity - morbidity: the risk that stems from an unexpected change in the level, trend or volatility of disability and morbidity rates, and is applicable to policies associated with disability;
- illness: the illness risk can be marketed as a complementary form to a death benefit. In compliance with current regulations, technical bases of experience can be used based on one's own portfolio or qualified market operators or the market. In any case, the technical bases used must be stable and of proven resilience;
- mutuality: the mutuality risk factor means that a fall in the number of policies in the portfolio may have an unexpected negative impact on the benefits of mutuality. A high number of policies enable the company to "spread" the effects of events resulting in claims over the whole population; in the Life business, a fall in the number of contracts leads, for example, to a rise in random fluctuations of mortality. The mutuality risk factor is therefore closely related to the "Policyholder conduct" and "Counterparty" risk factors;
- early termination/surrenders - policyholder behaviour: the risk of early termination, which stems from an unexpected change in option exercise rates by policyholders; it is applicable to all of the options envisaged for policyholders, both legal and contractual, that may significantly change the value of future cash flows, the options to fully or partially suspend, reduce, limit or terminate insurance cover, as for the options that enable the full or partial amendment, renewal, increase, extension or resumption of insurance cover;
- guarantees/coverage: the riskiness of Life products depends on the "guarantees/coverage" envisaged by said contracts and on the basis of which the company has committed to pay the benefits guaranteed to beneficiaries. If the occurrence of the damaging event covered by the insurance guarantee is not correctly monitored or does not correspond to the estimates made at the time of pricing, this represents a risk element of said product;
- inflation/costs: this risk factor, which stems from an unexpected change in costs, refer to the operating costs of insurance contracts;
- disaster: the disaster risk factor, which stems from extreme or exceptional events, the impact of which is not sufficiently covered by the other underwriting risks (e.g., pandemic events or nuclear explosions), refers to policies that are related to mortality;
- review: the review risk factor is intended to capture the risk of an unfavourable change in the amount of an annuity, following an unexpected review of the claim process.

For protection products (pure risk), the following risk factors can also be identified:

- Risk Volatility: this risk factor in the underwriting process essentially depends on the presence of technical bases that are not correctly updated at the time of pricing; a very low technical margin and/or very narrow technical bases; the presence of new risks not taken into account at the time of pricing; high counterparty risk (on the part of the partner/distributor, especially in the case of upfront commissions/goodwill). As part of the reserving process, this risk factor depends on the risk of overpayment of the profit share if the parameters of the reserves are set improperly;
- Population: in the pricing process this risk factor is substantially related to a single pricing for a large population of age groups (especially for death risk) or duration range/interest rate range; high risk of adverse selection in the product structure. In the case of the reserving process, this risk factor essentially depends on: adequacy of the reserves strongly linked to the structure of the population (especially mathematical reserves/long-term liabilities); reserves that do not include the real cost of population options such as extinction, redemption; reserves that do not include the right level of overheads for the specific population/product.

With regard to the distribution of Credemvita underwriting risks according to Solvency II regulations, the table below shows the best estimate of the representation of the available risk as at the valuation date (it should be noted that the total weight of life underwriting risks is equal to 54.3%).

Life risk - risk/sum of risk components - relative and total

	Relative	Total
Mortality risk	7.2%	3.9%
Longevity risk	0.2%	0.1%
Disability-morbidity risk	0.0%	0.0%
Life Lapse risk	85.0%	46.2%
Expense risk	6.3%	3.4%
Revisionary risk	0.0%	0.0%
CAT risk	1.3%	0.7%

The Company has adopted guidelines for these risks which:

- establish the organisational and governance model, as well as the roles and responsibilities of the company departments involved in undertaking and monitoring the risk assumed and in allocating reserves;
- illustrate the reporting procedures applied and the communication flows between the offices involved in the underwriting and reserve processes;
- illustrate the manner in which the company takes reinsurance or other risk mitigation techniques into account in the process to design a new insurance product and to calculate the relative premium.

The Company measures and monitors its exposure to underwriting risk based on the overall portfolio, in addition to verifying compliance with the limits and policies established.
Technical risks are assessed with ALM – Asset-Liability Management – approaches in order to understand the interrelations between the trends of liabilities and of hedging assets, and by following the Solvency principles in order to seize any capital requirement absorbed by each individual risk factor.
This identification of the risks is made with reference to new products and to the existing portfolio:

- New products: in accordance with the Strategic Plan, the recognition of the risks related to new products is made on the basis of their technical characteristics within the ORSA process. Furthermore, in accordance with the process to create and launch new products defined within the more general POG (Product Oversight and Governance) process, the Risk Management Department is tasked with drawing up a specific risk analysis for each individual product, while the Actuarial Department must express an opinion on pricing and profit test assessments. Furthermore, the profit, product and Value for Money tests conducted by the Company are an integral part of the assessments of the profitability and the risks of new products.

- Existing portfolio: with regard to the existing portfolio, risks are identified on the basis of the technical data of the portfolio and of the capital absorption measures determined through the instrument used by the Company to calculate SCR (Standard Formula). The information relating to the overall technical performance of the life insurance business concisely reflects the technical results of the individual Segments and therefore of the products contained in the portfolio (which in general can encompass more than one Segment). Again with regard to the existing portfolio, back testing assessments are conducted by the Company.

The main risk measures used are summarised below:
- SCR Life in terms of absolute value: provides an indication of capital absorption;
- SCR Life in terms of ratio: provides an indication of capital absorption per unit of Gross Best Estimate Life;
- SCR Lapse in terms of ratio: provides an indication of capital absorption resulting from the Lapse risk per unit of Gross Best Estimate Life;
- SCR Lapse in terms of absolute value: provides an indication of capital absorption resulting from the Lapse risk;
- PVFP portfolio in force: Present Value Future Profit is an indicator that monitors the contribution made to the creation of company economic value for each Lob Solvency II of the portfolio in force;
- SCR for LoB (Line of Business).

Market risks

The following sub-categories belong to the more general category of Market Risk:
- Market Risk;
- Asset & Liability Management Risk;
- Liquidity Risk,

better explained below.

Market risks

Market risk is defined as the risk of a loss or an unfavourable change in the financial situation resulting directly or indirectly from fluctuations of the level or of the volatility of the market prices of assets, liabilities and financial instruments (see Art. 1, paragraph 1, letter vv-bis 3 of the CAP).
Market risks reflect the performance of the economic cycle, which may amplify or possibly reduce its significance, especially if the securities portfolio of the company is particularly concentrated in specific sectors, currencies or geographic areas. Consequently, businesses are exposed to the risk of receiving different returns, and possibly also lower than the returns expected at the time the commitment was made, or with respect to a minimum return defined contractually.

This risk can be broken down into the following risk factors:
- Interest rate risk: the value of the assets of an insurance company is sensitive to changes in interest rates. Furthermore, if the cash flows generated by the assets and those generated by the liabilities of a company are not perfectly aligned in terms of maturity, frequency of any payments and by nature of investment rates (maturity mismatching, interest rate mismatching, reset date mismatching, basic mismatching), a (positive or negative) shock of interest rates may generate unsynchronised variations in the value of the assets and liabilities. Essentially, exposure to interest rate risk refers to all of the assets and liabilities whose value is "sensitive" to changes in the term structure of interest rates or the volatility of interest rates;
- Share price risk: the market values of the stocks purchased by the company may be sensitive to the trend of the stock markets (for example, in the case of contracts whose performance is linked to the value of a share);
- Foreign exchange risk: the market value of the stocks purchased by the company may be sensitive to variations of exchange rates (for example, in the case of shares or bonds denominated in a foreign currency). Therefore, this risk factor is particularly important for insurance companies in the case of assets that are hedging the technical insurance reserves denominated in a currency other than that of the corresponding technical commitments made contractually. In fact, as the conversion of currencies is made at the end of the year at the current exchange rate, profits/losses may be recorded at said date due to variations in the exchange rates;
- Real estate risk: if the assets of an insurance company are invested in real estate, the values of said assets are sensitive to the market trend of the prices of the same;

- Credit spread: whenever an insurance company underwrites financial instruments, it may be exposed to the insolvency risk of its borrower, who may not be able to meet their obligations or may be exposed to the risk of a deterioration in creditworthiness, with a consequent fall in the value of the security. Exposure to credit risk refers to assets, liabilities and financial instruments that are sensitive to changes in credit spreads;
- Concentration risk: exposure to concentration risk, which results from an unexpected change in the prices, in the value of exposures towards issuers with whom the party has cumulative exposures, refers to assets subject to the share price risk, interest rate and spread risk and to real estate risk included in market risk, and excludes assets subject to the risk of counterparty default. At present, at regulatory level, government securities are also excluded;
- Sovereign risk: this is the risk associated with the possibility of a government not fulfilling its financial obligations. It may depend on economic, financial and political factors. It can be linked to the economic situation or develop over the medium/long term. Sovereign risk is associated with the yields on government bonds and, therefore, with the interest that a State must pay to investors in order to finance itself;
- Liquidity of the security: the possibility of performing a timely disinvestment of the portfolio is greatly dependant on the marketability of the securities in which the same is invested. The poor marketability of the securities may actually expose the Company to the risk of incurring losses associated with difficulties in finding counterparties on the market interested in purchasing the securities the company wishes to disinvest. At regulatory level, there is currently no specific capital requirement;
- Other asset exposures: this risk factor materialises in the market risk related to private equity, alternative instruments, infrastructures, inflation-linked products and hybrids.

Market risk factors are mainly identified in the specific financial statement classes of the Segregated Funds, Specific Funding and the Owned Portfolio.
The table below shows the distribution of the instruments in the above-mentioned portfolios by type, expressed as a percentage of the total market value.

Security Type	Coupon type		Total
Government issuers	Fixed	73.28%	
	Floating	0.07%	
	Total		73.34%
Bond Issuers	Fixed	8.47%	
	Floating	6.61%	
	Total		15.09%
Shares	Total		0.04%

The percentage of UCITS stands at 11.28%, broken down as follows:

UCITS type	%
Equity UCITS	20.72%
Government UCITS	18.18%
Real Estate UCITS	8.96%
Loan UCITS	26.70%
Corporate UCITS	11.59%
Infrastructural UCITS	7.76%
Private Equity UCITS	6.09%

Of which the percentage exposure in foreign currency on the total portfolio of assets is 1.58%.

With regard to the distribution of Credemvita market risks according to Solvency II regulations, the table below shows the best estimate of the representation of the available risk as at the valuation date (it should be noted that the total weight of market risks is equal to 33.2%).

Market risk - risk/sum of risk components - relative and total

	Relative	Total
Interest rate risk	18.6%	6.2%
Equity risk	40.4%	13.4%
Property risk	3.8%	1.3%
Spread risk	23.5%	7.8%
Currency risk	13.7%	4.5%
Concentration risk	0.0%	0.0%

The Company adopts, in respect of the above risk factors, guidelines that establish the general principles for the activities of the Finance Team, the frequency of controls and the measures for recovery if the limits (both RAF and operating) are exceeded. In the overall composition of the investment portfolio, exposure to risk, constraints related to covering insurance reserves and the impact on the Solvency Ratio are also taken into account. The limits and the indicators relating to investments are verified and controlled on a continuous basis by the relevant business departments and, periodically, the results of the same are brought to the attention of the Board of Directors. The process also envisages a review stage of the above-mentioned limits conducted by means of a sensitivity analysis of asset and liability portfolios.
Market risks are assessed with reference to the already acquired securities investment portfolio and the future investment scenarios. This activity is carried out both with an Asset-Liability Management approach, in order to capture the interrelationship between the dynamics of liabilities and the dynamics of assets covering technical provisions, and following the Solvency II principles

in order to capture the capital requirement absorbed by each individual risk module and sub-module.
Market risks for the life insurance business are identified with reference to new investments and asset allocation targets, and to the existing portfolio:
- New investments: with regard to new investments, as part of the ORSA process, analyses relating to future investment scenarios are conducted with a view to identifying the risks related to said investment choices and to assess the quantitative impact on the risk profile. Furthermore, for "occasional" investments (according to the definition given in the Investment Policy and Regulation), based on the information provided by the Finance Team, the Risk Management Department conducts an ex-ante quali/quantitative assessment based on both management and regulatory approaches. An ex-ante risk assessment process is carried out by the Risk Management Department also for all assets classified as complex, with a special focus on non-UCIT UCI (in particular AIFs).
- Existing portfolio: with regard to the existing portfolio, risks are identified based on the technical data of the portfolio, market data and the risk measures determined through the calculation tool of the SCR adopted.

The macro-indicators analysed to assess and monitor market risks are illustrated below:
- SCR Market Risk-Based: indicators based on regulatory amounts relating to the capital requirement pertaining to the market risk class;
- Percentage Exposure in Asset Class: this indicator seeks to quantify and monitor exposures in the main asset classes set forth in the Investment Policy;
- Percentage of Financial and Corporate Issuer Concentration: this indicator seeks to quantify and monitor the concentration of Corporate issuers based on specific credit rating brackets;
- Exposure limit of UCITS and strategic exposure limit of UCITS;
- Italian Government Sensitivities Spread (in order to capture the spread risk factor on government bonds not included in the standard formula);
- Sensitivity on market risk factors (e.g. rate, equity).

Asset Liability Management (ALM) Risk

ALM risk is a risk closely related to mismatches between assets and liabilities. The ALM process includes dynamics related to risk management and strategic planning. It focuses on the medium to long term rather than offering risk mitigation or hedging solutions. The goal of such risk management is to maximise assets to meet complex liabilities that can increase profitability.
The following risk factors belong to the sub-category of ALM risks:
- Strategic Asset Allocation (AAT - Asset Allocation Tools): consists of the risk resulting from the inadequacy/inconsistency of the asset allocation to meet liabilities.
- Asset & Liability mismatch: consists of the risk of misalignment between assets and liabilities that may lead to an exposure of the company or to the disinvestment risk or to the reinvestment risk.

The Company adopts, in respect of the above risk factors, guidelines that establish the general principles, the frequency of controls and the measures for recovery if the limits are exceeded.
ALM risks are assessed with reference to the already acquired securities investment portfolio and the future investment scenarios. This activity is carried out both with an Asset-Liability Management approach, in order to capture the interrelationship between the dynamics of liabilities and the dynamics of assets covering technical provisions.
The macro-indicators analysed to assess and monitor ALM risks are illustrated below:
- SCR Interest Rate – Based: indicators that aim to identify capital absorption, according to Solvency II metrics, of interest rate risk based on a regulatory and management approach;
- Mismatch of returns for segregated funds: this indicator measures the mismatch between the returns of segregated funds and the minimum returns guaranteed to policyholders;
- Cash Flow Matching: this indicator shows the mismatch, on each occasion, between the cash flows of assets and the cash flows of liabilities;
- Duration Matching: misalignment between the duration of the cash flows of assets and the cash flows of liabilities;
- Future Discretionary Benefit (FDB): indicator aimed at indirectly monitoring the Solvency II loss absorption capacity of Technical Provisions;
- Italian Government Sensitivities Spread;
- Sensitivity on market and technical risk factors (e.g. interest rate and surrenders).

Liquidity risk

The Companies are subject to potential tension in terms of liquidity, resulting from different maturities between assets and the relative liabilities. Liquidity risk is defined as the risk that the Company is not able to liquidate investments and other assets to meet its financial obligations when these fall due (see Art. 1, paragraph 1, letter vv-bis 2 of the CAP).
The possibility of performing a timely disinvestment of the portfolio is highly conditioned by the marketability of the securities in which the same is invested. The poor marketability of the securities in the portfolio may actually expose the Company to the risk of incurring losses associated with difficulties in finding counterparties on the market interested in purchasing the securities the company wishes to disinvest.
The following risk factors belong to the sub-category of Liquidity Risks:

- Market Liquidity Risk: Risk of the Company being unable to liquidate or finance its liquidity reserves without incurring losses due to low liquidity or closure of the markets;
- Liquidity Mismatch Risk: Risk that the profile of cash outflows is not adequately offset by the profile of cash inflows in the short and very short-term;
- Contingency Liquidity Risk: Risk deriving from an evolution of short-term liabilities that generates a situation of incapacity on the part of current assets.

The Company quantifies its solvency position with Standard Formula metrics, which do not require liquidity risk to be quantified in terms of capital absorption.
Liquidity risk is identified with reference to the investment portfolios underlying products with guaranteed capital and/or yield. The risks are identified on the basis of the technical data of the portfolios and of the metrics defined as a function of the time horizon with which the risk in question is analysed and studied.
The indicators used by the Company to monitor the liquidity risk are set below:

- amount in current accounts: the Company has decided to monitor the amount held in current accounts in order to set a lower limit that represents the Liquidity Reserve (as prescribed by IVASS Reg. 38) and an upper limit in terms of the maximum amount to be held in the current accounts in order to render the management of the portfolio effective and to limit any effects on the Default SCR. Quantifying the Liquidity Reserve includes not only Current Account exposures, but also government bonds of the Eurozone with a credit quality exceeding 2 and a maturity of less than three months.
- Liquidity buffer: the number of monthly consecutive periods in which the Liquidity Buffer is negative, over the annual time horizon considered, provides a summary indication of the Company's liquidity situation;
- Liquidity plan: this indicator seeks to demonstrate that the Company has financial resources on an ongoing basis to manage liquidity risk. This condition is also the basis for the application of the Volatility Adjustment at Regulatory level;
- Liquidity contingency: securities that can be easily liquidated;
- Current accounts default SCR: for the purpose of limiting any effects on the default SCR deriving from the increase in the volumes of the current accounts, the Company has fixed a higher limit in terms of the default SCR.

Credit or counterparty default risk

Credit risk (default risk) is defined as the risk of a loss or an unfavourable change in the financial situation resulting directly or indirectly from fluctuations of the creditworthiness of the issuers of securities, counterparties and borrowers to which the insurance or reinsurance company is exposed in the form of the risk of default of the counterparty, spread risk or concentration of market risk (see Art. 1, paragraph 1, letter vv-bis 1 of the CAP).
The loss of value of the credit position is mainly linked to the quality of the issuer or of the counterparty (including reinsurers, co-insurers, insured parties and intermediaries), but may also originate from a deterioration of the economic-financial conditions of the borrower, which determine the ability of the latter to meet its financial obligations, as well as from causes not related to the economic or financial situation of the debtor counterparty, such as political-military reasons for example.
From a purely representative point of view, we identify three macro areas of credit risk:

- Reinsurance;
- Intermediaries and other counterparties;
- Investments.

The risk factors underlying the individual credit risk sub-categories are as follows:

- Regarding the sub-class of Reinsurance:
  - Credit risk towards reinsurers: represents the risk of losses resulting from the insolvency of one or more reinsurers;
  - Baseline risk: resulting from any discrepancies between reinsurance requirements and the actual coverage envisaged by the arrangement, entailing a greater risk for the Company with respect to that envisaged.
- With regard to intermediaries and other counterparties:
  - Credit risk towards intermediaries and other counterparties: represents the risk of losses following the contractual default of third parties (e.g. receivables from policyholders, insurance intermediaries, current accounts in banks).
- As for the sub-class investment credit risk (related to the asset management process), it represents the risk of losses arising from the default of one or more bonds and therefore the following risk factors are identified:
  - Bond default: risk related to the issuer's default before the fulfilment of its obligation;
  - Other investment assets: credit risk towards other assets.

With regard to the counterparty default risk distribution of Credemvita according to Solvency II regulations, the table below shows the best estimate of the representation of the available risk at the valuation date (it should be noted that the total weight of counterparty default risks is equal to 0.8%).

Credit risk - risk/sum of risk components - relative and total

	Relative	Total
Type 1 counterparties	100.0%	0.8%
Type 2 counterparties	0.0%	0.0%

Of this regulatory requirement, the portion absorbed by the risk of default is linked to marginal reinsurance. The reinsurance treaties in place have a credit quality equal to AA (it should be noted that the Company may only enter into reinsurance treaties with reinsurance companies with a credit quality higher than or equal to BBB).
The policies relating to managing the credit risk of issuers of financial instruments refer to that illustrated above for market risk in terms of the general principles for the control of financial investments. With regard to reinsurers, Credemvita has drawn up policies to manage and control this risk in terms of guidelines and limits for counterparties.
The counterparty default risk is identified with reference to the counterparties for which there are credit positions.
The risk measures used are summarised below:

- Maximum amount in current accounts: this represents the maximum amount in a current account to be held for an individual portfolio;
- Current accounts default SCR: for the purpose of limiting any effects on the default SCR deriving from the increase in the volumes of the current accounts, the Company has fixed a higher limit in terms of the default SCR;
- SCR Counterparty Default Risk Reinsurance/Recoverables SII: this indicator is obtained by comparing the SCR Counterparty Default Risk towards Reinsurers (pre-diversification) and Recoverables (balance of reserves transferred and net receivables due from reinsurers);
- Exposure by Reinsurer: this indicator identifies the exposure towards each reinsurer in terms of amounts insured;
- Age of net receivables by Reinsurer: this indicator identifies the age of net receivables from each reinsurance counterparty;
- Amount of net receivables by Reinsurer: this indicator identifies the amount of net receivables from each reinsurance counterparty.

Operational Risks

Operational risk is defined as the risk of incurring losses resulting from the inadequacy or the malfunctioning (shortcomings or errors) of internal procedures, human resources or systems, or from external events (see Art. 1, paragraph 1, letter vv-bis 5 of the CAP). Therefore, the company may incur operating losses, defined as the negative economic effects deriving from operational

events, recognised in the company accounts and such as to have an impact on the income statement.

The following sub-categories belong to the more general category of Operational Risks:
- Operational Risk;
- IT and Security Risk;
- Compliance Risk;
- Model Risk;
- Business continuity;
- Regulatory Operational Risk;

better explained below.

Operational Risk and IT & Security Risk

The main risk factors that characterise operational risk are:

- People: human resources may be a source of risk for an enterprise, if the organisational structure is not efficient, or if there are shortcomings in the professionalism of employees or, for example, if the pay structure or the career prospects are not adequate and if the company environment is not suitable. There are numerous examples of losses due to incompetent or negligent resources, of particular note are cases of erroneous data entry in systems, errors when transposing data or infringements of regulations.
- Processes: business processes are a source of operational risk in the event that there are inefficiencies in the design, formalisation and definition of their structure and therefore in the definition of the individuals that are part of them and of the relative level of responsibility and authorisation. All business processes, including valuation and calculation models and risk management processes themselves, may be inadequate and therefore a source of operational risk. Source of operational risk are:
  - outsourcing of business activities in the event of deficiencies/inadequacies in the processes of managing the relations with outsourcers such as to cause losses to the company;
  - failure to update or inadequate filing of the procedures and regulations that formalise internal processes;
  - failure to/inadequate/untimely issue of internal implementation rules in relation to the applicable external legislation.
- External Events: events linked to external factors may cause losses to the company because of natural disasters, in the prevention and security against events of an accidental nature, infrastructure obsolescence, prevention and security against acts of a criminal nature, authorisation steps for the execution of operational activities, in the control measures against unauthorised activities and fraud by employees, preventive measures against fraud by external parties, inadequate and/or untimely updating of internal regulations in relation to changes in the external regulations from which they derive.
- IT and Security Risk: this risk factor is composed of the following elements:
  - ICT Data Integration Risks: risks deriving from events or situations that may cause the interruption of services (e.g. cyber attacks, hardware/software failures, inadequacy of Disaster Recovery plans).
  - ICT Security Risk: risks deriving from events or situations that may cause unauthorised access to company data or systems (e.g. cyber attack risks, inadequacy of authentication/authorization systems).
  - ICT Change Risks: risks stemming from the inability to manage, in a timely and controlled manner, changes in ICT systems, in particular for large and complex change plans (e.g. inadequacy or absence of controls in software development, inadequacy of the ICT architecture).
  - ICT Data Integrity Risk: risks deriving from the presence and use by ICT systems of incomplete, inaccurate and inconsistent data that may compromise the correctness and timeliness of the service provided and of the management and financial information provided (e.g. anomalies in data processing, inadequacy of data-input/data-extraction controls, ...).
  - ICT Outsourcing Risk: risks deriving from outsourcing to a third party or to another Group entity (intra-group outsourcing) of processes for the supply of ICT systems or related services (e.g. inadequacy of contractual control mechanisms, degradation of the service offered, …).

A bottom-up approach is adopted for the identification of operational risk, based on a Risk Self-Assessment method, with the aim of assessing the level of risk and the quality of the measures set in place to mitigate the risk relating to operating activities and all business processes.

The purpose of this approach, based on an analysis by Functional Team, is to identify loss events that could occur, assess the possible impact and possible frequency of occurrence of these events (quantification of expected and unexpected losses), assess the effectiveness of the safeguards in place and the possible organisational tools that can be implemented to mitigate risk. The assessment of expected and unexpected losses is carried out both in relation to the operational risk in its entirety and for the component relating to the ICT and Security risk. RAF limits are in place on both quantities.
The Company also conducts an annual assessment of the effective losses incurred from operational risk (known as LDC - Loss Data Collection). This analysis also enables back-testing to be conducted on the ex ante assessment through Risk Self-Assessment.

Regulatory Operational Risk

As regards assessment of the solvency capital requirement (SCR), operational risks are assessed through the application of the Standard Formula. With regard to the distribution of Credemvita operational risk according to Solvency II regulations, the table below shows the best estimate of the representation of the available risk as at the valuation date (it should be noted that the total weight of operational risk is equal to 11.7%).

Operational risk - risk/sum of risk components - relative and total

	Relative	Total
Operational risk	11.7%	11.7%

Legal and Compliance risk

Compliance risk (i.e., risk of failure to comply with regulations) regards the risk of incurring judicial or administrative sanctions, and suffering reputational loss or damage due to the failure to comply with the law, regulations or provisions of Supervisory Authorities or of self-regulations, such as articles of association, codes of conduct or self-disciplinary codes; the risk resulting from unfavourable changes to the legislative framework or decisions of the courts. Risk of money laundering or of financing terrorism: the risk of the Company failing to prevent actions whose purpose is to launder the profits of criminal activities and fund terrorism; the risk of incurring judicial or administrative sanctions, and suffering reputational loss or damage due to the failure to comply with the law, regulations or provisions of Supervisory Authorities regarding money laundering and anti-terrorism.

The legal and compliance risk factors are attributable to:

- Legal environment: risk related in general to non-compliance with laws, whether of a fiscal nature or personal data processing. Risk of dispute caused by a legal vacuum or by an incomplete or inadequate classification of the obligations and responsibilities assigned to the parties. Absence of contracts, poor conditions of conservation of legal documentation. Risk linked to non-compliance with the tax laws applied to the Company. Risk linked to anti-money laundering. Risk related to safety at work. Risk linked to non-compliance with the privacy legislation;
- Compliance with regulations: non-compliance with applicable regulations and provisions (insurance, company or labour laws). Lack of follow-up of regulatory issues. In particular, the Compliance with regulations risk factor (hereinafter also the "Regulatory" risk) can expose the company to specific loss events, linked precisely to its evolution. Unfavourable changes in the regulatory framework or jurisprudential guidelines may, in fact, concern:
  - relations with the Supervisory Authority;
  - customer relations;
  - relations with employees;
  - safety in the workplace;
  - relations with other bodies.

In particular, this risk factor relates to incurring judicial or administrative sanctions, suffering reputational losses or damage as a result of failure to comply with laws, regulations or provisions of the Supervisory Authorities or self-regulatory rules, with particular attention to rules relating to transparency and correct behaviour towards insured and damaged parties, pre-contractual and contractual information, the correct performance of contracts, especially as regards the management of claims and, more generally, consumer protection.

Modelling Risk

Risk of losses in relation to the development, implementation or misuse of other models by the Company for the decision-making process (for example, product prices, valuation of financial instruments, monitoring of risk limits, etc.).

Business Continuity

Business continuity risk is linked to the use of a business continuity plan for the management of crisis situations resulting from sector-wide or company-wide incidents or major catastrophes affecting the operator or its relevant counterparties. The Company has developed a business continuity plan defined according to DORA provisions.

Second-Level Risks (or indirect)

According to the model adopted by the Company, moreover, there are other risks/loss events that are not strictly related to specific risk factors, but that may originate from risk factors relating to the risk categories previously illustrated. In particular, these are the risk classes identified by the sector regulations:

- Risk associated with belonging to a group;
- Reputational risk;
- Conduct risk;
- ESG risks;

and represented below.

Risk associated with belonging to a group

The risk associated with belonging to a group (risk of "contagion") means the risk that, following relations between the enterprise and other group entities, difficult situations that arise in one company of the same group may spread and have negative effects on the solvency of the enterprise itself.
In accordance with its strategy and with the investment policies adopted by the Management Body, a policy for intragroup relations has been defined, which sets appropriate operational limits.
The risk is therefore identified and analysed consistently with the categories and counterparties of the transactions in question, with particular regard to any guarantees issued within the Group and consistently with the characteristics of the following types of transaction:

- Significant transactions (between 1% and 5% inclusive of the Solvency Capital Requirement for the period);
- Very significant transactions (>5% of the Solvency Capital Requirement for the period).

Reputational Risk

Reputational risk means the risk of the company's image deteriorating, and of increased conflict both with insured parties (also due to the poor quality of the services offered, to the placement of inadequate policies or behaviour during the sales, after sales or settlement phases) and with the Supervisory Authorities and shareholders. Reputational risk is generally broken down into:

- direct reputational risk: focused on sensitive businesses, on the basis of ESG (Environment, Social and Governance) criteria;
- indirect reputational risk: based on the management of the reputational impact of other types of risk (e.g. operational risk, cyber risk, legal risk etc.).

It should be noted that the assessment of reputational risk takes place as part of the Risk Self-Assessment campaign relating to operational risk management. The risk is identified operationally by analysing:

- placement procedures that entail the prior assessment of the adequacy of the contract with a view to initially identifying the insurance requirements and the customer's protection needs, as well as providing adequate information on the product;
- the assistance services provided by the distribution network;
- the claims management service;
- the claims settlement process.

Furthermore, since reputational risk is strictly connected to operational, IT and cyber risks and to conduct risk, the specific operational and organisational controls put in place to manage these risks represent an additional element in support of reputational risk management.

Conduct Risk

Conduct risk – as a sub-category of operational, compliance and reputational risk – can be defined as the current or prospective risk of losses resulting from inappropriate offerings of products and/or services, including instances of inappropriate conduct (malfeasance/negligence) by the company.
The risk factors taken into consideration for the conduct risk assessment are:
- Commercial development risk: lack of visibility/transparency and/or poor assessment of development prospects or objectives or profitability of new activities/products and inadequate measurement/monitoring of commercial performance/risks;
- Communication resources: inadequate communication resources or marketing tools with respect to the defined objectives. Bad brand management;
- Commercial performance: erosion, non-replacement or unprofitable development of the commercial base;
- Profitability & Risk Profile: insufficient profitability, shortcomings in tariff-setting procedures, deficiency or inadequacy of valuation models (V4M, profitability for customers, etc.) or application of exceptions.

Conduct risk management is closely linked to the activities defined as part of the POG process. As part of its risk management, the Company has the following objectives:
- making business initiatives geared towards and focused on the customer (Value for Money). In this context, the focus is on product design and the definition of services in line with customer needs;
- establishing a code/system of conduct fully rooted within the company structure. In this context, the focus is on the sale of products/provision of services, ensuring transparency of information to customers;
- ensuring that the business is continuously focused on achieving the best result for the customer (see KPI and KRI monitoring), protecting the integrity and conduct of the Company in customer relations.

ESG Risk

ESG (Environmental, Social and Governance) risk aims to assess an environmental, social or governance event or condition which, if it occurs, could cause an actual or potential negative impact on the value of the investment or on the value of the liability. This type of risk falls under second-level risks or indirect risks as it can materialise by causing a negative impact on assets and liabilities by influencing the risk factors already included in the other risk categories (e.g. Market and Underwriting Risk).
Within the category of ESG risks, particular importance is assigned to climate risks as they could generate high losses for Insurance Companies if not correctly identified and managed.
The Company assesses the climate risk considering both the following factors:
- Transition risk: the transition to a low-carbon economy may involve extensive political, legal, technological and market changes to address climate change mitigation and adaptation requirements. Depending on the nature, speed and purpose of these changes, transition risks can entail different levels of financial and reputational risk for organisations;
- Physical risk: the risks deriving from climate change can be determined by acute events or by long-term climate change such as to have possible financial implications on organisations, such as direct damage to resources and indirect impacts stemming from the interruption of the supply chain. From the perspective of an insurance company, these risks may not only have a direct effect on its physical assets and indirectly impact investments, but can also affect insurance liabilities. An increase in the frequency and severity of adverse weather events can result in an increase in the rates of claims, injuries, illness and mortality.

With specific reference to climate risks, in line with the indications of the Commission Delegated Regulation (EU) no. 2021/1256 of 21 April 2021, the Company has structured a series of analyses on its portfolio (both investment and technical/insurance portfolio) to verify the materiality of the exposure to climate risks and, subsequently, conducting the scenario analysis to quantify the impact they produce on the main economic and capital figures.
The Framework developed by the Company for climate risk management identifies the following steps:

- Identification of risk factors and the scope of analysis – identification and classification of the main sources of climate risk and the scope of products and assets potentially impacted according to the guidelines indicated by EIOPA.
- Materiality assessment – the assessment, preparatory to the relevance analysis (see next point), is carried out on each individual scope (both Asset and Liabilities);
- Relevance Analysis – analysis activated only for the risks identified as potentially material in the previous point, and has as its objective the identification of the climatic risks relevant to the business and for the related stress analysis for ORSA purposes. The analysis is carried out on each individual scope (both Asset and Liabilities) and envisages at least the following macro activities:
  - Identification of the criteria and methodologies to be used on the portfolios exposed to risk (both assets and liabilities) analysed in the following paragraphs;
  - Qualitative/quantitative assessment of each scope identified with respect to the methodologies identified and the specific materiality thresholds.

In addition, the ESG risk management system requires the definition of indicators used to monitor exposure, with a specific focus on climate risks related to the environmental risks inherent in the Company's Asset and Liabilities portfolios.
The risk measures used and the volumes analysed are summarised below:
- Weighted Average Carbon Footprint;
- Percentage of Climate Policy Relevant Activities;
- Weighted Average Liabilities Hazard Exposure;
- Percentage of high climate risk liabilities.

Strategic risk

Strategic risk means the current or future risk of a fall in profits or of share capital and of the sustainability of the business model, including the risk of not being able to generate adequate return on capital on the basis of the risk appetite defined by the enterprise, resulting from changes in the operating scenario or from erroneous business decisions, from the inadequate implementation of decisions, improper management of the risk associated with belonging to a group, and from poor reactivity to changes in the competitive scenario.
The Company distinguishes three main risk factors:
- Strategic risk: the inability to have a fully developed and agreed business strategy or the inability to follow this strategy to create value in the medium/long term.
- Business environmental risk: exposure to forces originating from the external context that could significantly alter the foundations that guide the general objectives and the company strategy.
- Income risk: relating to the consistency of the income component of the portfolios with the obligations assumed towards the policyholders and the financial margins expected by the shareholders.

Strategic risks are analysed by means of specific sensitivity analyses at the time of the ORSA or whenever there are significant changes in the market, in the production mix and in the assumptions underlying the assessments (by way of example, best estimate redemption rates, assumption of minimum guaranteed rate, etc.).
In this context, the presence of potential emerging risks is also assessed on the basis of information deriving from the business plan, product developments, regulatory changes and any other change potentially impacting the company's risk profile.
Following the results of this analysis, any changes to be made in the company risk map are assessed.

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The assessments made by the Company as at the valuation date have made it possible to outline the regulatory risk map – Solvency II Framework – to which the Company is exposed (shown below).

Risk Module	Risk Sub-module	Exposure
Underwriting risk	Mortality risk	X
	Longevity risk	X
	Disability-morbidity risk	---

	Life Lapse risk	X
	Expense risk	X
	Revisionary risk	---
	CAT risk	X
Market risk	Interest rate risk	X
	Equity risk	X
	Property risk	X
	Spread risk	X
	Currency risk	X
	Concentration risk	---
Counterparty default risk	Type 1 counterparties	X
	Type 2 counterparties	---
Operational Risk	Operational risk	X

Forward-looking risk assessments (ORSA) have not identified any emerging risks from a regulatory (Solvency II) perspective in relation to the actions envisaged by the new investment and business strategies (however, note should be taken of the Solvency II review, which is expected to be applied from 30.01.2027). From a forward-looking perspective, their composition differs in terms of significance compared with the final figures, although the current forward-looking estimates do not yet factor in the impacts arising from the Solvency II review. In particular, whilst Life Underwriting Risk remains higher than Market Risk, a rebalancing between the two risk categories can be observed, driven in particular by a reduction in Lapse Mass Risk as an indirect consequence of interest rate trends (which form the basis of strategic planning) and which are showing a gradual decline. At the same time, there has been an increase in Market Risk, consistent with the growth in volumes and the underlying investment strategies.
With regard to both prospective and monitored data as at the valuation date, the assessment enabled to identify the sub-modules of risk that are the most significant and have the greatest impact on the Company, namely the Equity, Spread, Currency, Interest Rate, Operational and Mass Lapse risk sub-modules. Albeit from the point of view of the generated capital requirement, the Interest Rate risk module, at the valuation date, does not represent the most relevant risk module, it may represent a significant risk on the solvency position due to the indirect effects it can generate.
In addition, the Company's exposure to Spread risk on ITA government securities (a risk not envisaged in the Standard Formula) is confirmed. In its assessments as an integral part of the ORSA process, the Company takes this risk factor into consideration through specific sensitivity analyses carried out periodically (at least quarterly) and in the ORSA Report.
The results of qualitative/quantitative analyses of the adequacy of the Company's risk profile with respect to the requirements underlying the application of the Standard Formula were positive.
The results of risk assessment activities highlighted a volatility in the evolution of the Company's solvency due to fluctuations of the BTP/Bund spread and the interest rate trends. However, this volatility of the solvency ratio is governed through the activation of specific organisational and monitoring safeguards.
In calculating the impacts due to quantifiable and regulatory risks, the Company also monitors and evaluates the quantitative risks outside the scope of the Standard Formula, the "non-regulatory quantitative risks", such as:

- spread risk on government bonds;
- liquidity risk;
- ALM risk;
- operational risk;
- ICT & security risk;
- conduct risk;
- risk associated with belonging to a group;
- ESG risk (with a specific focus on climate risks related to environmental risks);
- strategic risk.

In addition to assessments of quantifiable risks (both regulatory and non-regulatory), the Company also manages and monitors:

- model risk;
- compliance risk;

- reputational risk;
- emerging risks.

At present, these types of risk have a level of management, monitoring and evaluation consistent with their relevance. And the assessments conducted do not involve an add-on in terms of regulatory capital.
At present, there are no results that indicate critical situations in terms of solvency resulting from strategic risks. Nevertheless, owing to the relevance of said risk, to ensure prudent and sound management of current and prospective risks, a monitoring process has been defined in order to identify possible changes in the macroeconomic and/or business scenario that may have a significant impact on the Company's Own Funds and the Capital Requirement.

Credemassicurazioni's approach to risk management

Risk management strategies

Credemassicurazioni S.p.A. has adopted a strategy for undertaking and managing risk based on criteria of sound and prudent management, coherent with the company's level of capital. This strategy is based on risk assessment principles that consider aspects relating to their relevance/significance.
The approach followed in risk management is based on the criterion of proportionality and is outlined in specific internal policies pursuant to IVASS Regulation no. 38/2018, for each of the areas of risk that the Company is concerned with.
The key elements on which the Company's risk strategy and management policy are based are as follows:

- risk identification and classification - risk map;
- risk assessment;
- risk measurement tools and methods;
- risk management;
- monitoring and reporting.

The general principles adopted for the definition of the risk management system therefore consider:

- consistency checks between the level of risk assumed and the level of expected available capital (Risk Appetite);
- risk measurability/assessment (for risks that can be quantified) to enable management to assess the impact of these risks on business performance;
- the determination of processes and operating controls for those that cannot be quantified;
- the presence of a continuous monitoring system for the current and future risk profile and the related risk indicators identified.

As part of its risk management system, Credemassicurazioni has designed and implemented an independent process to assess its current and future capital adequacy, in relation to the significant risks to which the Company is exposed (ORSA - Own Risk and Solvency Assessment process). This process has the following phases:

- Forward-looking assessment of the Solvency II Ratio;
- Stress Test;
- Forward-looking Liquidity Plan;
- Adequacy of the Standard Formula with respect to the risk profile of the Company;
- Back Testing;
- Preparation and forwarding the ORSA Report.

They also include ESG risk assessments (with a particular focus on climate risks).
The following processes are also an integral part of the ORSA process:

- Definition of the preliminary plan and of the company budget;
- Definition of the Risk Appetite;
- Risk identification and assessment and Continuous Monitoring.

As part of the Company's strategic policy, the Board of Directors identifies and approves the proper size of the overall capital resources. The formulation of preliminary strategic guidelines by the Board of Directors guides the calibration of the risk targets and the development of the strategic plan. These activities are closely connected and are both developed considering the starting situation of the Company, the prospective view of the external context and the risk profile.
The Risk Management Department continuously supports the corporate bodies in the choices deriving from the implementation of the plan by facilitating the understanding and awareness of the risks assumed / to be assumed and their monitoring.

Risk identification and classification – risk map

The sector regulations, containing provisions on the risk management system, require companies to catalogue the risks to which they are exposed regardless of whether they can be quantified, depending on the nature, scope and complexity inherent in the activity carried out, from a current and future perspective, as well as the indirect effects associated with significant risks.
This cataloguing constitutes the common language for the performance of all activities connected with the company risk management system. Company risks are classified into the following main classes:

- Underwriting risks (or technical insurance risks):
- Assumption and pricing risks;
- Reserve risk;
- Disaster risk.
- Market risks:
- Market risks;
- Liquidity and ALM risk;
- Credit and counterparty risks;
- Investments;
- Reinsurance;
- Intermediaries and counterparties.
- Operational risks:
- Operational risks;
- ICT and Security risk;
- Compliance risk;
- Model risk;
- Business continuity;
- Regulatory operational risk.
- Second-level risks:
  - Risk associated with belonging to a group;
  - Reputational risk;
  - Conduct risks;
  - ESG risks;
- Strategic risks;
- Emerging risks.

The process of identifying the risks to which the Company is exposed constitutes a fundamental element for the correct implementation and assessment of the broader risk management process. In line with regulatory legislation, Credemassicurazioni has provided for a risk census procedure, to be intended as a methodological support tool in carrying out risk identification and assessment activities, which enables it to continuously collect information on existing and prospective internal and external risks to which it is exposed, and which may affect all operational processes and corporate areas. By its nature, this procedure is ongoing, based on the gradual refinement of the risk management system and the evolution of the reference regulatory framework.
Credemassicurazioni's risk analysis procedure is divided into four phases:
- analysis of the company's strategic plan and identification of emerging risk factors;
- identification of external risk factors;
- identification of operational (including IT and cyber risk), non-compliance with regulations and second-level risk factors;
- identification of strategic risk factors.

The methods adopted for identifying risks are essentially based on one or more of the following approaches:
- Specific Risk Assessments (by risk families);
- Evaluations of the differences between each risk assumption and the current outcome;
- Loss or error events that have occurred;
- Review of processes, regulatory risk matrix or regulatory risk assessment;
- Brainstorming with management and risk owners;
- Internal/External Audit evaluations;
- Communications and comparisons with regulators;
- Other external events;
- Reporting transmitted by the functional areas of the Company.

Once the risks have been identified, they form the Company's risk map.

Risk Assessment

The risk assessment process is carried out with both current and forward-looking approaches and integrates quantitative (both regulatory and non-regulatory) and qualitative methods and approaches.
The risk assessment is carried out on an individual basis, at individual risk level, and on an aggregate basis, to take into account the interrelationships between the sources of risk. Indirect effects related to the most significant risks are also considered.
The frequency of the risk assessment depends on the type of risk, the tools and the assessment methodologies used and is established in line with the frequency and requirements of the strategic and decision-making processes of the Company. The frequency of forward-looking risk assessment is consistent with the annual strategic planning process.
In addition to the ordinary management of the risk assessment process, management is envisaged when necessary, based on events that may determine a significant change in the risk profile. In particular, the following main events were identified:

- Updating of the strategic plan;
- Acquisition or divestment that significantly changes the business, risk profile or solvency position;
- Significant change in the financial markets that has a significant impact on the company's asset portfolio;
- Significant change in the Company's liabilities;
- Reduction in the solvency position below critical values;
- Significant change in the regulatory framework;
- Significant change in the risk profile and the emergence of new risks;
- Significant change in company processes, systems and procedures.

Measurement Tools and Methods

Pursuant to regulatory provisions, the Company has defined a risk assessment and analysis process based substantially on the tools and methodologies developed as part of the risk profiling procedure or on risk indicators which can be constructed from the following methodological approaches:

- regulatory quantities based on the principles underlying the Solvency regulatory amounts, including the Capital Requirement;
- non-regulatory (or operational) quantities based on general concepts such as exposure, concentration, volatility, expected or potential loss, and/or aimed at assessing those risks not included in the standard formula and/or supplementing the assessment of the same regulatory risks, including:
  - Liquidity Risk;
  - ALM Risk;
  - Operational Risks;
  - ICT and Security Risks;
  - Conduct Risk;
  - Risk associated with belonging to a Group;
  - ESG Risk (climate risk);
  - Strategic Risk;
- qualitative values based on non-quantifiable or difficult to quantify quantities, whose assessment by expert judgment plays a predominant role, including:
  - Model Risk;
  - Legal & Compliance Risk;
  - Conduct Risks;
  - Reputational Risk;
  - Emerging Risks.

In addition to the methodologies underlying these risk indicators, the measurement of the Company's risk, both current and forecasted, is based on the regulatory methodologies for the calculation of the Capital Requirement (see SCR): the reference methodology is that of the Standard Formula. It should also be noted that the Company adopts the application of the Volatility Adjustments: the current and forward-looking assessments of the Company's regulatory risks provide for the use of the Volatility Adjustment as the Long-Term Guarantee measure. The Volatility

Adjustment is applied to the total liabilities held by the Company sold entirely in Italy and in the Euro currency. The Matching Adjustment is not applied by the Company. In order to better understand the effects deriving from the application of the Volatility Adjustment on technical provisions and own funds, the Company also carries out sensitivity analyses whenever the deviation between the risk-free EIOPA curve and the risk-free EIOPA curve with volatility adjustment is significant.
All these figures, in addition to constituting the framework for continuous monitoring at the basis of the risk management organisational model, represent the elements at the basis of the Company's risk profiling methodology. This activity aims to identify and assess risk factors and assign a level of significance to each of them.
From a methodological point of view, the following also contribute to the assessment of risks:

- Sensitivity, stress test and scenario test: pursuant to Art. 19, paragraph 4 of IVASS Regulation no. 38, the Risk Management Department, in order to assess the current and future impacts on the economic and financial situation deriving from adverse trends in the main risk factors, carries out, for each of the sources of risk identified as most significant, stress test and sensitivity analyses.
- Risk Self-Assessment on operational risks (including ICT risk and Security risk).

Risk Management

The objective of the risk management system is to maintain the risks to which the Company is exposed at an acceptable level, by indicating the risk appetite and tolerance established in line with the objective of safeguarding the assets of the same to guarantee business continuity. The guidelines on risk management are set out in the individual policies drawn up, reviewed and approved annually by the Board of Directors, after being reviewed by the Director in charge of internal control and risks of the Company. Elements of risk management are:

- Risk Appetite Framework

The Company adopted a Risk Appetite Framework (see RAF) that defines the risk appetite, the tolerance thresholds, the risk limits, the risk governance policies as well as the reference processes needed to define and implement them. As part of the strategic direction of the Company, the Board of Directors identifies and approves its risk appetite. The process of defining/revising the Risk Appetite Framework therefore supports the Strategic/Operational Planning (Budget) process and takes into account the internal risk and solvency assessment. In fact, these elements are not separate, but influence each other with the aim of maximising the risk-return profile of the Company. The RAF is defined taking into account the following aspects:

- the Company's strategy, including the organisational objectives, the strategic plan, financial and regulatory constraints and the expectations of the stakeholders;
- the key aspects of the Company's business;
- the willingness and capability of assuming risks;
- the skills, resources and technology available to the Company to manage and monitor risk exposures.

The Company's risk appetite, together with the assessment of the corporate governance system adopted as well as the mapping and identification of risk factors and a general application of the prudent person principle, represent the main constitutive elements at the basis of the determination of the organisational model for the management of the risks (specific for each risk class).
Moreover, when defining its business strategies, the Company assesses, on an ongoing basis, compliance, in the various years over which the plan is developed, with the target risk levels defined in the Risk Appetite Framework, in order to ensure consistency between the medium- to long-term objectives and the Company's capability and willingness to assume risks.
The concepts relevant for defining the RAF are broken down below:

- the Risk Profile represents the actual risk of the Company assessed at a given time;
- the Risk Appetite represents the real propensity to risk of the Company and consists, therefore, of the risk level that it intends to assume to attain its strategic objectives;
- the Risk Tolerance identifies the maximum risk tolerance threshold, set in order to ensure the Company sufficient margins to operate, both in the normal course of business and in particularly stressed market conditions;
- the Risk Capacity represents the maximum risk that can be assumed by the Company; therefore, it consists of the level of risk that it is able to assume without violating regulatory requirements or other constraints imposed by the Supervisory Authority.

- Risk preferences represent the preferences in terms of risk selection, summarise the connection between Risk Appetite and Strategy and characterise the qualitative elements of the RAF.

Moreover, when defining its business strategies, the Company assesses, on an ongoing basis, compliance, in the various years over which the plan is developed, with the target risk levels defined in the Risk Appetite Framework, in order to ensure consistency between the medium- to long-term objectives and the capability and willingness to assume risks. In particular, the strategic plan, based on the risk profile of the Company at the time of preparing the plan itself, takes into account the risk that can be assumed without violating regulatory requirements or other constraints imposed by the Supervisory Authority, the risk appetite (i.e. the level of risk that it intends to assume in order to achieve its strategic objectives) and the risk tolerance (i.e. the maximum threshold of deviation from the risk appetite), set by the Board of Directors.
Moreover, the Company has defined a Capital Management Policy and a Capital Management Plan, the purpose of which is to adopt adequate procedures to ensure the safeguarding of the regulatory requirements and of Risk Appetite target levels, as well as to guarantee that, both at the time of issue and later, the elements of Own Funds, which the business intends to use in order to achieve the business objectives established at the time of strategic planning, meet the regulatory requirements defined by EIOPA and are correctly classified. This plan was drawn up in line with the results of the future risk assessment according to the Solvency II approach (ORSA), with the objectives and the methods established in the Capital Management Policy and with the solvency requirements established by the Regulator, in order to guarantee the Company's capital solidity for its own operations and potential future development.

- Risk Indicators

In line with the provisions of the Company's Risk Appetite Framework Regulation, the current and future risk management of the Company is based on the definition of indicators for each risk category.

The indicators are further broken down into:
- *first-level indicators*: these are indicators mainly aimed at complying with the solvency restrictions. They are indicators of possible negative impacts and provide warnings aimed at identifying potential damaging events which threaten the achievement of the objectives and the continuity of the Business. The indicators are integrated in the Risk Appetite Framework Regulation and are associated to a Risk Appetite, a Risk Tolerance and a Risk Capacity and the related Risk Appetite Statement system;
- *early warning indicators*: in order to carry out preventive and continuous monitoring of solvency indicators, early warning indicators were also defined that are aimed at identifying potentially highly critical phenomena and/or events and/or those that merit attention;
- *second-level indicators*: these are operational/management type indicators useful for strengthening the risk monitoring activities and possibly providing preventive signs of a potential deterioration of the first-level metrics. These indicators are integrated into the Company's Risk Appetite Framework Regulation.

In the general context of the risk management system, the Company also defines specific operating limits that set the risk objectives (e.g. limits in terms of exposure, concentration, etc.) consistent with the Company's risk appetite. The main first-level indicator of the Company is the Solvency II Ratio, that is, the ratio between Eligible Capital and Solvency Capital Requirement. The Company's objective is to have an Economic Capital level adequate and in line with the strategic objectives, greater than a previously established level of Solvency Ratio, as illustrated below:
- Risk Appetite: 230%;
- Risk Tolerance: 180%;
- Risk Capacity: 130%.

As part of the definition of the RAF, it is necessary to fix the level of risk that, if not complied with by the Risk Profile of the Company, requires corrective actions. Therefore, the thresholds identify the tracks within which the Company can carry out its action aimed at achieving the business objectives. The violation of these thresholds requires an escalation process by the Company and the definition of specific intervention plans to deal with the situation.

Monitoring and Reporting

Credemassicurazioni's risk management organisational model involves all business departments, from operating units (involved in the management of risks for the relevant processes) including therein the Fundamental Units, the Director in charge and the Board of Directors.
In this context, the Risk Management Department acts as coordinator of the risk monitoring activities. More specifically, it contributes to defining risk measurement methods and limits (both RAF and operating), defining appropriate verification procedures, and has the task of validating the information flows from risk monitoring activities, preparing reports for top management and verifying the consistency of the risk measurement models with the company's operations.
Risks are continuously monitored by the Risk Management Department and by the relevant individual departments; to this end, reports on the development of risks have been created and have been fine-tuned over time and are submitted to the Board of Directors, the Director in charge of Internal Controls and Risks, the CRO and Top Management and the relevant operational structures, with a view to improving the communication of the results and permitting a better understanding of the topics related to risk assessment.

The risk management model adopted by Credemassicurazioni is characterised by:
- a phase in which the risk indicators and/or the limits (both RAF and operating) for managing risk are updated on the basis of organisational requirements and/or following changes of the internal and external scenario, or whenever they are no longer in line with the risk profile requested by the management body;
- a consequent monitoring of operational and risk governance indicators and limits. Monitoring activities take the form of specific organisational controls established to guarantee compliance with said limits, to promptly trigger warning processes in the event of any overruns and to define specific recovery plans in response to such reports.

As part of the risk management system and in line with regulatory requirements, the Board of Directors has drawn up a formal set of policies, Regulations and attachments which, for each of the areas of risk to which Credemassicurazioni is exposed, specify the objectives, the tasks, the responsibilities, the process and define the tools and procedures, including those related to reporting, required to identify and consequently manage all risk areas. These documents also have a more general objective of encouraging a culture of risk control and management within the company.
Compliance with and application of the documents are guaranteed by an Internal Control System represented by a set of rules, procedures and control techniques and organisational structures aimed to ensure the proper running and good performance of the company.

Risk analysis

Pursuant to sector regulations, the Company has defined a risk assessment and analysis process that includes both a qualitative assessment and, for those risks that are quantifiable, the adoption of methods to measure exposure to risk, including a system to establish the amount of maximum potential loss, both current and future. These analyses make it possible to carry out a continuous profiling of the risks to which the company is exposed.
Note that in order to assess capital solvency requirement according to the regulatory Solvency II system, the Company uses the Standard Formula in compliance with that defined in the Delegated Regulation (EU) no. 2019/981 of the Commission. Therefore, the current and future risk assessments take into account all the risks, included in the framework of the Standard Formula, to which the business is exposed.
In order to continuously assess its solvency situation, the Company also calculates on a quarterly basis its capital requirement, determines its eligible own funds and the related quality and composition, at the same time checking the compliance with the operating limits and the risk appetite. Specific stress tests and sensitivity analyses are made with the same frequency on capital. Adequate documents are reported to the Board of Directors and sent to the Supervisory Authority through the Quantitative Reporting Templates (QRT). Compliance with the Level I and II indicators set out in the Risk Appetite Framework Regulation is verified with the same frequency.
If, in the context of the various monitoring activities carried out by the Company, continuous and/or significant deviations of the risk profile with respect to the company's Risk Appetite or significant deviations with respect to the main technical/financial/market/product assumptions defined in the Strategic Plan (and therefore in the ORSA assessments) emerge, a Non-Regular ORSA is carried out in order to assess the impacts of these changes also in forward-looking terms.
In the first half of 2026, the Company complied with the following regulatory deadlines:

- Preparation and forwarding to the Supervisory Authority of quarterly reports (QRT) required by Pillar III within the regulatory deadline;
- Preparation of the Regular Supervisory Report - RSR (Periodic Report to the Supervisory Authority) with reference to the financial year closing date 31.12.2025, approved by the Board of Directors in March 2026 and sent to IVASS within the regulatory deadline;
- Preparation of the Solvency Financial Condition Report - SFCR with reference to the financial year closing date 31.12.2025, approved by the Board of Directors in March 2026 and sent to IVASS within the regulatory deadline;
- Execution of the ORSA (Own Risk and Solvency Assessment) processing required to assess the solvency profile of the 2026-2028 strategic plan and preparation of the ORSA Report approved by the Board of Directors in April 2026 and sent to IVASS within the regulatory deadline.

NON-LIFE underwriting risks (or technical insurance risks)

Underwriting risk is defined as the risk of a loss or an unfavourable change in the value of insurance liabilities due to inadequate assumptions in terms of price setting and establishing technical reserves (see Art. 1, paragraph 1, letter vv-bis 4 of the CAP).

Within the Company's risk framework, this risk can be further divided into the following categories:
- Assumption risk: represents the risk resulting from underwriting insurance contracts, linked to insured events, to the processes followed for the pricing and selection of the risks, to the unfavourable trend of actual claims compared to that expected.
- Reserve risk, namely the risk relating to the fact that the amount of insurance reserves is insufficient to cover the commitments made to insured parties and injured parties.
- Disaster risk, namely the risk of incurring losses or of an unfavourable change in the value of the liabilities insured, resulting from the significant uncertainty of the assumptions made to price premiums and to establish reserves relating to extreme and exceptional events linked to natural events or events caused by humans.
- Lapse risk: represents the risk relating to the exercise of options by insurers that may be contained in non-life contracts, such as the option to withdraw from the contract before the agreed expiry or the option to renew the contract according to previously established conditions.

With regard to the distribution of Credemassicurazioni underwriting risks according to Solvency II regulations, the table below shows the best estimate of the risk representation at the date of drafting this section (note that the overall weight of Non-Life and Health NSLT underwriting risks is 76.3%).

Non-Life risk - risk/sum of risk components - relative and total	IQ 2026	
	% Relative	*% Total*
Non-Life premium and reserve risk	63.1%	28.7%
Non-Life lapse risk	22.2%	10.1%
Non-life CAT risk	14.6%	6.7%

Health risk - risk/sum of risk components - relative and total	IQ 2026	
	% Relative	*% Total*
Health premium and reserve risk	74.2%	23.0%
Health Lapse risk	23.5%	7.3%
Health CAT	2.3%	0.7%
Health SLT Mortality risk	0.0%	0.0%
Health SLT Longevity risk	0.0%	0.0%
Health SLT Disability morbidity risk	0.0%	0.0%
Health SLT Lapse risk	0.0%	0.0%
Health SLT Expense risk	0.0%	0.0%
Health SLT Revision risk	0.0%	0.0%

The Company has adopted guidelines for these risks which:
- illustrate the types of insurance risks it intends to assume;
- highlight the characteristics of the insurance business (products, distribution channels, excluded risks);
- describe the methods aimed at ensuring that premium income is adequate to cover the expected claims and the related expenses;
- illustrate the manner in which the company takes reinsurance or other risk mitigation techniques into account in the process to design a new insurance product and to calculate the relative premium;
- illustrate the manner in which the company takes investment limitations into account in the process to design a new insurance product and to calculate the relative premium.

The Company measures and monitors its exposure to underwriting risk based on the overall portfolio, in addition to verifying compliance with the limits and policies established.

This identification of the risks is made with reference to new products and to the existing portfolio:
- New products: in accordance with the Strategic Plan, the recognition of the risks related to new products is made on the basis of their technical characteristics within the ORSA process. Furthermore, in accordance with the process to create and launch new products defined within the more general POG (Product Oversight and Governance) process, the Risk Management Department is tasked with drawing up a specific risk analysis (known as a risk sheet) for each individual product, the results of which are transmitted to the Product Governance Committee.
- Existing portfolio: with regard to the existing portfolio, risks are identified on the basis of the technical data of the portfolio and of the capital absorption measures determined through the instrument used by the Company to calculate SCR (Standard Formula). The information relating to the overall technical performance concisely reflects the technical results of the individual Segments and therefore of the products contained in the portfolio (which in general can encompass more than one Segment).

The main risk measures used are summarised below:
- SCR - Non-life underwriting risk and related risk sub-modules (measured both gross and net of reinsurance);
- SCR - Health underwriting risk and related risk sub-modules (measured both gross and net of reinsurance);
- Distribution of Best Estimates (Non-Life and Health NSLT) measured both gross and net of reinsurance;
- Risk Margin (Non-Life and Health NSLT);
- Combined Ratio;
- Loss Ratio;
- Expense Ratio.

Market risks

The following sub-categories belong to the more general category of Market Risk:

- Market Risk;
- Asset & Liability Management Risk;
- Liquidity Risk,
- better explained below.

Market risk is defined as the risk of a loss or an unfavourable change in the financial situation resulting directly or indirectly from fluctuations of the level or of the volatility of the market prices of assets, liabilities and financial instruments (see Art. 1, paragraph 1, letter vv-bis 3 of the CAP).
Market risks reflect the performance of the economic cycle, which may amplify or possibly reduce its significance, especially if the securities portfolio of the company is particularly concentrated in specific sectors, currencies or geographic areas.
This risk can be broken down into the following risk factors:

- Interest rate risk: the value of the assets of an insurance company is sensitive to changes in interest rates. Furthermore, if the cash flows generated by the assets and those generated by the liabilities of a company are not perfectly aligned in terms of maturity, frequency of any payments and by nature of investment rates (maturity mismatching, interest rate mismatching, reset date mismatching, basic mismatching), a (positive or negative) shock of interest rates may generate unsynchronised variations in the value of the assets and liabilities. Essentially, exposure to interest rate risk refers to all of the assets and liabilities whose value is "sensitive" to changes in the term structure of interest rates or the volatility of interest rates;
- Share price risk: the market values of the stocks purchased by the company may be sensitive to the trend of the stock markets (for example, in the case of contracts whose performance is linked to the value of a share);
- Foreign exchange risk: the market value of the stocks purchased by the company may be sensitive to variations of exchange rates (for example, in the case of shares or bonds denominated in a foreign currency). Therefore, this risk factor is particularly important for insurance companies in the case of assets that are hedging the technical insurance reserves denominated in a currency other than that of the corresponding technical commitments made contractually. In fact, as the conversion of currencies is made at the end of the year at the current exchange rate, profits/losses may be recorded at said date due to variations in the exchange rates;
- Real estate risk: if the assets of an insurance company are invested in real estate, the values of said assets are sensitive to the market trend of the prices of the same;
- Credit spread: whenever an insurance company underwrites financial instruments, it may be exposed to the insolvency risk of its borrower, who may not be able to meet their obligations or may be exposed to the risk of a deterioration in creditworthiness, with a consequent fall in the value of the security. Exposure to credit risk refers to assets, liabilities and financial instruments that are sensitive to changes in credit spreads;
- Concentration risk: exposure to concentration risk, which results from an unexpected change in the prices, in the value of exposures towards issuers with whom the party has cumulative exposures, refers to assets subject to the share price risk, interest rate and spread risk and to real estate risk included in market risk, and excludes assets subject to the risk of counterparty default. At present, at regulatory level, government securities are also excluded;
- Sovereign risk: this is the risk associated with the possibility of a government not fulfilling its financial obligations. It may depend on economic, financial and political factors. It can be linked to the economic situation or develop over the medium/long term. Sovereign risk is associated with the yields on government bonds and, therefore, with the interest that a State must pay to investors in order to finance itself;
- Liquidity of the security: the possibility of performing a timely disinvestment of the portfolio is greatly dependant on the marketability of the securities in which the same is invested. The poor marketability of the securities may actually expose the Company to the risk of incurring losses associated with difficulties in finding counterparties on the market interested in purchasing the securities the company wishes to disinvest. At regulatory level, there is currently no specific capital requirement;
- Other asset exposures: this risk factor materialises in the market risk related to private equity, alternative instruments, infrastructures, inflation-linked products and hybrids.

Market risk factors are mainly identified in the specific financial statement classes of the Owned Portfolio.

With regard to the distribution of Credemassicurazioni market risks according to Solvency II regulations, the table below shows the best estimate of the representation of the risk as at the date of drafting this section (it should be noted that the total weight of market risks is equal to 15.7%).

Market risk - risk/sum of risk components - relative and total	IQ 2026	
	% Relative	*% Total*
Interest rate risk	82.6%	12.9%
Equity risk	0.0%	0.0%
Property risk	0.0%	0.0%
Spread risk	17.4%	2.7%
Currency risk	0.0%	0.0%
Concentration risk	0.0%	0.0%

The Company adopts, in respect of the above risk factors, guidelines that establish the general principles for the activities of the Finance Team, the frequency of controls and the measures for recovery if the limits are exceeded. In the overall composition of the investment portfolio, exposure to risk, constraints related to covering insurance reserves and the impact on the Solvency Ratio are also taken into account. The limits and the indicators relating to investments are verified and controlled on a continuous basis by the relevant business departments and, periodically, the results of the same are brought to the attention of the Board of Directors. The process also envisages a review stage of the above-mentioned limits conducted by means of a sensitivity analysis of asset and liability portfolios.
Market risks are assessed with reference to the already acquired securities investment portfolio and the future investment scenarios. This activity is carried out both with an Asset-Liability Management approach, in order to capture the interrelationship between the dynamics of liabilities and the dynamics of assets covering technical provisions, and following the Solvency II principles in order to capture the capital requirement absorbed by each individual risk module and sub-module.

Market risks for the life insurance business are identified with reference to new investments and asset allocation targets, and to the existing portfolio:
- New investments: with regard to new investments, as part of the ORSA process, analyses relating to future investment scenarios are conducted with a view to identifying the risks related to said investment choices and to assess the quantitative impact on the risk profile. Furthermore, for "occasional" investments based on the information provided by the Finance Team (by way of example: investment objective, reference portfolio, size of the transaction) the Risk Management Department conducts an ex-ante quali/quantitative assessment based on both management and regulatory approaches. The Risk Management Department also conducts an ex-ante risk assessment for all non-UCIT UCIs based on the Due Diligence prepared by the Finance Team.
- Existing portfolio: with regard to the existing portfolio, risks are identified based on the technical data of the portfolio, market data and the risk measures determined through the calculation tool of the SCR adopted.

The macro-indicators analysed to assess and monitor market risks are illustrated below:
- SCR Interest Rate – Based: indicators that aim to identify capital absorption, according to Solvency II metrics, of interest rate risk based on a regulatory and management approach;
- Relative concentration on each counterparty;
- Rating on each counterparty;
- Absolute exposure in equity;
- Relative exposure in corporate bonds;
- Absolute exposure in foreign currency;
- Duration;
- Italian Government Sensitivities Spread (in order to capture the spread risk factor on government bonds not included in the standard formula);
- Sensitivity on market risk factors (e.g. rate).

Asset Liability Management (ALM) Risk

ALM risk is a risk closely related to mismatches between assets and liabilities. The ALM process includes dynamics related to risk management and strategic planning. It focuses on the medium to long term rather than offering risk mitigation or hedging solutions. The goal of such risk management is to maximise assets to meet complex liabilities that can increase profitability.
The following risk factors belong to the sub-category of ALM risks:

- Strategic Asset Allocation (AAT - Asset Allocation Tools): consists of the risk resulting from the inadequacy/inconsistency of the asset allocation to meet liabilities.
- Asset & Liability mismatch: consists of the risk of misalignment between assets and liabilities that may lead to an exposure of the company or to the disinvestment risk or to the reinvestment risk.

The Company adopts, in respect of the above risk factors, guidelines that establish the general principles, the frequency of controls and the measures for recovery if the limits are exceeded.

ALM risks are assessed with reference to the already acquired securities investment portfolio and the future investment scenarios. This activity is carried out both with an Asset-Liability Management approach, in order to capture the interrelationship between the dynamics of liabilities and the dynamics of assets covering technical provisions.

The macro-indicators analysed to assess and monitor ALM risks are illustrated below:

- SCR Interest Rate – Based: indicators that aim to identify capital absorption, according to Solvency II metrics, of interest rate risk based on a regulatory and management approach;
- Cash Flow Matching: this indicator shows the mismatch, on each occasion, between the cash flows of assets and the cash flows of liabilities;
- Duration Matching: misalignment between the duration of the cash flows of assets and the cash flows of liabilities.

Liquidity risk

The Companies are subject to potential tension in terms of liquidity, resulting from different maturities between assets and the relative liabilities. Liquidity risk is defined as the risk that the Company is not able to liquidate investments and other assets to meet its financial obligations when these fall due (see Art. 1, paragraph 1, letter vv-bis 2 of the CAP).

The possibility of performing a timely disinvestment of the portfolio is highly conditioned by the marketability of the securities in which the same is invested. The poor marketability of the securities in the portfolio may actually expose the Company to the risk of incurring losses associated with difficulties in finding counterparties on the market interested in purchasing the securities the company wishes to disinvest.

The Company quantifies its solvency position with Standard Formula metrics, which do not require liquidity risk to be quantified in terms of capital absorption.
The risks are identified on the basis of the technical data of the portfolios and of the metrics defined as a function of the time horizon with which the risk in question is analysed and studied.

The indicators used by the Company to monitor the liquidity risk are set below:

- amount in current accounts: the Company has decided to monitor the amount held in current accounts in order to set a lower limit that represents the Liquidity Reserve (as prescribed by IVASS Reg. 38) and an upper limit in terms of the maximum amount to be held in the current accounts in order to render the management of the portfolio effective and to limit any effects on the Default SCR. Quantifying the Liquidity Reserve includes not only Current Account exposures, but also government bonds of the euro area with a credit quality exceeding 2 and a maturity of less than three months.
- Liquidity buffer: the number of monthly consecutive periods in which the Liquidity Buffer is negative, over the annual time horizon considered, provides a summary indication of the Company's liquidity situation;
- Liquidity plan: this indicator seeks to demonstrate that the Company has financial resources on an ongoing basis to manage liquidity risk. This condition is also the basis for the application of the Volatility Adjustment at Regulatory level;
- Liquidity contingency: securities that can be easily liquidated;

- Current accounts default SCR: for the purpose of limiting any effects on the default SCR deriving from the increase in the volumes of the current accounts, the Company has fixed a higher limit in terms of the default SCR.

Credit (default) risk

Credit risk (default risk) is defined as the risk of a loss or an unfavourable change in the financial situation resulting directly or indirectly from fluctuations of the creditworthiness of the issuers of securities, counterparties and borrowers to which the insurance or reinsurance company is exposed in the form of the risk of default of the counterparty, spread risk or concentration of market risk (see Art. 1, paragraph 1, letter vv-bis 1 of the CAP).

The loss of value of the credit position is mainly linked to the quality of the issuer or of the counterparty (including reinsurers, co-insurers, insured parties and intermediaries), but may also originate from a deterioration of the economic-financial conditions of the borrower, which determine the ability of the latter to meet its financial obligations, as well as from causes not related to the economic or financial situation of the debtor counterparty, such as political-military reasons for example.

From a purely representative point of view, we identify three macro areas of credit risk:
- Reinsurance;
- Intermediaries and other counterparties;
- Investments.

The risk factors underlying the individual credit risk sub-categories are as follows:
- Regarding the sub-class of Reinsurance:
  - Credit risk towards reinsurers: represents the risk of losses resulting from the insolvency of one or more reinsurers;
  - Baseline risk: resulting from any discrepancies between reinsurance requirements and the actual coverage envisaged by the arrangement, entailing a greater risk for the Company with respect to that envisaged.
- With regard to intermediaries and other counterparties:
  - Credit risk towards intermediaries and other counterparties: represents the risk of losses following the contractual default of third parties (e.g. receivables from policyholders, insurance intermediaries, current accounts in banks).

With regard to the counterparty default risk distribution of Credemassicurazioni according to Solvency II regulations, the table below shows the best estimate of the representation of the risk at the date of drafting this section (it should be noted that the total weight of counterparty default risks is equal to 1.3%).

Credit risk - risk/sum of risk components - relative and total	IQ 2026	
	% Relative	*% Total*
Type 1 counterparties	38.4%	0.5%
Type 2 counterparties	61.6%	0.8%

The policies relating to managing the credit risk of issuers of financial instruments refer to that illustrated above for market risk in terms of the general principles for the control of financial investments. With regard to reinsurers, Credemassicurazioni has drawn up policies to manage and control this risk in terms of guidelines and limits for counterparties.
The counterparty default risk is identified with reference to the counterparties for which there are credit positions.

The risk measures used are summarised below:
- SCR Counterparty Default Risk;
- Maximum amount in current accounts: this represents the maximum amount in a current account to be held for the portfolio;
- Exposure by Reinsurer: this indicator identifies the exposure towards each reinsurer in terms of amounts insured;

- Rating or Solvency Ratio by Reinsurer: this indicator corresponds to the rating of the individual reinsurer or, in the event of non-network counterparties, to the Solvency Ratio of the same.

Operational risk

Operational risk is defined as the risk of incurring losses resulting from the inadequacy or the malfunctioning (shortcomings or errors) of internal procedures, human resources or systems, or from external events (see Art. 1, paragraph 1, letter vv-bis 5 of the CAP). Therefore, the company may incur operating losses, defined as the negative economic effects deriving from operational events, recognised in the company accounts and such as to have an impact on the income statement.
The following sub-categories belong to the more general category of Operational Risks:
- Operational Risk;
- ICT and Security Risk;
- Compliance Risk;
- Model Risk;
- Business continuity;
- Regulatory Operational Risk;

better explained below.

Operational and ICT & Security Risk

The main risk factors that characterise the risk are:
- People: human resources may be a source of risk for an enterprise, if the organisational structure is not efficient, or if there are shortcomings in the professionalism of employees or, for example, if the pay structure or the career prospects are not adequate and if the company environment is not suitable. There are numerous examples of losses due to incompetent or negligent resources, of particular note are cases of erroneous data entry in systems, errors when transposing data or infringements of regulations.
- Processes: business processes are a source of operational risk in the event that there are inefficiencies in the design, formalisation and definition of their structure and therefore in the definition of the individuals that are part of them and of the relative level of responsibility and authorisation. All business processes, including valuation and calculation models and risk management processes themselves, may be inadequate and therefore a source of operational risk. Source of operational risk are:
  - outsourcing of business activities in the event of deficiencies/inadequacies in the processes of managing the relations with outsourcers such as to cause losses to the company;
  - failure to update or inadequate filing of the procedures and regulations that formalise internal processes;
  - failure to/inadequate/untimely issue of internal implementation rules in relation to the applicable external legislation.
- External Events: events linked to external factors may cause losses to the company because of natural disasters, in the prevention and security against events of an accidental nature, infrastructure obsolescence, prevention and security against acts of a criminal nature, authorisation steps for the execution of operational activities, in the control measures against unauthorised activities and fraud by employees, preventive measures against fraud by external parties, inadequate and/or untimely updating of internal regulations in relation to changes in the external regulations from which they derive.
- IT and Security Risk: this risk factor is composed of the following elements:
  - ICT Data Integration Risks: risks deriving from events or situations that may cause the interruption of services (e.g. cyber attacks, hardware/software failures, inadequacy of Disaster Recovery plans).
  - ICT Security Risk: risks deriving from events or situations that may cause unauthorised access to company data or systems (e.g. cyber attack risks, inadequacy of authentication/authorization systems).
  - ICT Change Risks: risks stemming from the inability to manage, in a timely and controlled manner, changes in ICT systems, in particular for large and complex change plans (e.g. inadequacy or absence of controls in software development, inadequacy of the ICT architecture).

- ICT Data Integrity Risk: risks deriving from the presence and use by ICT systems of incomplete, inaccurate and inconsistent data that may compromise the correctness and timeliness of the service provided and of the management and financial information provided (e.g. anomalies in data processing, inadequacy of data-input/data-extraction controls, ...).
- ICT Outsourcing Risk: risks deriving from outsourcing to a third party or to another Group entity (intra-group outsourcing) of processes for the supply of ICT systems or related services (e.g. inadequacy of contractual control mechanisms, degradation of the service offered, ...).

A bottom-up approach is adopted for the identification of operational risk, based on a Risk Self-Assessment method, with the aim of assessing the level of risk and the quality of the measures set in place to mitigate the risk relating to operating activities and all business processes.
The purpose of this approach, based on an analysis by Functional Team, is to identify loss events that could occur, assess the possible impact and possible frequency of occurrence of these events (quantification of expected and unexpected losses), assess the effectiveness of the safeguards in place and the possible organisational tools that can be implemented to mitigate risk. The assessment of expected and unexpected losses is carried out both in relation to the operational risk in its entirety and for the component relating to the ICT and Security risk. RAF limits are in place on both quantities.
The Company also conducts an annual assessment of the effective losses incurred from operational risk (known as LDC - Loss Data Collection). This analysis also enables back-testing to be conducted on the ex ante assessment through Risk Self-Assessment.

Regulatory Operational Risk

As regards assessment of the solvency capital requirement (SCR), operational risks are assessed through the application of the Standard Formula. The overall weight of operational risks, according to Solvency II regulatory provisions, is 6.5% (figure as at Q1 of 2026).

Legal and Compliance risk

Compliance risk (i.e., risk of failure to comply with regulations) regards the risk of incurring judicial or administrative sanctions, and suffering reputational loss or damage due to the failure to comply with the law, regulations or provisions of Supervisory Authorities or of self-regulations, such as articles of association, codes of conduct or self-disciplinary codes; the risk resulting from unfavourable changes to the legislative framework or decisions of the courts.
In the management of compliance risk, the company identified achieving compliance in terms of transparency and correctness of settlements with policyholders or injured parties, pre-contractual and contractual information, correct execution of contracts, with particular reference to claims management and, more generally, consumer protection, as key success factors.
In brief, by formalising the compliance risk matrix, the process of assessing compliance with legislation seeks to achieve the following:

- to improve the level of sensitivity of first-level controls towards regulatory provisions;
- to assess the existing controls on processes;
- to stimulate thought on potential risks;
- to evaluate the ability to recognise or prevent said risks;
- to identify organisational measures needed to fill any gaps that may have been found.

The Compliance Department operates according to a methodological approach based on techniques of identification, assessment, management and monitoring of non-compliance risk, in line with the best market practice and coherent with those used in Risk Management and Internal Audit processes.

Modelling Risk

Risk of losses in relation to the development, implementation or misuse of other models by the Company for the decision-making process (for example, product prices, valuation of financial instruments, monitoring of risk limits, etc.).

Business Continuity

Business continuity risk is linked to the use of a business continuity plan for the management of crisis situations resulting from sector-wide or company-wide incidents or major catastrophes affecting the operator or its relevant counterparties.
The Company has developed a Business Continuity Plan.

Second-Level Risks (or indirect)

According to the model adopted by the Company, moreover, there are other risks/loss events that are not strictly related to specific risk factors, but that may originate from risk factors relating to the risk categories previously illustrated. In particular, these are the risk classes identified by the sector regulations:

- Risk associated with belonging to a group;
- Reputational risk;
- Conduct risk;
- ESG risks;

and represented below.

Risk associated with belonging to a group

The risk related to belonging to a group (risk of "contagion") means the risk that, following relations between the enterprise and other group entities, difficult situations that arise in one company of the same group may spread and have negative effects on the solvency of the enterprise itself.
In accordance with its strategy and with the investment policies adopted by the Management Body, a policy for intragroup relations has been defined, which sets appropriate operational limits.
The risk is therefore identified and analysed consistently with the categories and counterparties of the transactions in question, with particular regard to any guarantees issued within the Group and consistently with the characteristics of the following types of transaction:

- Significant transactions (between 1% and 5% inclusive of the Solvency Capital Requirement for the period);
- Very significant transactions (>5% of the Solvency Capital Requirement for the period).

Reputational Risk

Reputational risk means the risk of the company's image deteriorating, and of increased conflict both with policyholders (also due to the poor quality of the services offered, to the placement of inadequate policies or behaviour during the sales, after sales or settlement phases) and with the Supervisory Authorities and shareholders.
Reputational risk is thus closely linked to the sale of products and to the provision of related services. To protect the Customer/Insured and consequently monitor the reputational risk, a series of measures are implemented:

- the placement procedures that entail the prior assessment of the adequacy of the contract with a view to initially identifying the insurance requirements and the customer's protection needs, as well as providing adequate information on the product;
- assistance and general services to the distribution network;
- the claims management service;
- the claims settlement service.

Furthermore, since reputational risk is strictly connected to operational, IT and cyber risks and to conduct risk, the specific operational and organisational controls put in place to manage these risks represent an additional element in support of reputational risk management.

Conduct Risk

Conduct risk – as a sub-category of operational, compliance and reputational risk – can be defined as the current or prospective risk of losses resulting from inappropriate offerings of products and/or services, including instances of inappropriate conduct (malfeasance/negligence) by the company.
The risk factors taken into consideration for the conduct risk assessment are:

- Commercial development risk: lack of visibility/transparency and/or poor assessment of development prospects or objectives or profitability of new activities/products and inadequate measurement/monitoring of commercial performance/risks;
- Communication resources: inadequate communication resources or marketing tools with respect to the defined objectives. Bad brand management;
- Commercial performance: erosion, non-replacement or unprofitable development of the commercial base;
- Profitability & Risk Profile: insufficient profitability, shortcomings in tariff-setting procedures, deficiency or inadequacy of valuation models (V4M, profitability for customers, etc.) or application of exceptions.

Conduct risk management is closely linked to the activities defined as part of the POG process (governed in the respective POG Policy). As part of its risk management, the Company has the following objectives:

- making business initiatives geared towards and focused on the customer (Value for Money). In this context, the focus is on product design and the definition of services in line with customer needs;
- establishing a code/system of conduct fully rooted within the company structure. In this context, the focus is on the sale of products/provision of services, ensuring transparency of information to customers;
- ensuring that the business is continuously focused on achieving the best result for the customer (see KPI and KRI monitoring), protecting the integrity and conduct of the Company in customer relations.

ESG Risk

ESG (Environmental, Social and Governance) risk aims to assess an environmental, social or governance event or condition which, if it occurs, could cause an actual or potential negative impact on the value of the investment or on the value of the liability. This type of risk falls under second-level risks or indirect risks as it can manifest itself by causing a negative impact on assets and liabilities by influencing the risk factors already contemplated in the other risk categories (e.g. Market and Underwriting Risk).

Within the category of ESG risks, particular importance is assigned to climate risks as they could generate high losses for Insurance Companies if not correctly identified and managed.

The Company assesses the climate risk considering both the following factors:

- Transition risk: the transition to a low-carbon economy may involve extensive political, legal, technological and market changes to address climate change mitigation and adaptation requirements. Depending on the nature, speed and purpose of these changes, transition risks can entail different levels of financial and reputational risk for organisations;
- Physical risk: the risks deriving from climate change can be determined by acute events or by long-term climate change such as to have possible financial implications on organisations, such as direct damage to resources and indirect impacts stemming from the interruption of the supply chain. From the perspective of an insurance company, these risks may not only have a direct effect on its physical assets and indirectly impact investments, but can also affect insurance liabilities.

With specific reference to climate risks, in line with the indications of the Commission Delegated Regulation (EU) no. 2021/1256 of 21 April 2021, the Company has structured a series of analyses on its portfolio (both investment and technical/insurance portfolio) to verify the materiality of the exposure to climate risks and, subsequently, conducting the scenario analysis to quantify the impact they produce on the main economic and capital figures.

The Framework developed by the Company for climate risk management identifies the following steps:

- Identification of risk factors and the scope of analysis – identification and classification of the main sources of climate risk and the scope of products and assets potentially impacted according to the guidelines indicated by EIOPA.
- Materiality assessment – the assessment, preparatory to the relevance analysis (see next point), is carried out on each individual scope (both Asset and Liabilities);
- Relevance Analysis – analysis activated only for the risks identified as potentially material in the previous point, and has as its objective the identification of the climatic risks relevant to the business and for the related stress analysis for ORSA purposes.

The analysis is carried out on each individual scope (both Asset and Liabilities) and envisages at least the following macro activities:

- Identification of the criteria and methodologies to be used on the portfolios exposed to risk (both assets and liabilities) analysed in the following paragraphs;
- Qualitative/quantitative assessment of each scope identified with respect to the methodologies identified and the specific materiality thresholds.

The ESG risk management system requires the definition of indicators used to monitor exposure, with a specific focus on climate risks related to the environmental risks inherent in the Company's Asset and Liabilities portfolios.

The risk measures used and the volumes analysed are summarised below:

- Weighted Average Carbon Footprint;
- Percentage of Climate Policy Relevant Activities;
- Percentage of high climate risk liabilities.

Strategic risk

Strategic risk means the current or future risk of a fall in profits or of share capital and of the sustainability of the business model, including the risk of not being able to generate adequate return on capital on the basis of the risk appetite defined by the enterprise, resulting from changes in the operating scenario or from erroneous business decisions, from the inadequate implementation of decisions, improper management of the risk associated with belonging to a group, and from poor reactivity to changes in the competitive scenario.

Strategic risks are analysed by means of specific sensitivity analyses at the time of the ORSA or whenever there are significant changes in the market, in the production mix and in the assumptions underlying the assessments.

In this context, the presence of potential emerging risks is also assessed on the basis of information deriving from the business plan, product developments, regulatory changes and any other change potentially impacting the company's risk profile.

Following the results of this analysis, any changes to be made in the company risk map are assessed.

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The assessments made by the Company as at the valuation date have made it possible to outline the risk map – Solvency II Framework – to which the Company is exposed (shown below).

Risk Module	Risk Sub-module	Exposure
Non-Life underwriting risk	Non-Life premium and reserve risk	X
	Non-Life lapse risk	X
	Non-life CAT risk	X
Health underwriting risk	Health premium and reserve risk	X
	Health Lapse risk	X
	Health CAT	X
	Health SLT Mortality risk	---
	Health SLT Longevity risk	---
	Health SLT Disability morbidity risk	---
	Health SLT Lapse risk	---
	Health SLT Expense risk	---
	Health SLT Revision risk	---
Market risk	Interest rate risk	X
	Equity risk	---
	Property risk	---
	Spread risk	X
	Currency risk	---
	Concentration risk	---
Counterparty default risk	Type 1 counterparties	X
	Type 2 counterparties	X
Operational Risk	Operational risk	X

Forward-looking risk assessments have not identified any emerging risks from a regulatory (Solvency II) perspective in relation to the actions envisaged by the new investment and business strategies (however, note should be taken of the Solvency II review, which is expected to be applied from 30.01.2027). With reference to the future and monitored data at the valuation date, the analysis made it possible to identify the risk sub-modules that are most significant and have most impact on the Company, namely the risk sub-modules Non-Life premium and reserve risk, Health premium and reserve risk, followed by the Non-Life lapse risk sub-module.
In addition, the Company is exposed to spread risk on Italian government bonds (a risk not contemplated in the Standard Formula). In its assessments, the Company takes this risk factor into consideration through specific sensitivity analyses carried out periodically and in the ORSA Report YE 31.12.2025.
The results of qualitative/quantitative analyses of the adequacy of the Company's risk profile with respect to the requirements underlying the application of the Standard Formula were positive.
In calculating the impacts due to quantifiable and regulatory risks, the Company also monitors and evaluates the quantitative risks outside the scope of the Standard Formula, the "non-regulatory quantitative risks", such as:

- spread risk on government bonds;
- liquidity and ALM risk;
- operational risk;
- ICT & Security risk;
- conduct risk;
- risk associated with belonging to a group;
- ESG risk (with a specific focus on climate risks related to environmental risks);
- strategic risk.

In addition to assessments of quantifiable risks (both regulatory and non-regulatory), the Company also manages and monitors:

- model risk;
- compliance risk;
- reputational risk;
- emerging risks.

At present, these types of risks have a level of management, monitoring and evaluation consistent with the relevance of the risk factors that characterise them, are periodically monitored and do not entail an add-on in terms of regulatory capital.
At present, there are no results that indicate critical situations in terms of solvency resulting from strategic risks. Nevertheless, the impact of possible changes of the macro-economic scenario that may have a significant impact on the Company's Own Funds and Capital Requirement must continue to be considered.

PART F

INFORMATION ON CONSOLIDATED SHAREHOLDERS' EQUITY

Section 1 – Consolidated shareholders' equity

A. Qualitative information

Effective 1 January 2014, Regulation (EU) no. 575/2013 ("CRR") came into force, through which the rules defined by the Basel Committee for banking supervision were introduced into the European Union, together with a detailed series of documents called "Basel III" regarding capital adequacy (First Pillar) and disclosures to the public (Third Pillar).
Regulation (EU) no. 575/2013 and Directive (EU) 2013/36/EU ("CRD IV") establish the reference regulatory framework in the European Union for banks and investment companies. From 1 January 2014, CRR and CRD IV are accompanied by technical regulating or implementing standards approved by the European Commission on the proposal of the European Supervisory Authority ("ESA"), which implement the primary legislation.
From 2014 to date, the CRR has been updated in two phases: CRR2, published in 2019, and CRR3, published in 2024 with the first application from 2025.
With the entry into force of CRR3 on 1 January 2025, the EBA launched a two-step process to update and expand the entire information system in light of the new regulatory requirements. This process led to the publication, in June 2024, of a new version of the Implementing Technical Standards Step 1, acknowledged with Implementing Regulation (EU) 2024/3172 and applicable from the reference date of 31 March 2025, which introduces new templates for the disclosure on output floor, credit risk, operational risk, CVA risk, leverage and own funds, as well as updating the qualitative and quantitative information in line with the methodological changes envisaged by CRR3.
The Group considers assessing its capital structure a priority and these analyses are conducted within specific Group Governance Committees. The main impacts linked to the regulations being defined are also highlighted.
The Group Governance Committees always include members appointed from the Parent Company's Board of Directors, chosen from the members of the Board, and the respective analyses are then presented to the Parent Company's Board of Directors.

From a supervisory profile, absorption is determined taking into account the current reporting "rules".
From a management perspective, absorption is calculated using internal models for credit and market risk and using a standard "management" model.
The risks are examined both at overall level and in detail within the Group companies (analysis of specific portfolios).

As at 30 June 2026, Own Funds were determined based on the provisions contained in Regulation (EU) no. 575/2013 (CRR).

B. Quantitative information

B.1 Consolidated shareholders' equity: breakdown by business areas

Items of shareholders' equity	Prudential consolidation	Insurance companies	Other companies	Consolidation adjustments and eliminations	Total
1. Share capital	341,336	-	-	-	341,336
2. Share premium	321,801	-	-	-	321,801
3. Reserves	3,812,482	535,478	-	(535,478)	3,812,482
4. Equity instruments	-	-	-	-	-
5. (Treasury shares)	(14,735)	-	-	-	(14,735)
6. Valuation reserves:	(50,707)	5,574	-	(5,574)	(50,707)
- Equity securities measured at fair value through other comprehensive income	14,216	-	-	-	14,216
- Hedge of equity securities measured at fair value through other comprehensive income	-	-	-	-	-
- Financial assets (other than equity securities) measured at fair value through other comprehensive income	(364,560)	(262,047)	-	262,047	(364,560)
- Property, plant and equipment	-	-	-	-	-
- Intangible assets	-	-	-	-	-
- Hedge of foreign investments	-	-	-	-	-
- Cash flow hedges	(14,679)	-	-	-	(14,679)
- Hedging instruments [elements not designated]	-	-	-	-	-
- Exchange differences	-	-	-	-	-
- Non-current assets and groups of assets held for sale and discontinued operations	-	-	-	-	-
- Financial liabilities designated at fair value through profit or loss (changes in own credit rating)	-	-	-	-	-
- Actuarial gains (losses) on defined benefit pension plans	(6,335)	50	-	(50)	(6,335)
- Share of valuation reserves of equity investments valued at equity	-	-	-	-	-
- Revenues or costs of a financial nature relating to insurance contracts issued	267,579	267,579	-	(267,579)	267,579
- Revenues or costs of a financial nature relating to reinsurance contracts held	(8)	(8)	-	8	(8)
- Special revaluation laws	53,080	-	-	-	53,080
7. Profit (Loss) for the year (+/-) pertaining to the group and	312,905	61,887	-	(61,887)	312,905
Total	**4,723,082**	**602,939**	**-**	**(602,939)**	**4,723,082**

The table above shows the components of shareholders' equity, adding those of the Group to those of minority interests, broken down by type of company included in the scope of consolidation. More specifically, in the column regarding the prudential consolidation, the amount indicated is the result of the consolidation of the companies belonging to the banking group, before the economic effects of transactions made with other companies included in the scope of consolidation. In the column regarding insurance companies, the amount shown is the result of consolidation, before the economic effects of transactions made with companies belonging to the banking group. The "Consolidation adjustments and eliminations" column, on the other hand, shows the adjustments needed to obtain the figure indicated in the financial statements.

B.2 Valuation reserves for financial assets measured at fair value through other comprehensive income: breakdown

Asset/amounts	Prudential consolidation		Insurance companies		Other companies		Consolidation adjustments and eliminations		Total	
	Positive reserve	Negative reserve	Positive reserve	Negative reserve	Positive reserve	Negative reserve	Positive reserve	Negative reserve	Positive reserve	Negative reserve
1. Debt securities		5,138	107,651	15,244	277,291	-	-	-	-	20,382
2. Equity securities		16,628	2,412	-	-	-	-	-	-	16,628
3. Loans		-	-	-	-	-	-	-	-	-
Total 30/06/2026	**21,766**	**110,063**	**15,244**	**277,291**	**-**	**-**	**-**	**-**	**37,010**	**387,354**
Total 31/12/2025	**21,586**	**110,583**	18,726	280,740	**-**	**-**	**-**	**-**	**40,312**	**391,323**

With regard to the financial markets:

- In the first quarter of 2026, the increased uncertainty surrounding the conflict between the United States, Iran and Israel was immediately reflected in the financial markets: government bond yields and risk premiums rose, share prices fell and the dollar appreciated against the major currencies.
- In the second quarter of 2026, long-term interest rates on government bonds rose in the major advanced economies, reflecting developments in tensions in the Middle East and expectations of a more restrictive monetary policy stance. In the Eurozone, yields on 10-year government bonds have remained stable since April. Share prices in the United States and Japan have risen to levels significantly higher than those seen before the outbreak of hostilities. The differences in market performance between countries can be attributed largely to varying exposure to the technology sector, which has been buoyed by the strong performance of sectors linked to the development of AI. The dollar has strengthened against the major currencies.
- The FTSE Italia All Shares index closed the first half of 2026 up 14% on December 2025, having recovered from the falls recorded following the outbreak of the war in the Middle East. The recovery was driven by the profits posted by companies, the performance of financial sector shares and the boost provided by the artificial intelligence trend.

B.4 Valuation reserves for defined benefit plans: annual changes

Net changes during the period show a negative balance of € 0.1 million.

PART G – BUSINESS COMBINATIONS INVOLVING COMPANIES OR BUSINESS UNITS

Section 1 – Transactions performed during the year

1.1 Business combinations

Two business combinations have been carried out:
1) the acquisition of a further shareholding, equal to 35% of the share capital, in Andxor Soluzioni Informatiche S.r.l. by Credemtel. The acquisition, which took place in February 2026, brings the shareholding in Andxor to 75%, which therefore becomes a controlling interest;
2) the acquisition by Credemtel Spa of the e-Procurement business unit (digital management of the relationship with suppliers) of Niuma S.r.l., which took place in February 2026.

The disclosures required by IFRS 3, paragraph B64(q), is not provided as it is considered immaterial.

With regard to the acquisition of the equity investment in Andxor, the PPA carried out was used to determine the carrying amount of the Company's assets and liabilities, as the best approximation of fair value in accordance with IFRS 3. As this business combination was carried out in stages (step acquisition), the fair value of the 40% stake held prior to obtaining control (€ 450 thousand) was recalculated in accordance with paragraphs 41 and 42 of IFRS 3. The total goodwill recognised in relation to the acquisition in question amounts to € 3,393,000 (comprising the difference between the acquired shareholders' equity measured at fair value and the price paid, amounting to € 2,943 thousand, and the recalculation of the 40% stake previously held, amounting to € 450 thousand).

With regard to the acquisition of the e-Procurement business unit of Niuma S.r.l., the unit comprised the following elements:
(i) all trademarks, patents, inventions and technological assets (excluding, for the sake of clarity, the servers currently located in Bari and used for the management of development, test and validation environments), software, including the Platforms, domain names, trade names and logos, together with related symbols, whether registered or unregistered, used (or likely to be used) by Niuma in the course of its core business, including through the business unit, in its capacity as owner;
(ii) all, without exception, the technical documents, technologies, trade secrets, projects, management instructions and know-how, developed by Niuma and used by it (or that can potentially be used) in the performance of the core business and through the business unit (the "Know-How");
(iii) all existing contracts with customers held by Niuma and relating to the conduct of its core business through the business unit;
(iv) relations with employees.

The acquisition of the business unit in question was driven by Credemtel's need to enter a new market in which the business unit in question is well positioned, and in particular:
vertical supply chain management software comprising (a) an upstream software platform (Procurement) aimed at mid-to-large and large enterprises, through which the necessary resources (raw materials, components, services) can be procured by selecting, qualifying and managing the onboarding and qualification of suppliers; (b) a downstream software platform (Collaboration/Distribution), suitable for all types of companies, designed to manage supplier relationships, which enables the management of the various stages of an order, from receipt through to logistics, transport, storage and invoice reconciliation.

As part of the PPA relating to the acquisition of the business unit in question, the fair values of the following assets and liabilities were identified and measured.
- Software;
- Customer relationships;
- Staff termination indemnity;
- Earn-out liability (included in the consideration paid).

The estimate of the fair value of the business unit, as described above, has resulted in the recognition of the following amount of Goodwill:

Fair value allocation	Assets (€/k)	Liabilities (€/k)
Software (A)	1,870	
Customer relationships (A)	467	
Staff termination indemnity (B)		44
Deferred tax on staff termination indemnity (B)		13
	2,336	**57**
Fair value of consideration transferred (C)	2,642	
Goodwill = C-A+B	**363**	

Section 2 – Business combinations completed after the period

No transactions were performed.

Section 3 – Retrospective adjustments

No transactions were performed.

PART H

RELATED PARTY TRANSACTIONS

1. Information on remuneration of executives with strategic responsibilities

The following table provides information on the remuneration of executives with strategic responsibilities, in compliance with the provisions of IAS 24.
Executives with strategic responsibilities of Credito Emiliano are those with the power and the responsibility, directly or indirectly, to plan, supervise and control the business activities of Credito Emiliano.
In this context, executives with strategic responsibilities include: the Members of the Board of Directors, the Statutory Auditors, the General Manager, the Joint General Managers, the Deputy General Manager, the other members of Central Management, the Manager responsible for preparing the company's financial reports, the Heads of Internal Control Departments (Head of the Audit Service, Head of the Anti-Money Laundering Department, Compliance Officer and Risk Officer), the Head of the Commercial Business Unit, the Head of the Finance Business Unit, the Executive Coordinator of the Administration, Corporate Governance and External Relations and Value Governance areas, the Head of Service in charge of the Credit area and the Head of Service in charge of the Organisation area.

Remuneration summary	Total 30/06/2026	Total 30/06/2025
Directors	1,129	1,062
Statutory Auditors	349	308
Executives	8,859	8,967
Total	10,337	10,337

The remuneration of executives includes short-term benefits, post-employment benefits, other long-term benefits, benefits due to termination of the employment contract and share-based payments.

2. Information on transactions with related parties

In compliance with legislation regarding related party transactions, the Credito Emiliano Group adopted specific procedures in order to regulate these transactions and to guarantee adequate information flows.
In accordance with Consob resolution no. 17221 of 12 March 2010 and Banca d'Italia Circular no. 285/2013, Credito Emiliano adopted specific procedures to manage related party transactions and associated party transactions.
The regulations are available for consultation on Credito Emiliano's website www.credem.it.
The relationships and transactions performed with related and associated parties do not raise any critical aspects and are part of ordinary service and credit activities. The conditions applied to individual relationships and to transactions with related and associated parties do not differ from the current market practice.
Pursuant to Article 5, paragraph 8 of the Consob Regulation on Related-party transactions (no. 17221 of 12 March 2010 as amended), it should be noted that in the first half of 2026, transactions of greater significance were carried out only with companies belonging to the Credito Emiliano Group and pertaining to normal and ordinary funding operations.
In the same period, the Board of Directors did not receive proposals to adopt "framework resolutions".
In the first half of 2026, intragroup transactions and/or transactions with related and associated parties were set in place, considered part of ordinary operations and related financial activities, concluded at conditions similar to those applied to transactions concluded with independent third parties.

The intragroup transactions were carried out on the basis of reciprocal assessments of economic convenience, and the conditions to be applied were established according to criteria of substantial correctness, with a view to the common objective of creating value for the Credem Group as a whole.
The same principle was also applied to the provision of intra-group services, as well as to that of regulating said services on a minimum basis adapted to recover the relative production costs.

2. Information on transactions with related parties p.1

	Loans	Payables	Guarantees	Assets under administration	Assets under management
Directors, statutory auditors and executives	1,554	14,654	198	187,172	34,745
Family members	1,565	17,093	387	131,982	19,827
Subsidiaries and associated companies	21,407	611,598	110,211	238,961	179,334
Other related parties	-	-	-	-	-
Total	**24,526**	**643,345**	**110,796**	**558,115**	**233,906**

2. Information on transactions with related parties p.2

	Interest income	Interest expense	Fee and commission income and other revenues	Fee and commission expenses and other charges
Directors, statutory auditors and executives	19	123	141	31
Family members	9	100	78	5
Subsidiaries and associated companies	115	3,057	686	83
Other related parties	-	-	-	-
Total	**143**	**3,280**	**905**	**119**

The percentage of related party transactions over total Group transactions is as follows (%):

Balance sheet figures	Loans	Payables	Guarantees and commitments	Assets under administration	Assets under management
Total	**-**	**1.1**	**0.8**	**1.9**	**0.6**

ɔme statement figures	Interest income	Interest expense	Fee and commission income and other revenues	Fee and commission expenses and other charges
Total	**-**	**1.2**	**0.2**	**-**

Details of transactions with associated companies are provided below (€/thousand):

Balance sheet figures	Loans	Payables	Guarantees and commitments	Assets under administration	Assets under management
Total	1,576	2,846	1,023	207,226	-

ɔme statement figures	Interest income	Interest expense	Fee and commission income and other revenues	Fee and commission expenses and other charges
Total	2	34	14,900	27

The percentage of transactions with associated companies over total Group transactions is as follows (%):

Balance sheet figures	Loans	Payables	Guarantees and commitments	Assets under administration	Assets under management
Total	-	-	-	0.7	-

ɔme statement figures	Interest income	Interest expense	Fee and commission income and other revenues	Fee and commission expenses and other charges
Total	-	-	2.0	-

PART I

SHARE-BASED PAYMENTS

Qualitative information

1. Description of share-based payments

In line with the compensation policies approved by the Shareholders' Meeting and in accordance with Banca d'Italia provisions regarding remuneration and incentives, a variable pay system has been drawn up based partly on cash payments and partly on payments through the free allocation of shares. The incentive system is based on the achievement of performance objectives, measured net of risks, and depends on the adequate level of capitalisation and liquidity of the Company.

The system is designed to enhance the loyalty of those in key business positions and is intended for top managers that are in the category of the most important staff. The percentage of the overall bonus awarded to recipients in shares is equal to or greater than 50% in 2026, conditional to achievement of the objectives set by the Board of Directors, and with the approval of the Appointments and Remuneration Committee. More specifically, the remuneration plans reserved for the Group's most important staff, which envisage the payment of part of the bonus through the free assignment of shares, are as follows:

- 2026 bonus system;
- bonus systems and other forms of short and medium-term variable remuneration relating to previous years.

The number of shares is calculated on the basis of the share price at the time the bonus is awarded.

Correction mechanisms are envisaged during the deferment period, by effect of which bonuses accrued may decrease or become zero.

In particular, individual deferred amounts that have already been allocated may not be paid or may be reduced in the event of certain inadequate conditions relating to profit, profitability adjusted for risk, capital and liquidity levels. The bonus may also not be disbursed if the employment contract is terminated or because of professional conduct contrary to good faith and correctness obligations.

For recognition in the financial statements, the Monte Carlo Method was used to take into account the allocation conditions of the various bonus percentages. On the basis of the appropriate assumptions, this method made it possible to define a substantial number of alternative scenarios over the time period considered. More specifically, in each scenario, a projection of the parameters that define performance objectives is made each year, starting from the last financial statement value, according to a geometric Brownian motion.

This calculation method can be broken down into the following phases:

- projection of financial statement parameters and of the share price in the chosen time horizon;
- verification of performance parameters;
- calculation of the bonus for each member of the plan and projection of individual trajectories, verifying the achievement of individual objectives and for each year the continuity of work and survival;
- calculation of individual amounts according to the individual bonus payment system;
- calculation, based on the estimated share price, of the number of shares necessary to pay the part of the bonus in shares (where not already established);
- proportional allocation on the basis of the vesting period of the shares assigned;
- repetition of the procedure for the number of times established.

Quantitative information

	Plan	amount attributable to the period	impact on shareholders' equity
Group	- 2026 Bonus system - Bonus systems and other forms of short and medium-term variable remuneration relating to previous years	2,213.4	38,852.2

PART L – SEGMENT REPORTING

SEGMENT REPORTING – breakdown by operating segments

The Credem Group has two operating segments, Banking and Wealth Management:

- **Banking:** Commercial Banking, Private Banking, Non-banking, Consumer Credit and Other/Technology
- **Wealth Management:** Asset Management and Insurance.

These two operating segments aggregate the main areas of business in which the various Group Companies operate.
In particular:

BANKING

Commercial Banking:

- Credito Emiliano S.p.A.: is the Parent Company of the Credem Group, and specialises in commercial banking through the provision of services aimed at retail and corporate customers. These services are also provided via networks of off-site financial advisors based on an agency relationship. The Parent Company manages, in a centralised manner, the Group's Treasury and interest rate risk, liaising with the institutional financial markets;
- Credem CB S.r.l.: a special purpose vehicle established pursuant to Law no. 130 of 30 April 1999 to support the structuring of specific Covered Bond issue programmes.

Private Banking:

- Credem - Euromobiliare Private Banking S.p.A.: is the Private Bank of the Credem Banking Group, which operates in both the private banking and financial consultancy sectors.

Non-Banking, Consumer Credit and Other/Technology

- Credemleasing S.p.A.: a company specialising in the development and offering of integrated leasing packages. The company is active in all financial lease sectors: vehicle (leasing, long renting, leasing to private customers), equipment, property and nautical leases;
- Credemfactor S.p.A.: specialised in factoring activities, it offers a range of services from management of trade receivables, to the continuous monitoring of risk, guarantees and advance payment of credit. Credemfactor S.p.A. is also specialised in the management of loans to Public Administration and the development of agreements with suppliers;
- Avvera S.p.A.: consumer credit company specialising in the brokerage of mortgages, the placement of salary-backed loan products and the provision of personal and special-purpose loans;
- Magazzini Generali delle Tagliate S.p.A.: a company operating in the Parmigiano-Reggiano and Grana Padano cheese seasoning and storage sector. The company is an integral part of the Group given that the cheese "wheels" are considered as collateral for loans to producers;
- Credemtel S.p.A.: a company active in offering telematic services targeted at banks, companies and the Public Administration and their subsidiaries;
- Andxor S.R.L.: a company specialising in cryptography, identity management and document digitisation.

WEALTH MANAGEMENT

Asset Management

- Euromobiliare Asset Management SGR S.p.A.: a company active in the field of collective management (funds and SICAV sub-funds). It performs the roles of Management Company and Fund Administrator of the Luxembourg-based SICAV Euromobiliare International Fund Sicav, whose sub-funds are distributed through the branches and financial advisors of Credito Emiliano and of Credem - Euromobiliare Private Banking;
- Euromobiliare Advisory SIM S.p.A.: a company whose corporate purpose is to provide professional portfolio management, order receipt and transmission services, advice on investments and capital, also through the development of innovative products and services of high technological value, for the public and Credem networks;

- Euromobiliare Fiduciaria S.p.A.: operator included in the trust companies set forth in Italian Law no. 1966 of 23 November 1939 and which carries out custody and administration activities for the assets entrusted by trustees on the basis of a fiduciary mandate;
- Credem Private Asset SGR S.p.A.: a company authorised to provide collective investment management services, carrying out investments in venture capital through the establishment and management of closed-end mutual investment funds.

Insurance:

- Credemvita S.p.A.: an insurance company operating in the life insurance and pension sectors which operates exclusively through the distribution networks of the Credem Group;
- Credemassicurazioni S.p.A.: an insurance company focusing on non-life insurance, which operates exclusively through the distribution networks of the Credem Group. The company is an investee of Credito Emiliano S.p.A. and Reale Mutua Assicurazioni S.p.A., that hold equal shares.

SEGMENT REPORTING – comments

We invite you to refer to the extensive content contained in the Report on Operations with regard to the various business segments and to individual Group companies.

It should also be noted that the breakdown by geographical area is not shown as most of the revenues and costs are generated in Italy.

JUNE 2026	*Commercial Banking*	*Private Banking*	*Non-banking, Consumer Credit, IT Technology*	BANKING	*Asset Management*	*Insurance*	Wealth Management	*Eliminations, adjustments and reclassifications*	Consolidated
LOANS TO CUSTOMERS	***35,795***	***917***	***8,756***	**45,469**	***33***		**33**	***-8,043***	**37,458**
DIRECT CUSTOMER DEPOSITS	*32,902*	*8,481*	*154*	41,537				*-506*	41,030
TOTAL DIRECT CUSTOMER DEPOSITS	***32,902***	***8,481***	***154***	**41,537**	***0***	***0***	**0**	***-506***	**41,030**
MANAGED + INSURANCE Deposits	*23,580*	*27,279*		50,860	*18,350*	*11,354*	**29,704**	*-29,290*	51,274
INDIRECT CUSTOMER DEPOSITS - ASSETS UNDER ADMINISTRATION	*10,633*	*17,914*		28,547				*-12*	28,535
TOTAL INDIRECT CUSTOMER DEPOSITS	***34,214***	***45,193***		**79,407**	***18,350***	***11,354***	**29,704**	***-29,302***	**79,809**
TOTAL CUSTOMER DEPOSITS	***67,116***	***53,674***	***154***	**120,944**	***18,350***	***11,354***	**29,704**	***-29,808***	**120,840**
TOTAL BUSINESS CUSTOMERS	***102,911***	***54,591***	***8,910***	**166,412**	***18,383***	***11,354***	**29,737**	***-37,851***	**158,298**

DECEMBER 2025	*Commercial Banking*	*Private Banking*	*Non-banking, Consumer Credit, IT Technology*	BANKING	*Asset Management*	*Insurance*	Wealth Management	*Eliminations, adjustments and reclassifications*	Consolidated
LOANS TO CUSTOMERS	***36,090***	***866***	***8,858***	**45,815**	***24***		**24**	***-8,165***	**37,674**
DIRECT CUSTOMER DEPOSITS	*32,392*	*8,683*	*121*	41,196				*-473*	40,723
TOTAL DIRECT CUSTOMER DEPOSITS	***32,392***	***8,683***	***121***	**41,196**	***0***	***0***	**0**	***-473***	**40,723**
MANAGED + INSURANCE Deposits	*22,351*	*25,694*		48,045	*16,839*	*10,518*	**27,357**	*-27,183*	48,219
INDIRECT CUSTOMER DEPOSITS - ASSETS UNDER ADMINISTRATION	*8,721*	*16,423*		25,144				*-12*	25,132
TOTAL INDIRECT CUSTOMER DEPOSITS	***31,073***	***42,117***		**73,189**	***16,839***	***10,518***	**27,357**	***-27,195***	**73,351**
TOTAL CUSTOMER DEPOSITS	***63,465***	***50,800***	***121***	**114,385**	***16,839***	***10,518***	**27,357**	***-27,668***	**114,074**
TOTAL BUSINESS CUSTOMERS	***99,555***	***51,666***	***8,979***	**160,200**	***16,863***	***10,518***	**27,381**	***-35,833***	**151,748**

Please refer to the Consolidated Report on Operations for further details on the breakdown of the individual items shown in the tables above.

JUNE 2026	*Commercial Banking*	*Private Banking*	*Non-banking, Consumer Credit, IT Technology*	BANKING	*Asset Management*	*Insurance*	Wealth Management	*Eliminations, adjustments and reclassifications*	Reclassified consolidated
Financial margin	*365.9*	*40.6*	*83.3*	489.8	*5.7*	*3.7*	9.4	*2.2*	501.5
Non-interest margin	*312.9*	*112.8*	*64.6*	490.3	*75.7*	*54.4*	130.1	*-73.2*	547.2
Net interest and other banking income	***678.8***	***153.4***	***147.9***	**980.1**	***81.5***	***58.1***	**139.5**	***-71.0***	**1,048.7**
Personnel expenses	*-238.4*	*-55.4*	*-28.2*	-322.0	*-8.6*	*-1.9*	-10.5	*8.9*	-323.5
Administrative costs	*-127.3*	*-43.1*	*-27.1*	-197.5	*-10.7*	*-4.5*	-15.1	*49.1*	-163.5
Operating expenses	***-365.7***	***-98.5***	***-55.3***	**-519.5**	***-19.3***	***-6.3***	**-25.6**	***58.1***	**-487.0**
Gross operating profit	***313.1***	***54.9***	***92.6***	**460.6**	***62.2***	***51.7***	**113.9**	***-12.9***	**561.7**
Amortisation/depreciation	*-45.9*	*-4.3*	*-8.1*	-58.3	*-0.3*	*-1.1*	-1.4	*2.2*	-57.5
Operating profit	***267.2***	***50.6***	***84.5***	**402.3**	***61.9***	***50.6***	**112.5**	***-10.7***	**504.2**
Net value adjustments to loans	*-4.0*	*-0.1*	*-12.9*	-17.0	*0.0*	*0.0*	0.0	*0.0*	-17.0
Provisions for risks and charges	*-1.5*	*-0.3*	*0.1*	-1.7	*0.0*	*0.0*	0.0	*0.0*	-1.7
Extraordinary income/charges	*7.5*	*-0.4*	*0.0*	7.1	*0.0*	*-4.1*	-4.2	*0.4*	3.3
Profit before tax	***269.2***	***49.7***	***71.7***	**390.6**	***61.9***	***46.5***	**108.4**	***-10.2***	**488.7**
Profit (loss) pertaining to non-controlling interests	*0.0*	*0.0*	*0.0*	0.0	*0.0*	*0.0*	0.0	*0.0*	0.0
Income tax	*-99.9*	*-18.7*	*-25.8*	-144.3	*-18.5*	*-14.9*	-33.4	*1.9*	-175.8
Net profit	***169.3***	***31.0***	***45.9***	**246.3**	***43.4***	***31.6***	**75.0**	***-8.4***	**312.9**

JUNE 2025	*Commercial Banking*	*Private Banking*	*Non-banking, Consumer Credit, IT Technology*	**BANKING**	*Asset Management*	*Insurance*	**Wealth Management**	*Eliminations, adjustments and reclassifications*	**Reclassified consolidated**
Financial margin	*354.6*	*33.5*	*74.7*	*462.9*	*6.8*	*3.7*	*10.5*	*1.0*	474.4
Non-interest margin	*278.2*	*98.0*	*62.0*	*438.2*	*52.9*	*42.4*	*95.3*	*-70.8*	462.7
Net interest and other banking income	***632.9***	***131.5***	***136.7***	***901.1***	***59.7***	***46.1***	***105.8***	***-69.8***	**937.0**
Personnel expenses	*-223.8*	*-52.3*	*-26.7*	*-302.7*	*-8.8*	*-2.4*	*-11.3*	*7.4*	-306.6
Administrative costs	*-122.6*	*-39.3*	*-25.2*	*-187.0*	*-10.5*	*-4.1*	*-14.6*	*46.0*	-155.6
Operating expenses	***-346.4***	***-91.6***	***-51.8***	***-489.8***	***-19.3***	***-6.5***	***-25.9***	***53.4***	**-462.2**
Gross operating profit	***286.5***	***39.9***	***84.9***	***411.3***	***40.4***	***39.5***	***79.9***	***-16.4***	**474.8**
Amortisation/depreciation	*-43.8*	*-4.3*	*-7.2*	*-55.3*	*-0.4*	*-0.9*	*-1.3*	*2.3*	-54.3
Operating profit	***242.7***	***35.6***	***77.7***	***356.0***	***40.0***	***38.6***	***78.6***	***-14.1***	**420.5**
Net value adjustments to loans	*7.9*	*0.0*	*-13.1*	*-5.2*	*0.0*	*0.0*	*0.0*	*0.0*	-5.2
Provisions for risks and charges	*0.7*	*-0.2*	*0.2*	*0.7*	*0.0*	*0.1*	*0.1*	*0.0*	0.8
Extraordinary income/charges	*94.7*	*-0.4*	*0.2*	*94.5*	*-0.1*	*-3.5*	*-3.7*	*0.0*	90.9
Profit before tax	***345.9***	***35.0***	***65.0***	***445.9***	***39.9***	***35.2***	***75.1***	***-14.0***	**507.0**
Profit (loss) pertaining to non-controlling interests	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	0.0
Income tax	*-81.8*	*-12.2*	*-21.6*	*-115.6*	*-11.5*	*-11.2*	*-22.7*	*3.1*	-135.2
Net profit	***264.1***	***22.8***	***43.4***	***330.3***	***28.4***	***24.0***	***52.4***	***-10.9***	**371.8**

On 20 January 2025, Credito Emiliano S.p.A. concluded the transfer of the merchant acquiring activities better described in the Report on Operations to which reference should be made. It should be noted that this transaction resulted in a total capital gain of € 95 million allocated to the Banking operating segment (Business Commercial Banking area).

In compliance with the provisions of IFRS 8, it should be noted that during the year the Credem Group did not generate revenues from transactions with a single external customer of an amount equal to or greater than 10% of the Group's total consolidated revenues.

KEY:

Financial margin

+ Item 30 Net Interest Income
+ Item 70 Dividends and similar income (net of the portion relating to dividends of equity securities classified in HTCS)
+ Item 250 Gains (losses) on equity investments excluding gains/losses on disposals/valuations
- Credemvita Net Interest Income

Non-interest margin

+ Item 60 Net fee and commission income
+ Item 80 Net profit (loss) from trading
+ Item 90 Net profit (loss) from hedging
+ Item 100 Gains (losses) on disposal or repurchase
+ Item 110 Net profit (loss) from financial assets and liabilities measured at fair value
+ Item 130 a) Net value adjustments for credit risk from financial assets measured at amortised cost (for the part relating to securities included under this category of financial assets)
+ Item 130 b) Net value adjustments for credit risk from financial assets measured at fair value through other comprehensive income
+ Item 160 Result of insurance services
+ Item 170 Balance of revenues and costs of a financial nature relating to insurance
+ Item 230 Other operating income/charges (net of extraordinary items)
+ Item 70 Dividends and similar income (solely for the portion relating to dividends of equity securities in financial assets classified in HTCS)
+ Credemvita Net Interest Income

Operating profit

+ Net Interest and other banking income
+ Item 190 Administrative costs (personnel expenses and other administrative expenses)
+ Item 210 Net value adjustments to/(recoveries on) property, plant and equipment
+ Item 220 Net value adjustments to/(recoveries on) intangible assets

Profit before tax

+ Operating profit
+ Item 130 Net value adjustments/recoveries for credit risk (net of those included in the non-interest margin)
+ Item 140 Profits/losses from contractual changes without derecognitions
+ Item 200 Net provisions for risks and charges
+ Extraordinary income/charges:
+ Item 230 Other operating income/charges (only extraordinary items – imbalance of extraordinary items)
+ Item 270 Net value adjustments/recoveries on goodwill
+ Item 280 Gains/(losses) on disposal of investments
+ Item 320 Profit/(loss) after tax from discontinued operations

This reclassification was performed considering also management accounting data that could not be directly obtained from the financial statements' schedules and the Explanatory notes.

ATTACHMENTS TO THE EXPLANATORY NOTES

Reclassified Balance Sheet

Reclassified Income Statement

List of equity investments

Reclassified balance sheet (€/million)

	30/06/2026	31/12/2025	changes 06/26-12/25 absolute	%
Cash and cash equivalents	827.6	1,403.3	(575.7)	(41.0)
Loans to customers	45,478.5	45,252.0	226.5	0.5
Loans to banks	2,206.7	2,455.3	(248.6)	(10.1)
Other financial assets	17,287.0	16,287.4	999.6	6.1
Equity investments	59.7	62.6	(2.9)	(4.6)
Property, plant and equipment and intangible assets	955.0	962.7	(7.7)	(0.8)
Other assets	1,553.0	1,702.7	(149.7)	(8.8)
Total assets	**68,367.5**	**68,126.0**	**241.5**	**0.4**
Due to customers	40,928.7	41,517.6	(588.9)	(1.4)
Debt securities issued (including subordinated liabilities)	8,267.8	9,188.0	(920.2)	(10.0)
Technical reserves	7,642.8	5,774.0	1,868.8	32.4
subtotal	*56,839.3*	*56,479.6*	*359.7*	0.6
Due to banks	3,398.3	4,450.4	(1,052.1)	(23.6)
Other financial liabilities	286.2	496.2	(210.0)	(42.3)
Specific risk provisions	220.2	260.8	(40.6)	(15.6)
Other liabilities	2,900.4	1,776.2	1,124.2	63.3
Shareholders' equity of non-controlling interests	0.1	0.0	0.1	0.0
Total liabilities	**63,644.5**	**63,463.2**	**181.3**	**0.3**
Share capital	341.3	341.3	0.0	0.0
Treasury shares	(14.7)	(20.0)	5.3	(26.5)
Reserves	4,083.5	3,720.0	363.5	9.8
Profit for the year	312.9	621.5	(308.6)	(49.7)
Shareholders' equity	**4,723.0**	**4,662.8**	**60.2**	**1.3**
Total liabilities and shareholders' equity	**68,367.5**	**68,126.0**	**241.5**	**0.4**

This reclassification was made by considering the figures that can be directly taken from the financial statements' schedules.

Reclassified quarterly income statement (€/million)

	Q1	Q2	06/26	06/25	% change	Q2 2025	12/25
net interest income	244.4	257.1	501.5	474.4	5.7	240.1	973.9
non-interest margin (*) (**)	258.6	288.6	547.2	462.7	18.3	221.5	909.6
net interest and other banking income	**502.9**	**545.7**	**1,048.7**	**937.0**	**11.9**	**461.6**	**1,883.5**
personnel expenses	(164.6)	(158.9)	(323.5)	(306.6)	5.5	(148.4)	(620.9)
other administrative expenses (*)	(79.0)	(84.5)	(163.5)	(155.6)	5.1	(79.2)	(313.3)
operating expenses	**(243.6)**	**(243.4)**	**(487.0)**	**(462.2)**	**5.4**	**(227.6)**	**(934.2)**
gross operating profit	**259.3**	**302.3**	**561.7**	**474.8**	18.3	**234.1**	**949.3**
Amortisation/depreciation	(28.0)	(29.5)	(57.5)	(54.3)	5.9	(27.7)	(111.2)
operating profit	**231.3**	**272.8**	**504.2**	**420.5**	**19.9**	**206.4**	838.1
provisions for risks and charges	(0.7)	(1.0)	(1.7)	0.8	(312.5)	1.0	(12.4)
extraordinary income/charges	(5.8)	9.1	3.3	90.9	(96.4)	(3.4)	90.5
net value adjustments to loans and financial transactions (**) (***)	(6.5)	(10.6)	(17.0)	(5.2)	226.9	5.0	(47.6)
PROFIT BEFORE TAX	**218.3**	**270.4**	**488.7**	**507.0**	**(3.6)**	**209.0**	**868.6**
income tax	(78.8)	(97.0)	(175.8)	(135.2)	30.0	(66.5)	(247.2)
NET PROFIT	**139.5**	**173.4**	**312.9**	**371.8**	**14.8**	**142.5**	**621.5**
EARNINGS PER SHARE			**0.92**	**1.09**	**18.5**		**1.83**
DILUTED EARNINGS PER SHARE			**0.92**	**1.09**	**18.5**		**1.83**

This reclassification was performed considering also management accounting data that could not be directly obtained from the financial statements' schedules and the Explanatory notes.

(*) other administrative expenses and the non-interest margin are shown net of indirect taxes and taxes recovered from customers (€ 78.7 million in June 2026; € 72.6 million in June 2025).

(**) value adjustments to/recoveries on loans relating to financial assets measured at amortised cost, specifically securities (€ -0.1 million in June 2026; € 1.3 million in June 2025) and those relating to the disposal of NPLs (€ 7.5 million in June 2026; € 11.2 million in June 2025) are recognised in the non-interest margin.

(***) the result from the sale of NPLs was reclassified to net value adjustments to loans and financial transactions (€ 7.5 million in June 2026; € 11.2 million in June 2025).

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List of equity investments

	Registered Office	% of share capital	Equity ratio	Book value
Credemassicurazioni spa	Reggio Emilia	50.000	50.00	58,153
SBC Fintech Milan 2224	Milan	45.920	45.92	603
Mynet srl	Udine	12.990	12.99	364
Flairbit	Genoa	10.000	10.00	534

CERTIFICATION BY THE CHAIRMAN AND THE MANAGER RESPONSIBLE FOR PREPARING THE COMPANY'S FINANCIAL REPORTS

Certification of the half-year condensed consolidated financial statements pursuant to Art. 81-ter, Consob Regulation no. 11971 of 14 May 1999 and subsequent amendments and additions

1. The undersigned, Lucio Igino Zanon di Valgiurata and Giuseppe Malato, respectively, as Chairman and Manager responsible for preparing the company's financial reports of Credito Emiliano S.p.A., hereby certify, also taking into account the provisions of Article 154-bis, paragraphs 3 and 4, Italian Legislative Decree no. 58 of 24 February 1998:

- the adequacy in relation to the characteristics of the company and
- the actual application

of the administrative and accounting procedures for the preparation of the half-year condensed consolidated financial statements in the first half of 2026.

2. The assessment of the adequacy of the administrative and accounting procedures for the preparation of the half-year condensed consolidated financial statements as at 30 June 2026 is based on regulations and methodologies defined by the Parent Company Credito Emiliano S.p.A., in accordance with the model Internal Control – Integrated Framework issued by the Committee of Sponsoring Organisations of the Treadway Commission (COSO - ERM), an internal control system framework generally accepted at international level.

3. It is also certified that:

3.1 the half-year condensed consolidated financial statements:

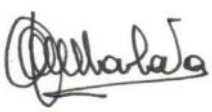
a) have been prepared in compliance with the applicable international accounting standards recognised in the European Community pursuant to Regulation (EC) no. 1606/2002 of 19 July 2002 of the European Parliament and of the Council;
b) correspond to the results of the accounting books and records;
c) are suitable to providing a true and fair view of the equity, economic and financial situation of the issuer and of the companies included in the scope of consolidation.

3.2 The interim directors' report on operations includes a reliable analysis of the references to important events that occurred in the first six months of the year and their impact on the half-year condensed consolidated financial statements, together with a description of the main risks and uncertainties for the remaining six months of the year. The interim directors' report on operations also includes a reliable analysis of the information on significant transactions with related parties.

Reggio Emilia, 04 August 2026

The Chairman	The Manager responsible for preparing the company's financial reports
Lucio Igino Zanon di Valgiurata	Giuseppe Malato





INDEPENDENT AUDITOR'S REPORT

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REPORT ON REVIEW OF THE HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of
Credito Emiliano S.p.A.

Introduction

We have reviewed the accompanying half-year condensed consolidated financial statements of Credito Emiliano S.p.A. and subsidiaries (the "Credem Group"), which comprise the consolidated balance sheet as of June 30, 2026 and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in shareholders' equity and the consolidated cash flow statement for the six month period then ended, and the related explanatory notes. The Directors are responsible for the preparation of the half-year condensed consolidated financial statements in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and adopted by the European Union. Our responsibility is to express a conclusion on the half-year condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the criteria recommended by the Italian Regulatory Commission for Companies and the Stock Exchange ("Consob") for the review of the half-year financial statements under Resolution n° 10867 of July 31, 1997. A review of half-year condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying half-year condensed consolidated financial statements of Credem Group as at June 30, 2026 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and adopted by the European Union.

DELOITTE & TOUCHE S.p.A.

Signed by
Marco Benini
Partner

Bologna, Italy
August 5, 2026

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.