



Public Disclosure Pillar III

Data as at 30 June 2025

This document is an accurate translation into English of the document in Italian approved by the Board of Directors. In case of any discrepancies or doubts between the English and the Italian versions of the Report, the Italian version prevails.

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Introduction

Banco BPM Group Public Disclosure

The Basel Committee accords ("Basel III") require that banks fulfil specific disclosure obligations on their capital adequacy, exposure to risks and the characteristics of the systems for the relative identification, measurement and management as well as remuneration practices and policies.

Within the EU, public disclosure is governed by the following regulatory acts:

- Directive 2013/36/EU of 26 June 2013 ("CRD") and subsequent amendments, on access to the activity of credit institutions and the prudential supervision of credit institutions;
- Regulation (EU) no. 575/2013 of 26 June 2013 ("CRR") and subsequent amendments, on prudential requirements for credit institutions and public disclosure, Pillar 3 (Part Eight "Disclosure by Institutions");
- Directive 2014/59/EU of 15 May 2014 ("BRRD") and subsequent amendments, establishing a framework for the recovery and resolution of credit institutions and investment firms.

The regulatory framework is further supplemented by the implementing measures that transpose the regulatory and/or implementing technical standards (RTS or ITS), adopted by the European Commission on the proposal of the European Banking Authority (EBA), in accordance with the mandate set out in Article 434a of the CRR, "Uniform disclosure formats". In particular, public disclosure is governed by:

- Implementing Regulation (EU) 2024/3172 and subsequent amendments, laying down implementing technical standards with regard to public disclosures by institutions of the information referred to in Part Eight, Titles II and III, of Regulation (EU) no. 575/2013 and repealing Implementing Regulation (EU) 2021/637¹;
- Implementing Regulation (EU) 2021/763 and subsequent amendments, laying down implementing technical standards with regard to the supervisory reporting and public disclosure on the minimum requirement for own funds and eligible liabilities.

In addition, the Banco BPM Group is found to apply the EBA/GL/2020/12 guidelines following the decision to exercise the option envisaged by art. 468 of EU Regulation no. 575 (CRR), in the period from 31 March 2025 to 31 December 2025 (end of the transitional period).

In Italy, the common regulations are implemented by the Bank of Italy in Circular no. 285 of 17 December 2013 "Supervisory Provisions for Banks".

This Banco BPM Group Public disclosure, published on the website www.gruppo.bancobpm.it in the *Investor Relations* section, was prepared on the basis of the following elements:

- the external reference regulations listed above, as a result of the updates introduced by Regulation (EU) 2024/1623 of 31 May (CRR3) which entered into force on 1 January 2025;
- the "*Modello di Informativa al Pubblico*" (Public Disclosure Template) policy, approved annually by the Board of Directors of Banco BPM, which defines the structure and content of the disclosure in accordance with the aforementioned external reference regulations and with the Group characteristics;
- the consolidated figures (prudential scope) as at 30 June 2025, in national currency. The main changes in the scope of consolidation compared to the end of the previous year are attributable to the acquisition in April of the control of Anima Holding S.p.A. (the Banco

¹ It should be noted that Article 15 and Annexes XXIX and XXX of Implementing Regulation (EU) 2021/637 continue to apply until the entry into force of the FRTB (Fundamental Review of the Trading Book) framework

BPM Group held an interest of 89.949% in the share capital of the latter as at 30 June 2025) and, through it, Anima SGR S.p.A., Anima Alternative SGR S.p.A., Kairos Partners SGR S.p.A., Castello SGR S.p.A. and Vita s.r.l. (hereinafter also Anima Group). The acquisition of Anima Holding was completed by the subsidiary insurance company Banco BPM Vita S.p.A., creating a corporate structure whose prudential treatment is not explicitly governed by current regulations². In compliance with the indications provided by the European Central Bank³, Anima Holding and the asset management companies controlled by the latter were subject to line-by-line consolidation, also from a prudential perspective.

It is also reported that after gaining full control of the insurance company Banco BPM Vita S.p.A. on 7 March 2023, the Banco BPM Group was designated as a financial conglomerate under Article 3 of Italian Legislative Decree no. 142 of 30 May 2005. As a result, it is now subject to the supplementary supervision outlined in Directive 2002/87/EC.

Banco BPM Vita serves as the insurance sub-holding company within the Banco BPM Group's financial conglomerate. It holds full ownership of the insurance companies Vera Vita S.p.A. and BBPM Life dac, along with a 35% stake in Banco BPM Assicurazioni S.p.A. and Vera Assicurazioni S.p.A., as well as the controlling interest in Anima Holding described above.

On 3 November 2023, the Banco BPM Group received authorisation from the European Central Bank, pursuant to Article 49(1) of Regulation (EU) 575/2013, not to deduct the book value of the equity investment in Banco BPM Vita S.p.A. from Common Equity Tier 1 Capital (CET1). As a result of the authorisation obtained, the equity investment not deducted from own funds is considered an equity instrument exposure and is included in the risk-weighted assets for credit risk⁴.

² Regulation (EU) no. 575 does not explicitly regulate the prudential treatment to be applied to financial institutions (such as the asset management companies of the Anima Group), controlled by an insurance company (Banco BPM Vita S.p.A.) which is in controlled by a bank (Banco BPM S.p.A.) within a financial conglomerate

³ The ECB notified Banco BPM S.p.A. that, although Anima Holding and the asset management companies controlled by the same are controlling interests held by an insurance company, the aforementioned companies are also subsidiaries of Banco BPM S.p.A. pursuant to Article 4 paragraph (1) (16) of the CRR. Considering also that pursuant to art. 4 (1) (26) (b) (iii) of the CRR, Anima Holding is a financial institution, Anima Holding itself and the asset management companies controlled by the same must be consolidated on a line-by-line basis pursuant to art. 18 (1) of the CRR. The goodwill and intangible assets deriving from the aforementioned line-by-line consolidation must consequently be deducted from the Common Equity Tier 1 capital of the Banco BPM Group in compliance with the provisions of Articles 36 (1) (b) and 37 of the CRR

⁴ In compliance with the provisions of the CRR, the weighting percentage is 100%

Structure of the Banco BPM Group Public Disclosure

The following is a list of the sections, tables and templates subject to semi-annual disclosure, in line with Regulation (EU) no. 575/2013 and Implementing Regulation (EU) 2024/3172, with an indication of its applicability to the Banco BPM Group.

It should be noted that all quantitative data reported in the templates are expressed in millions of units.

Section of the Document	Qualitative (table) and quantitative (template) disclosure	Applicability to the Banco BPM Group
Section 1 - Disclosure of overview of risk management, key prudential metrics and RWA	Template EU OV1 - Overview of total risk exposure amounts	Applicable
	Template EU KM1 - Key metrics template	
	Template IFRS 9/art. 468-FL: Annex I - Comparison of institutions' own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs, and with and without the application of the temporary treatment in accordance with Article 468 of the CRR	
	Template EU CMS1 - Comparison of modelled and standardised risk weighted exposure amounts at risk level	
	Template EU CMS2 - Comparison of modelled and standardised risk weighted exposure amounts for credit risk at asset class level	
	Template EU KM2 - Key metrics - MREL and, where applicable, G-SII requirement for own funds and eligible liabilities	
Section 4 - Disclosure of own funds	Template EU CC1 - Composition of regulatory own funds	Applicable
	Template EU CC2 - Reconciliation of regulatory own funds to balance sheet in the audited financial statements	
	Template EU ILAC - Internal loss absorbing capacity - internal MREL and, where applicable, requirement for own funds and eligible liabilities for non-EU G-SIIs	Not applicable as the Group is not a G-SII
	Template TLAC2 - Creditor ranking - Entity that is not a resolution entity	
Section 5 - Disclosure of countercyclical capital buffers	Template EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer	Applicable
	Template EU CCyB2 - Amount of institution-specific countercyclical capital buffer	
Section 6 - Disclosure of leverage ratio	Template EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures	Applicable
	Template EU LR2 - LRCom: Leverage ratio common disclosure	
	Template EU LR3 - LRSpl: Split-up of on-balance sheet exposures (excluding derivatives, SFTs and exempted exposures)	
Section 7 - Disclosure of liquidity requirements	Template EU LIQ1 - Quantitative information of LCR	Applicable
	Table EU LIQB on qualitative information on LCR, which complements template EU LIQ1	
	Template EU LIQ2 - Net Stable Funding Ratio	
Section 8 - Disclosure of credit risk quality	Template EU CR1 - Performing and non-performing exposures and related provisions	Applicable
	Template EU CR1-A - Maturity of exposures	
	Template EU CR2 - Changes in the stock of non-performing loans and advances	
	Template EU CQ1 - Credit quality of forborne exposures	
	Template EU CQ4 - Quality of non-performing exposures by geography	
	Template EU CQ5 - Credit quality of loans and advances by industry	
	Template EU CQ7 - Collateral obtained by taking possession and execution processes	

Section of the Document	Qualitative (table) and quantitative (template) disclosure	Applicability to the Banco BPM Group
Section 9 - Disclosure of credit risk mitigation techniques	Template EU CR3 - CRM techniques overview: Disclosure of the use of credit risk mitigation techniques	Applicable
Section 10 - Disclosure of credit risk SA	Template EU CR4 - Standardised approach - Credit risk exposure and CRM effects	Applicable
	Template EU CR5 - Standardised approach	
Section 11 - Disclosure of credit risk IRB	Template EU CR6 - IRB approach - Credit risk exposures by exposure class and PD range	Applicable
	Template EU CR7 - IRB approach - Effect on the RWEAs of credit derivatives used as CRM techniques	
	Template EU CR7-A - IRB approach - Disclosure of the extent of the use of CRM techniques	
	Template EU CR8 - RWEA flow statements of credit risk exposures under the IRB approach	
Section 12 - Disclosure of specialised lending and equity exposures	Template EU CR10 - Specialised lending and equity exposures under the simple risk-weighted approach	CR10.1 and CR10.2 are applicable. Templates CR10.3, CR10.4, CR10.5 are not applicable since the Group does not recognise object finance and commodities finance in the scope of Specialised lending; does not apply the simple risk-weighted approach to equity exposures
Section 13 - Disclosure of counterparty credit risk	Template EU CCR1 - Analysis of CCR exposure by approach	Applicable
	Template EU CCR3 - Standardised approach - CCR exposures by regulatory exposure class and risk weights	
	Template EU CCR4 - IRB approach - CCR exposures by exposure class and PD scale	
	Template EU CCR5 - Composition of collateral for CCR exposures	
	Template EU CCR6 - Credit derivatives exposures	
	Template EU CCR7 - RWEA flow statements of CCR exposures under the IMM	Not applicable as the Group does not adopt the IMM approach
	Template EU CCR8 - Exposures to CCPs	Applicable
Section 14 - Disclosure of exposures to securitisation positions	Template EU SEC1 - Securitisation exposures in the non-trading book	Applicable
	Template EU SEC2 - Securitisation exposures in the trading book	Not applicable since the Group does not recognise exposures to securitisations included in the trading book
	Template EU SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor	Applicable
	EU SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor	
	Template EU SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments	
Section 15 - Disclosure of market risk	Template EU MR1 - Market risk under the standardised approach	Applicable
	Template EU MR2-A - Market risk under the Internal Model Approach (IMA)	
	Template EU MR2-B - RWEA flow statements of market risk exposures under the IMA	
	Template EU MR3 - IMA values for trading portfolios	
	Template EU MR4 - Comparison of VaR estimates with gains/losses	

Section of the Document	Qualitative (table) and quantitative (template) disclosure	Applicability to the Banco BPM Group
Section 16 - Disclosure of credit valuation adjustment	Template EU CVA4 - RWEA flow statements of credit valuation adjustment risk based under the Standardised Approach	Not applicable as the Group does not adopt the Standardised Approach
Section 18 - Disclosure of interest rate risk of non-trading book activities	Template EU IRRBB1 - Interest rate risks of non-trading book activities	Applicable
Section 21 - Prudential disclosures on ESG risks	Table 1 - Qualitative information on Environmental risk	Applicable
	Table 2 - Qualitative information on Social risk	
	Table 3 - Qualitative information on Governance risk	
	Template 1: Banking book - Indicators of potential climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	
	Template 2: Banking book - Indicators of potential climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral	
	Template 3: Banking book - Indicators of potential climate change transition risk: Alignment metrics	
	Template 4: Banking book - Indicators of potential climate change transition risk: Exposures to top 20 carbon-intensive firms	
	Template 5: Banking book - Indicators of potential climate change physical risk: Exposures subject to physical risk	
	Template 6 - Summary of key performance indicators (KPIs) on the Taxonomy-aligned exposures	ESG disclosure relating to the Green Asset Ratio suspended following the "No Action letter" published by the EBA on 5 August 2025 ⁵
	Template 7 - Mitigating actions: Assets for the calculation of GAR	
	Template 8 - GAR (%)	
	Template 9 Mitigating actions: BTAR	
	Template 10 - Other climate change mitigating actions that are not covered in Regulation (EU) 2020/852	

⁵ [EBA - No action letter disclosure requirement ESG](#)

Section 1 - Disclosure of overview of risk management, key prudential metrics and RWA

Template EU OV1 - Overview of total risk exposure amounts

The template shows the total risk exposure amounts (Total Risk Exposure Amount - TREA) and the corresponding requirements for own funds, broken down by different types of risk.

Row 19, "Of which SEC-SA approach", also includes amounts related to transactions that fall within the new classification category "Specific treatment for senior tranches of qualifying NPE securitisations", as a specific line is not provided for by Implementing Regulation (EU) 2024/3172.

Rows 21, EU 21a and 22 relating to market risk, in line with the instructions for filling provided in Annex II, were not completed as they pertain to the Fundamental Review of the Trading Book framework not yet in force.

The main component is credit risk (excluding counterparty risk), which constitutes 75% of the total TREA.

The amounts of risk exposure recorded a decrease of 858 million compared to the previous quarter. The performance derives mainly from the decrease in the credit risk component (-2.1 billion), following the reduction in equity exposures following the prudential line-by-line consolidation of Anima Holding⁶. This decrease was partly offset by the increase in operational risk (+1.4 billion), again following the consolidation of the Anima Group.

⁶ This is the interest held by Banco BPM S.p.A. in Anima Holding before the completion of the acquisition of control of the company

Template EU OV1 - Overview of total risk exposure amounts

		Total risk exposure amounts (TREA)		Total own funds requirements
		a	b	c
		30/06/2025	31/03/2025	30/06/2025
1	Credit risk (excluding CCR)	48,215	50,348	3,857
2	Of which standardised approach	19,608	22,106	1,569
3	Of which the Foundation IRB (F-IRB) approach	7,991	7,879	639
4	Of which slotting approach	2,489	2,551	199
EU 4a	Of which equities under the simple risk-weighted approach	-	-	-
5	Of which the Advanced IRB (A-IRB) approach	17,379	17,033	1,390
6	Counterparty credit risk - CCR	1,073	1,020	86
7	Of which standardised approach	681	611	54
8	Of which internal model method (IMM)	-	-	-
EU 8a	Of which exposures to a CCP	117	122	9
9	Of which other CCR	275	286	22
10	Credit valuation adjustment risk - CVA risk	302	294	24
EU 10a	Of which standardised approach (SA)	-	-	-
EU 10b	Of which basic approach (F-BA and R-BA)	302	294	24
EU 10c	Of which simplified approach	-	-	-
11	Not applicable			
12	Not applicable			
13	Not applicable			
14	Not applicable			
15	Settlement risk	2	1	0
16	Securitisation exposures in the non-trading book (after the cap)	1,645	1,920	132
17	Of which SEC-IRBA approach	1,331	1,594	106
18	Of which SEC-ERBA approach (including IAA)	20	8	2
19	Of which SEC-SA approach	294	317	24
EU 19a	Of which 1250% / deduction	-	-	-
20	Position, foreign exchange and commodities risks (Market risk)	1,503	1,424	120
21	Of which Alternative standardised approach (A-SA)	-	-	-
EU 21a	Of which Simplified standardised approach (S-SA)	-	-	-
22	Of which Alternative Internal Model Approach (A-IMA)	-	-	-
EU 22a	Large exposures	-	-	-
23	Reclassifications between trading and non-trading books	-	-	-
24	Operational risk	11,541	10,132	923
EU 24a	Exposures to crypto-assets	-	-	-
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	3,249	3,642	260
26	Output floor applied (%)	50.00%	50.00%	
27	Floor adjustment (before application of transitional cap)	-	-	
28	Floor adjustment (after application of transitional cap)	-	-	
29	Total	64,280	65,138	5,142

Template EU KM1 - Key metrics template

The template shows the main indicators of the Group, relating to own funds and risk-weighted exposures, leverage and liquidity.

Following the entry into force of the amendments of Regulation (EU) no. 575/2013 (CRR3) and the related disclosure requirements, as at 31/03/2025 an output floor was introduced with the aim of counteracting the possible effect of underestimation of the calculated own funds requirements, using internal models related to their weaknesses. Specifically, Banks that adopt internal templates to calculate risk-weighted exposures at the end of the transitional period will not be able to reduce their total weighted exposures (Unfloored Total Risk Exposure Amount, U-TREA) below 72.5% of risk-weighted exposures that would have been obtained using only standardised approaches (Standardised Total Risk Exposure Amount, S-TREA). In the transitional period from 1 January 2025 to 31 December 2025, the applicable threshold is reduced to 50% and will gradually increase in subsequent years until it reaches the level of 72.5%.

As a result of this change, rows that provide information on the impacts of the application of the aforementioned floor have been introduced in the template in question since 31/03/2025. In this regard, it should be noted that for the Banco BPM Group the introduction of the floor did not have any impact on the equity ratios as at 30 June 2025.

As at 30 June 2025, Own Funds totalled 12,362 million euro against weighted assets of 64,280 million euro, mostly arising from credit and counterparty risks and, to a lesser extent, operational and market risks.

The Total Capital Ratio stood at 19.23%; the Group Tier 1 Ratio (Tier 1 Capital to total RWEAs) stood at 16.32%. The Common Equity Tier 1 Ratio (Common Equity Tier 1 to RWAs) was 14.16%. These figures include the consolidation of the Anima Group.

Please note that the capital data and ratios shown include the interim profit as at 30 June 2025, resulting from the Group's consolidated balance sheet and income statement approved by the Board of Directors on 5 August 2025, net of the portion that is expected to be distributed as a dividend⁷ and other profit allocations. The inclusion was authorised by the European Central Bank.

⁷ Pursuant to the provisions of Article 5 of European Central Bank Decision (EU) 2015/656 of 4 February 2015, the dividends to be deducted from the amount of the profit of the first half year included in own funds are equal to 80% of the share of profit for the period that the Board of Directors intends to distribute

Template EU KM1 - Key metrics template (1/2)

		a	b	c	d	e
		30/06/2025	31/03/2025	31/12/2024	30/09/2024	30/06/2024
Available own funds (amounts)						
1	Common Equity Tier 1 (CET1) capital	9,099	10,380	9,275	9,583	9,438
2	Tier 1 capital	10,488	11,770	10,665	10,972	10,828
3	Total capital	12,362	13,654	12,530	12,822	13,018
Risk-weighted exposure amounts						
4	Total risk exposure amount	64,280	65,138	61,639	61,887	62,226
4a	Total risk exposure pre-floor	64,280	65,138	-	-	-
Capital ratios (as a percentage of risk-weighted exposure amount)						
5	Common Equity Tier 1 ratio (%)	14.16%	15.94%	15.05%	15.48%	15.17%
5a	Not applicable					
5b	Common Equity Tier 1 ratio considering unfloored TREA (%)	14.16%	15.94%	-	-	-
6	Tier 1 ratio (%)	16.32%	18.07%	17.30%	17.73%	17.40%
6a	Not applicable					
6b	Tier 1 ratio considering unfloored TREA (%)	16.32%	18.07%	-	-	-
7	Total capital ratio (%)	19.23%	20.96%	20.33%	20.72%	20.92%
7a	Not applicable					
7b	Total capital ratio considering unfloored TREA (%)	19.23%	20.96%	-	-	-
Additional own funds requirements to address risks other than the risk of excessive leverage (as a % of risk-weighted exposure amount)						
EU 7d	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	2.25%	2.25%	2.52%	2.52%	2.52%
EU 7e	Of which: to be made up of CET1 capital (percentage points)	1.27%	1.27%	1.54%	1.54%	1.54%
EU 7f	Of which: to be made up of Tier 1 capital (percentage points)	1.69%	1.69%	1.96%	1.96%	1.96%
EU 7g	Total SREP own funds requirements (%)	10.25%	10.25%	10.52%	10.52%	10.52%
Combined buffer and overall capital requirement (as a % of risk-weighted exposure amount)						
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%	2.50%	2.50%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	-	-	-	-	-
9	Institution-specific countercyclical capital buffer (%)	0.056%	0.048%	0.038%	0.039%	0.041%
EU 9a	Systemic risk buffer (%)	0.69%	0.36%	0.37%	-	-
10	Global Systemically Important Institution buffer (%)	-	-	-	-	-
EU 10a	Other Systemically Important Institution buffer (%)	0.50%	0.50%	0.50%	0.50%	0.50%
11	Combined buffer requirement (%)	3.74%	3.40%	3.41%	3.04%	3.04%
EU 11a	Overall capital requirements (%)	14.00%	13.66%	13.93%	13.56%	13.56%
12	CET1 available after meeting the total SREP own funds requirements (%)	8.39%	10.17%	9.01%	9.45%	9.13%

Template EU KM1 - Key metrics template (2/2)

		a	b	c	d	e
		30/06/2025	31/03/2025	31/12/2024	30/09/2024	30/06/2024
Leverage ratio						
13	Total exposure measure	214,804	214,286	204,755	195,664	199,835
14	Leverage ratio (%)	4.88%	5.49%	5.21%	5.61%	5.42%
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)						
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	-	-	-	-	-
EU 14b	of which: to be made up of CET1 capital (percentage points)	-	-	-	-	-
EU 14c	Total SREP leverage ratio requirements (%)	3.00%	3.00%	3.00%	3.00%	3.00%
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)						
EU 14d	Leverage ratio buffer requirement (%)	-	-	-	-	-
EU 14e	Overall leverage ratio requirement (%)	3.00%	3.00%	3.00%	3.00%	3.00%
Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA) (weighted value - average)	27,287	26,821	28,453	29,902	31,174
EU 16a	Cash outflows - Total weighted value	23,566	23,110	22,590	22,261	22,536
EU 16b	Cash inflows - Total weighted value	4,553	4,564	4,520	4,516	4,370
16	Total net cash outflows (adjusted value)	19,013	18,546	18,071	17,745	18,166
17	Liquidity coverage ratio (%)	143.73%	145.00%	158.16%	168.73%	171.60%
Net Stable Funding Ratio						
18	Total available stable funding	122,310	120,306	120,526	118,777	120,619
19	Total required stable funding	96,466	97,299	96,013	95,035	95,527
20	NSFR ratio (%)	126.79%	123.65%	125.53%	124.98%	126.27%

Template IFRS 9/art. 468-FL: Annex I - Comparison of institutions' own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs, and with and without the application of the temporary treatment in accordance with Article 468 of the CRR (1/2)

With the entry into force of the amendments to Regulation (EU) no. 575/2013 (CRR3), from the first quarter of 2025 the Banco BPM Group exercised the option envisaged by art. 468 of this Regulation, which makes it possible to sterilise in the calculation of Common Equity Tier 1 (CET 1) the losses and unrealised gains deriving from the Fair Value through Other Comprehensive Income (OCI) measurement of debt securities issued by General Governments and classified under the item "Financial assets measured at fair value through other comprehensive income". This option is granted by the regulations until the end of the transitional period, i.e. 31 December 2025.

As at 30 June 2025, the Common Equity Tier 1 ratio (CET 1 ratio) stood at 14.16%, against 15.94% as at 31 March 2025. The CET 1 ratio calculated without applying the aforementioned transitional rules (fully phased CET 1 ratio) is 13.32%. The phased-in Tier 1 ratio is 16.32% (15.49% fully phased) compared to 18.07% as at 31 March 2025, while the phased-in Total Capital ratio is equal to 19.23% (18.40% fully phased) compared to 20.96% as at 31 March 2025. The ratios as at 30 June 2025 include the first consolidation of the Anima Group.

For details, please refer to the underlying template, prepared in line with the "EBA/GL/2020/12" guidelines. The template does not show the columns relating to previous periods as the option for the transitional treatment allowed by art. 468 was exercised from 31 March 2025.

		a	b
		30/06/2025	31/03/2025
Available capital (amounts)			
1	Common Equity Tier 1 (CET1) capital	9,099	10,380
2	Common Equity Tier 1 (CET1) capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	9,099	10,380
2a	CET1 capital as if the temporary treatment of unrealised gains and losses measured at fair value through OCI (other comprehensive income) in accordance with Article 468 of the CRR had not been applied	8,552	9,599
3	Tier 1 capital	10,488	11,770
4	Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	10,488	11,770
4a	Tier 1 capital as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied	9,942	10,989
5	Total capital	12,362	13,654
6	Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	12,362	13,654
6a	Total capital as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied	11,816	12,873
7	Total risk-weighted assets	64,280	65,138
8	Total risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	64,204	65,031

Template IFRS 9/art. 468-FL: Annex I - Comparison of institutions' own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs, and with and without the application of the temporary treatment in accordance with Article 468 of the CRR (2/2)

		a	b
		30/06/2025	31/03/2025
Capital ratios			
9	CET1 (as a percentage of risk exposure amount)	14.16%	15.94%
10	CET1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	14.16%	15.94%
10a	CET1 (as a percentage of risk exposure amount) as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied	13.32%	14.76%
11	Tier 1 (as a percentage of risk exposure amount)	16.32%	18.07%
12	Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	16.32%	18.07%
12a	Tier 1 (as a percentage of risk exposure amount) as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied	15.49%	16.90%
13	Total capital (as a percentage of risk exposure amount)	19.23%	20.96%
14	Total capital (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	19.23%	20.96%
14a	Total capital (as a percentage of risk exposure amount) as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied	18.40%	19.79%
15	Leverage ratio total exposure measure	214,804	214,286
16	Leverage ratio	4.88%	5.49%
17	Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	4.88%	5.49%
17a	Leverage ratio as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied	4.64%	5.15%

Template EU CMS1 - Comparison of modelled and standardised risk weighted exposure amounts at risk level

The template in question was introduced following the amendments to Regulation (EU) no. 575/2013 (CRR3) regarding the introduction of the Output-floor already illustrated above. In particular, the template provides evidence in columns (a) and (b) respectively of the amount of risk-weighted assets (RWEA) calculated by applying the internal templates to the authorised portfolios and of the amount of risk-weighted assets calculated by applying the standard approach to the remaining portfolios. The sum of these first two columns shown in column (c) corresponds to the actual risk-weighted assets as at 30 June 2025.

Columns (d) and (EUd) instead provide evidence of the amount of risk-weighted assets if they had been calculated by applying the standard approach to all portfolios, respectively applying the rules that will be in force at the end of the transitional period (column d) and the transitional arrangements pursuant to art. 465 of CRR3 (column EUd).

As previously highlighted, for the Banco BPM Group the introduction of the output floor did not have any impact on the equity ratios referring to 30 June 2025, as the actual capital requirements are higher than the minimum level, obtained by applying the multiplication factor of 50%⁸ to the amount of risk-weighted assets calculated by applying the standard approach to all portfolios (column EUd).

⁸ Art. 465 "Transitional arrangements for the output floor" provides that, by way of derogation from the first paragraph of art. 92 (3) and without prejudice to the derogation provided for in the second paragraph of art. 92 (3), institutions may apply the following factor "x" for the calculation of the TREA:

- 50% in the period between 1 January 2025 and 31 December 2025;
- 55% in the period between 1 January 2026 and 31 December 2026;
- 60% in the period between 1 January 2027 and 31 December 2027;
- 65% in the period between 1 January 2028 and 31 December 2028;
- 70% in the period between 1 January 2029 and 31 December 2029

Template EU CMS1 - Comparison of modelled and standardised risk weighted exposure amounts at risk level

		a	b	c	d	EU d
		RWEAs for modelled approaches that banks have supervisory approval to use	RWEAs for portfolios where standardised approaches are used	Total actual RWEAs (a + b)	RWEAs calculated using full standardised approach	RWEAs that is the base of the output floor
1	Credit risk (excluding counterparty credit risk)	27,859	19,608	47,467	66,044	63,103
2	Counterparty credit risk	214	859	1,073	1,203	1,203
3	Credit valuation adjustment		302	302	302	302
4	Securitisation exposures in the banking book	1,331	314	1,645	6,958	3,016
5	Market risk	1,493	10	1,503	912	912
6	Operational risk		11,541	11,541	11,541	11,541
7	Other risk-weighted exposure amounts		750	750	750	750
8	Total	30,896	33,384	64,280	87,710	80,828

Template EU CMS2 - Comparison of modelled and standardised risk weighted exposure amounts for credit risk at asset class level

The CMS2 template was introduced following the amendments to Regulation (EU) no. 575/2013 (CRR3) already illustrated above.

The template provides additional disclosure with specific reference to exposures subject to credit risk for which the Group has been authorised to use the internal templates.

The template provides evidence of the RWAs calculated on internal templates (column a), the RWAs recalculated according to the standardised approach (column b), the RWAs reported as actual requirements for credit risk both for portfolios calculated on internal templates and for those subject to the standardised approach (column c). Columns (d) and (EU d) instead provide evidence of the amount of risk-weighted assets if they had been calculated by applying the standardised approach to all portfolios, respectively applying the transitional arrangements pursuant to art. 465 of CRR3 (column EU d) and the rules that will be in force at the end of the transitional period (column d).

The exposures for which the bank is authorised to apply the internal templates (IRB), where possible and in line with the disclosure requirements, were excluded from the respective exposures classes and were reclassified to the corresponding exposures classes according to the standardised approach as shown in the following table.

IRB class and sub-class (art. 147 CRR)	STD class (art. 112 CRR)
Corporates - General	Exposures classified as secured by real estate and ADC exposures according to the Standardised Approach
Corporates - Specialised lending	
Retail - Other	
Retail - Secured by residential real estate	
Corporates - Specialised lending	Collective investment undertakings (CIU)
Corporates - General	Categorised as exposures in default in SA
Corporates - Specialised lending	
Retail - Qualifying revolving	
Retail - Purchased receivables	
Retail - Other	
Retail - Secured by residential real estate	

Template EU CMS2 - Comparison of modelled and standardised risk weighted exposure amounts for credit risk at asset class level

		a	b	c	d	EU d
		Risk-weighted exposure amounts (RWEAs)				
		RWEAs for modelled approaches that institutions have supervisory approval to use	RWEAs for column a) if re-computed using the standardised approach	Total actual RWEAs	RWEAs calculated using full standardised approach	RWEAs that is the base of the output floor
1	Central governments and central banks	-	9	2,625	2,634	2,634
EU 1a	Regional governments or local authorities	-	0	85	85	85
EU 1b	Public sector entities	-	-	405	405	405
EU 1c	Categorised as Multilateral Development Banks in SA	-	-	-	-	-
EU 1d	Categorised as International organisations in SA	-	-	-	-	-
2	Institutions	-	9	2,259	2,268	2,268
3	Equity	-	-	3,704	3,704	3,704
4	Not applicable					
5	Corporates	16,120	23,469	19,157	29,446	26,506
5.1	Of which: F-IRB is applied	7,409	11,760	7,409	12,382	11,760
5.2	Of which: A-IRB is applied	8,711	18,445	8,711	20,756	18,445
EU 5a	Of which: Corporates - General	15,036	22,279	15,036	25,220	22,279
EU 5b	Of which: Corporates - Specialised lending	896	1,190	906	1,201	1,201
EU 5c	Of which: Corporates - Purchased receivables	189	408	189	416	408
6	Retail	2,135	4,479	2,512	4,856	4,856
6.1	Of which Retail - Qualifying revolving	75	121	75	121	121
EU 6.1a	Of which: Retail - Purchased receivables	0	2	0	2	2
EU 6.1b	Of which: Retail - Other	2,059	4,356	2,059	4,356	4,356
6.2	Of which: Retail - Secured by residential real estate	-	-	-	-	-
7	Not applicable					
EU 7a	Categorised as secured by immovable properties and ADC exposures in SA	8,043	13,511	8,245	13,713	13,713
EU 7b	Collective investment undertakings (CIU)	479	629	3,503	3,653	3,653
EU 7c	Categorised as exposures in default in SA	1,081	1,389	1,212	1,520	1,520
EU 7d	Categorised as subordinated debt exposures in SA	-	-	469	469	469
EU 7e	Categorised as covered bonds in SA	-	-	66	66	66
EU 7f	Categorised as claims on institutions and corporates with a short-term credit assessment in SA	-	-	-	-	-
8	Other non-credit obligation assets	-	-	3,224	3,224	3,224
9	Total	27,859	43,495	47,467	66,044	63,103

Template EU KM2 - Key metrics - MREL and, where applicable, G-SII requirement for own funds and eligible liabilities

Within the regulatory framework that Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 established for the recovery and resolution of credit institutions, the Banco BPM Group is subject to the Minimum Requirement for Own Funds and Eligible Liabilities (MREL) as set out in Article 12 et seq. of Regulation (EU) 806/2014.

On 23 January 2025, the Single Resolution Board (SRB) notified the Group of the requirements for 2025:

- External MREL requirement consisting of:
 - the minimum MREL-TREA requirement, set at 22.66% of risk-weighted assets, includes both the Loss Absorption component and the Recapitalisation Amount (RCA) component. This also factors in the adjustment for "Balance Sheet Depletion" which was granted to the Banco BPM Group by the SRB, in line with the applicable regulations. This requirement also includes the Market Confidence Charge component pursuant to Article 12d (3) of Regulation (EU) 806/2014, which is necessary to ensure that, following the implementation of the resolution strategy, the bank is able to sufficiently sustain market confidence. It should also be noted that, pursuant to the eighth paragraph of Article 12d (3) of Regulation (EU) 806/2014, the Authority adjusted this amount downwards, as it deemed feasible and credible that a lower amount was sufficient to sustain market confidence. It should be noted that in addition to the minimum MREL-TREA requirement set forth above (equal to 22.66%), the following must be added: the combined buffer requirement applicable to the Banco BPM Group, which, as at 30 June 2025, is equal to 3.74%;
 - the minimum MREL-LRE or MREL-TEM requirement, equal to 6.10% of the total leverage ratio exposure, which takes into account - consistently with the minimum MREL-TREA requirement - the application in the Recapitalisation Amount (RCA) component of the adjustment for "Balance Sheet Depletion".
- Subordination requirement consisting of:
 - the minimum MREL-TREA requirement of 16.29% of risk-weighted assets. It should be noted that in addition to the minimum MREL-TREA requirement, the following must be added: the combined buffer requirement applicable to the Banco BPM Group, which, as at 30 June 2025, is equal to 3.74%;
 - the minimum MREL-LRE requirement of 6.10% of the total leverage ratio exposure.

For the purposes of compliance with the requirements described above, the amount of own funds and eligible liabilities includes the liabilities indicated pursuant to Article 12c of Regulation (EU) 806/2014 and, where present, liabilities subject to grandfathering⁹.

The applicable regulations expect the following elements to be considered:

- Own Funds calculated in accordance with the provisions of CRR;
- Tier 2 Capital Instruments with a residual maturity of at least one year as at 30 June 2025 for the amount related to regulatory amortisation not included in Own Funds, pursuant to Article 64 of the CRR;

⁹ Liabilities issued before 27 June 2019 that do not meet the conditions for eligibility set out in sub-paragraph (b) letter (ii), and sub-paragraphs (f) to (m) pursuant to Article 72b (2) of Regulation 575/2013, in application of the grandfathering regime introduced by Article 494b (3) of Regulation 575/2013

- Eligible liabilities that meet the eligibility conditions set out in Article 45b of the BRRD and especially Articles 72a, 72b, with the exception of letter “d” of the second paragraph, and 72c of the CRR.

The following template provides summary information on the amount of own funds and eligible liabilities as at 30 June 2025. The MREL ratio of the Banco BPM Group at that date was 34.34% in terms of the aggregate principal amount of risk exposure (known as MREL-TREA) and 10.28% in terms of overall exposure to leverage (known as MREL-LRE or MREL-TEM), respecting both the minimum requirements required by the Authority for the year 2025 (respectively equal to 22.66% in terms of TREA and 6.10% in terms of LRE as described above).

The subordination requirement of the Banco BPM Group is instead equal to 24.29% in terms of the aggregate principal amount of exposure to risk and 7.27% in terms of the extent of the overall exposure to leverage, meeting both the minimum requirements required by the Authority for the year 2025 (respectively equal to 16.29% in terms of TREA and 6.10% in terms of LRE as described above).

Template EU KM2 - Key metrics - MREL and, where applicable, G-SII requirement for own funds and eligible liabilities

		a
		Minimum requirement for own funds and eligible liabilities (MREL)
		30/06/2025
Own funds and eligible liabilities, ratios and components		
1	Own funds and eligible liabilities	22,075
EU-1a	Of which own funds and subordinated liabilities	15,612
2	Total risk exposure amount of the resolution group (TREA)	64,280
3	Own funds and eligible liabilities as a percentage of the TREA	34.34%
EU-3a	Of which own funds and subordinated liabilities	24.29%
4	Total exposure measure (TEM) of the resolution group	214,804
5	Own funds and eligible liabilities as percentage of the TEM	10.28%
EU-5a	Of which own funds or subordinated liabilities	7.27%
6a	Does the subordination exemption in Article 72b(4) of Regulation (EU) No 575/2013 apply? (5% exemption)	
6b	Aggregate amount of permitted non-subordinated eligible liabilities instruments if the subordination discretion in accordance with Article 72b(3) of Regulation (EU) No 575/2013 is applied (max 3.5% exemption)	
6c	If a capped subordination exemption applies in accordance with Article 72b (3) of Regulation (EU) No 575/2013, the amount of funding issued that ranks pari passu with excluded liabilities and that is recognised under row 1, divided by funding issued that ranks pari passu with excluded liabilities and that would be recognised under row 1 if no cap was applied (%)	
Minimum requirement for own funds and eligible liabilities (MREL)		
EU-7	MREL expressed as a percentage of the TREA	22.66%
EU-8	Of which to be met with own funds or subordinated liabilities	16.29%
EU-9	MREL expressed as a percentage of the TEM	6.10%
EU-10	Of which to be met with own funds or subordinated liabilities	6.10%

Notes to the values reported in EU KM2

- (a) The values shown in template EU KM2 take into account the deduction, pursuant to Article 32b (3) of Regulation 241/2014, of the unused portion of the predetermined amount (the "authorised ceiling" for conducting repayment transactions, including early repayment or buyback of eligible liabilities instruments, including "liability management" and "market-making" activities) for which the Resolution Authority has granted prior authorisation to the Banco BPM Group (known as "General Prior Permission").
- (b) In line with the instructions for completing the EU KM2 template, the MREL-TREA requirements are shown in the template net of the combined buffer requirement, which the Group is required to comply with in addition to the MREL-TREA requirements pursuant to Article 10a of Regulation (EU) 806/2014.

Section 4 - Disclosure of own funds

Template EU CC1 - Composition of regulatory own funds

The template in question provides a detailed breakdown of regulatory own funds, in application of Article 437 (a) and Article 444 (e) of the CRR.

As at 30 June 2025, the level of own funds amounted to 12,362 million euro, consisting of 9,099 million in Common Equity Tier 1 (CET1), 1,390 million in Additional Tier 1 (AT1) capital and 1,873 million in Tier 2 capital.

The amount of own funds recorded a change of -168 million compared to the figures as at 31 December 2024, mainly due to the decrease in CET1 (-176 million). The latter is the result of offsetting between:

- the computable result for the period (+404 million) and the increases recorded by valuation reserves (+222.4 million)
- and the increase in regulatory adjustments (-756 million). The latter was mainly determined by the increase in intangible assets deducted (-1,850.7 million), following the line-by-line consolidation of the Anima Group, only partially offset by the lower deductions of DTAs and equity investments (+715 million), also in part resulting from the aforementioned consolidation and the positive effects relating to the application, from March 2025, of the temporary filter envisaged by art. 468 of the CRR on unrealised gains and losses on exposures to general governments measured at fair value recognised in other income statement components (+345 million).

It should be noted that there are no restrictions applied to the calculation of own funds.

		30/06/2025	
		a)	b)
		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
Common Equity Tier 1 (CET1) capital: instruments and reserves			
1	Capital instruments and the related share premium accounts	7,100	EU CC2 - SHAREHOLDERS' EQUITY 170
	Of which: Instrument type 1	7,100	EU CC2 - SHAREHOLDERS' EQUITY 170
	Of which instrument type 2	-	-
	Of which: Instrument type 3	-	-
2	Retained earnings	-	-
3	Accumulated other comprehensive income (and other reserves)	5,204	EU CC2 - SHAREHOLDERS' EQUITY 120 + EU CC2 - SHAREHOLDERS' EQUITY 150
EU-3a	Funds for general banking risk	-	-
4	Amount of qualifying items referred to in Article 484(3) CRR and the related share premium accounts subject to phase out from CET1	-	-
5	Minority interests (amount allowed in consolidated CET1)	-	-
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	404	EU CC2 - SHAREHOLDERS' EQUITY 200.1
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	12,708	-

		30/06/2025	
		a)	b)
		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7	Additional value adjustments (negative amount)	(25)	-
8	Intangible assets (net of related tax liability) (negative amount)	(3,055)	EU CC2 - ASSETS 70.2 + EU CC2 - ASSETS 100.1 and 100.3 + EU CC2 - LIABILITIES 60 b.1
9	Not applicable		
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38(3) CRR are met) (negative amount)	(653)	EU CC2 - ASSETS 110 b.1/1
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not measured at fair value	6	EU CC2 - SHAREHOLDERS' EQUITY 150.1
12	Negative amounts resulting from the calculation of expected loss amounts	-	-
13	Any increase in equity that results from securitised assets (negative amount)	-	-
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	62	EU CC2 - SHAREHOLDERS' EQUITY 120.1 for 53.6 million euro (8.6 million euro in Income Statement)
15	Defined-benefit pension fund assets (negative amount)	-	-
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	(51)	EU CC2 - SHAREHOLDERS' EQUITY 180
17	Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	-
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	EU CC2 - ASSETS 70.1/1
20	Not applicable		
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	(18)	-
EU-20b	Of which: qualifying holdings outside the financial sector (negative amount)	-	-
EU-20c	Of which: securitisation positions (negative amount)	(18)	-
EU-20d	Of which: free deliveries (negative amount)	-	-
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38(3) CRR are met) (negative amount)	-	-
22	Amount exceeding the 17.65% threshold (negative amount)	(311)	-
23	Of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	(160)	EU CC2 - ASSETS 70.1/2
24	Not applicable		
25	Of which: deferred tax assets arising from temporary differences	(151)	EU CC2 - ASSETS 110 b.1/2

		30/06/2025	
		a)	b)
		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
EU-25a	Losses for the current financial year (negative amount)	-	EU CC2 - SHAREHOLDERS' EQUITY 200.1
EU-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	-	
26	Not applicable		
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	
27a	Other regulatory adjustments	435	-
28	Total regulatory adjustments to Common Equity Tier 1 (CET1) capital	(3,610)	-
29	Common Equity Tier 1 (CET1) capital	9,099	-
Additional Tier 1 (AT1) capital: instruments			
30	Capital instruments and the related share premium accounts	1,787	EU CC2 - SHAREHOLDERS' EQUITY 140
31	Of which: classified as equity under applicable accounting standards	1,787	EU CC2 - SHAREHOLDERS' EQUITY 140
32	Of which: classified as liabilities under applicable accounting standards	-	-
33	Amount of qualifying items referred to in Article 484(4) CRR and the related share premium accounts subject to phase out from AT1	-	-
EU-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1	-	-
EU-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1	-	-
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	-	-
35	of which: instruments issued by subsidiaries, subject to phase out	-	-
36	Additional Tier 1 (AT1) capital before regulatory adjustments	1,787	-
Additional Tier 1 (AT1) capital: regulatory adjustments			
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	-	-
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	-
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	-
41	Not applicable		
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	-	-
42a	Other regulatory adjustments to AT1 capital	(397)	-
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	(397)	-
44	Additional Tier 1 (AT1) capital	1,390	-
45	Tier 1 capital (T1 = CET1 + AT1)	10,488	-
Tier 2 (T2) capital: instruments			
46	Capital instruments and the related share premium accounts	2,051	EU CC2 - LIABILITIES 10.1
47	Amount of qualifying items referred to in Article 484(5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR	-	-
EU-47a	Amount of qualifying items referred to in Article 494a(2) CRR subject to phase out from T2	-	-

		30/06/2025	
		a)	b)
		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
EU-47b	Amount of qualifying items referred to in Article 494b(2) CRR subject to phase out from T2	-	-
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	-	-
49	of which: instruments issued by subsidiaries, subject to phase out	-	-
50	Credit risk adjustments	22	-
51	Tier 2 (T2) capital before regulatory adjustments	2,073	-
Tier 2 (T2) capital: regulatory adjustments			
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-	-
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	-
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-
54a	Not applicable		
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	(200)	EU CC2 - ASSETS 40.1
56	Not applicable		
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	-	-
EU-56b	Other regulatory adjustments to T2 capital	-	-
57	Total regulatory adjustments to Tier 2 (T2) capital	(200)	-
58	Tier 2 (T2) capital	1,873	-
59	Total capital (TC = T1 + T2)	12,362	-
60	Total risk exposure amount	64,280	-
Capital ratios and requirements including buffers			
61	Common Equity Tier 1 capital	14.16%	-
62	Tier 1 capital	16.32%	-
63	Total capital	19.23%	-
64	Institution CET1 overall capital requirements	9.51%	-
65	Of which: capital conservation buffer requirement	2.50%	-
66	Of which: countercyclical buffer requirement	0.056%	-
67	Of which: systemic risk buffer requirement	0.69%	-
EU-67a	Of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	0.50%	-
EU-67b	Of which additional own funds requirements to address risks other than the risk of excessive leverage	1.27%	-
68	Common Equity Tier 1 (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	8.39%	-
National minima (if different from Basel III)			
69	Not applicable		
70	Not applicable		
71	Not applicable		
Amounts below the thresholds for deduction (before risk weighting)			
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	849	EU CC2 - ASSETS 20.1 + EU CC2 - ASSETS 40.2

		30/06/2025	
		a)	b)
		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% threshold and net of eligible short positions)	668	EU CC2 - ASSETS 70.1/3
74	Not applicable		
75	Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38(3) CRR are met)	631	EU CC2 - ASSETS 110 b.1/3
Applicable caps on the inclusion of provisions in Tier 2			
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	-	-
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	-	-
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	22	-
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	168	-
Capital instruments subject to phase out arrangements (only applicable between 1 January 2014 and 1 January 2022)			
80	Current cap on CET1 instruments subject to phase out arrangements	-	-
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	-
82	Current cap on AT1 instruments subject to phase out arrangements	-	-
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	-
84	Current cap on T2 instruments subject to phase out arrangements	-	-
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	-

Template EU CC2 - Reconciliation of regulatory own funds to balance sheet in the audited financial statements

The template in question shows the reconciliation of regulatory own funds with the financial statement items, in application of Article 437 (a) of the CRR.

	a	b	c
	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
	As at period end	As at period end	
Assets			
10. Cash and cash equivalents	11,733	11,601	-
20. Financial assets at fair value through profit and loss	20,608	12,838	-
20.1 of which: direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	-	174	EU CC1 72
30. Financial assets measured at fair value through other comprehensive income	25,323	15,697	-
30.1 of which: direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	-	664	EU CC1 72
40. Financial assets at amortised cost	136,711	137,088	-
40.1 of which: direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities	-	200	EU CC1 55
40.2 of which: direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	-	22	EU CC1 72
50. Hedging derivatives	950	950	-
60. Fair value change of financial assets in macro fair value hedge portfolios (+/-)	(57)	(57)	-
70. Interests in associates and joint ventures	1,395	2,210	-
70.1 Interests in associates and joint ventures - significant influence - measured at equity	1,395	1,927	-
70.1/1 of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions)	-	-	EU CC1 19
70.1/2 of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount exceeding the 17.65% threshold)	-	160	EU CC1 23
70.1/3 of which: direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below the 17.65% threshold and net of eligible short positions)	-	668	EU CC1 73
70.2 Interests in associates and joint ventures measured at equity, positive differences in shareholders' equity	-	283	EU CC1 8
80. Insurance assets	7	-	-
90. Property, plant and equipment	2,507	2,451	-
100. Intangible assets	3,187	3,141	-
100.1 Goodwill	1,618	1,605	EU CC1 8
100.2 Other intangible assets	1,569	1,537	-
100.3 of which: intangible assets deducted from own funds	-	1,353	EU CC1 8

	a	b	c
	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
	As at period end	As at period end	
110. Tax assets	3,050	2,971	-
110.a current	180	177	-
110.b deferred	2,869	2,794	-
110.b.1 deferred - Other than It. Law 214/2011	1,727	1,652	-
110.b.1/1 of which: deferred tax assets that rely on future profitability, excluding those arising from temporary differences	-	653	EU CC1 10
110.b.1/2 of which: deferred tax assets arising from temporary differences (amount exceeding the 17.65% threshold)	-	151	EU CC1 25
110.b.1/3 of which: deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions set forth in Article 38(3) CRR are met)	-	631	EU CC1 75
110.b.2 deferred - Pursuant to It. Law 214/2011	1,142	1,142	-
120. Non-current assets and disposal groups held for sale	197	196	-
130. Other assets	5,338	5,131	-
Total assets	210,948	194,217	-
Liabilities			
10. Financial liabilities at amortised cost	136,464	136,800	-
10.1 of which: Tier 2 capital instruments and the related share premium accounts	-	2,051	EU CC1 46
20. Financial liabilities held for trading	28,433	28,475	-
20.1 of which: direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	-	10	EU CC1 72
30. Financial liabilities designated at fair value	8,359	4,643	-
40. Hedging derivatives	789	789	-
50. Fair value change of financial liabilities in macro fair value hedge portfolios (+/-)	(340)	(340)	-
60. Tax liabilities	577	433	-
60.a current	63	38	-
60.b deferred	514	395	-
60.b.1 of which: deferred tax liabilities on goodwill and other intangible assets already offset as lower deductions of regulatory capital	-	186	EU CC1 8
70. Liabilities associated with disposal groups held for sale	-	-	-
80. Other liabilities	7,206	7,260	-
90. Provisions for employee severance pay	209	207	-
100. Provisions for risks and charges	640	637	-
110. Insurance liabilities	13,295	-	-
Total liabilities	195,633	178,904	-
Shareholders' equity			
120. Valuation reserves	34	34	EU CC1 3
120.1 of which: gains or losses on liabilities measured at fair value resulting from changes in own credit standing	-	(54)	EU CC1 14
140. Equity instruments	1,787	1,787	EU CC1 31
145. Advances on dividends	-	-	-
150. Reserves	5,173	5,170	EU CC1 3
150.1 of which: fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not measured at fair value	-	6	EU CC1 11

	a	b	c
	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
	As at period end	As at period end	
170. Share capital	7,100	7,100	EU CC1 1
180. Own shares (-)	(51)	(51)	EU CC1 16
190. Non-controlling interests (+/-)	58	58	-
200. Profit (loss) for the year	1,214	1,214	-
200.1 of which: calculable profit	-	404	EU CC1 EU-5a
Total shareholders' equity	15,316	15,313	-

Section 5 - Disclosure of countercyclical capital buffers

Template EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer (1/2)

The two templates shown below (CCyB1 and CCyB2) contain the disclosure relating to the countercyclical capital buffer, in application of Article 440 of the CRR.

The scope of the EU CCyB1 template is limited to credit exposures relevant to the calculation of the countercyclical capital buffer, in accordance with Article 140 (4) of Directive 2013/36/EU.

The CCyB1 template presents the geographical distribution of the exposures amounts and the relative weighted amounts, as required by Article 440 (a) of the CRR.

The countercyclical ratio applicable to exposures to Italian counterparties was confirmed at 0% by the Bank of Italy, also for the second quarter of 2025, as per the press release of 28 March 2025.

		a	b	c	d	e	f
		General credit exposures		Relevant credit exposures - Market risk		Securitisation exposures - Exposure value for non-trading book	Total exposure value
		Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures under the standardised approach	Value of trading book exposures for internal models		
010	Breakdown by country:						
	Armenia	-	0	-	-	-	0
	Australia	43	0	-	-	-	43
	Belgium	48	103	-	-	-	151
	Bulgaria	0	0	-	-	-	0
	Chile	2	0	-	-	-	2
	Cyprus	0	0	-	-	-	0
	Czech Republic	0	0	-	-	-	1
	Germany	174	237	-	-	-	411
	Denmark	13	25	-	-	-	38
	Estonia	0	-	-	-	-	0
	France	315	496	-	-	-	811
	United Kingdom	383	153	-	-	-	536
	Hong Kong	1	0	-	-	-	1
	Croatia	0	0	-	-	-	0
	Hungary	0	0	-	-	-	0
	Ireland	75	33	-	-	-	108
	Iceland	19	-	-	-	-	19
	South Korea (Republic of)	0	7	-	-	-	7
	Lithuania	0	-	-	-	-	0
	Luxembourg	392	102	-	-	-	494
	Latvia	-	0	-	-	-	0
	Macedonia	-	0	-	-	-	0
	Netherlands	135	343	-	-	-	478
	Norway	11	10	-	-	-	20

		a	b	c	d	e	f
		General credit exposures		Relevant credit exposures - Market risk		Securitisation exposures - Exposure value for non-trading book	Total exposure value
		Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures under the standardised approach	Value of trading book exposures for internal models		
	Romania	0	1	-	-	-	1
	Sweden	16	19	-	-	-	34
	Slovenia	1	0	-	-	-	1
	Slovakia	0	0	-	-	-	0
	Other	14,180	91,212	-	-	11,202	116,594
020	Total	15,806	92,743	-	-	11,202	119,751

Template EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer (2/2)

		g	h	i	j	k	l	m
		Own funds requirements				Risk-weighted exposure amounts	Own funds requirement weights (%)	Countercyclical buffer rate (%)
		Relevant credit exposures - Credit risk	Relevant credit exposures - Market risk	Relevant credit exposures - Securitisation positions in the non-trading book	Total			
010	Breakdown by country:							
	Armenia	-	-	-	-	-	-	1.50%
	Australia	1	-	-	1	7	0.02%	1.00%
	Belgium	6	-	-	6	81	0.18%	1.00%
	Bulgaria	0	-	-	0	0	-	2.00%
	Chile	0	-	-	0	2	0.00%	0.50%
	Cyprus	0	-	-	0	0	-	1.00%
	Czech Republic	0	-	-	0	0	0.00%	1.25%
	Germany	22	-	-	22	277	0.63%	0.75%
	Denmark	3	-	-	3	37	0.08%	2.50%
	Estonia	0	-	-	0	0	-	1.50%
	France	36	-	-	36	448	1.01%	1.00%
	United Kingdom	23	-	-	23	291	0.66%	2.00%
	Hong Kong	0	-	-	0	0	-	0.50%
	Croatia	0	-	-	0	0	-	1.50%
	Hungary	0	-	-	0	0	-	0.50%
	Ireland	4	-	-	4	53	0.12%	1.50%
	Iceland	0	-	-	0	0	-	2.50%
	South Korea (Republic of)	0	-	-	0	2	0.01%	1.00%
	Lithuania	0	-	-	0	0	-	1.00%
	Luxembourg	37	-	-	37	457	1.03%	0.50%
	Latvia	0	-	-	0	0	-	1.00%
	Macedonia	0	-	-	0	0	-	1.50%
	Netherlands	25	-	-	25	313	0.71%	2.00%
	Norway	1	-	-	1	15	0.04%	2.50%
	Romania	0	-	-	0	0	-	1.00%
	Sweden	3	-	-	3	33	0.07%	2.00%
	Slovenia	0	-	-	0	1	0.00%	1.00%
	Slovakia	0	-	-	0	0	-	1.50%
	Other	3,248	-	132	3,380	42,247	95.44%	-
020	Total	3,410	-	132	3,541	44,266	-	

Template EU CCyB2 - Amount of institution-specific countercyclical capital buffer

The template in question provides information relating to the countercyclical capital buffer requirement for the Banco BPM Group, in accordance with the requirements of Article 440 (b) of the CRR.

The countercyclical ratio for the Banco BPM Group, equivalent to the weighted average of the countercyclical buffer rates that apply in the reference countries of the relevant credit exposures indicated in the EU CCyB1 template, stood at 0.056% at 30 June 2025, up compared to the figure at 31 December 2024 (equal to 0.038%).

		a
1	Total risk exposure amount	64,280
2	Institution-specific countercyclical capital buffer rate	0.056%
3	Institution-specific countercyclical capital buffer requirement	36

Section 6 - Disclosure of leverage ratio

Template EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

The template in question shows the reconciliation between balance sheet assets and the total exposure measure used for the calculation of the leverage ratio, in application of Article 451(1)(b) of the CRR.

The growth in the total exposure measure, which is expected to reach 214,804 million as at 30 June 2025 compared to 204,755 as at 31 December 2024, is substantially in line with the increase recorded by total balance sheet assets, which reached the amount of 210,948 million as at 30 June 2025 compared to 198,209 million at the end of 2024. For more details on the components that make up the total exposure, please refer to the following EU LR2 template.

		30/06/2025
		a
		Applicable amount
1	Total assets as per published financial statements	210,948
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	(16,731)
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-
4	(Adjustment for temporary exemption of exposures to central banks (if applicable))	-
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR)	-
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustment for eligible cash pooling transactions	-
8	Adjustment for derivative financial instruments	(1,700)
9	Adjustment for securities financing transactions (SFTs)	697
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	14,136
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-
12	Other adjustments	7,454
13	Total exposure measure	214,804

Template EU LR2 - LRCom: Leverage ratio common disclosure

The template in question provides details of the components of the total exposure measure, in addition to reconstructing the leverage ratio and showing information on average data. The template was completed in compliance with the provisions of Article 451(1), points (a) and (b), and where applicable (c), and Article 451(3) of the CRR.

It should be noted that, starting from 2025, commitments in SFTs (11.6 billion as at 30 June 2025) were reclassified from "Other off-balance sheet exposures " to "SFT exposures".

The total exposure measure as at 30 June 2025 recorded an increase of 10.0 billion compared to 31 December 2024, of which 6.3 billion attributable to the increase in on-balance sheet exposures and (excluding the reclassification highlighted) 4.5 billion to SFT exposures.

The leverage ratio stood at 4.88% as at 30 June 2025, above the minimum level of the minimum regulatory ratio of 3%.

It should be noted that, in the first half of 2025, the capital used to calculate the leverage ratio adopts the transitional arrangements.

		CRR leverage ratio exposures	
		a	b
		30/06/2025	31/12/2024
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	181,490	173,970
2	Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(274)	(246)
4	Adjustment for securities received under securities financing transactions that are recognised as an asset	-	-
5	(General credit risk adjustments to on-balance sheet items)	-	-
6	(Asset amounts deducted in determining Tier 1 capital)	(3,958)	(2,818)
7	Total on-balance sheet exposures (excluding derivatives and SFTs)	177,258	170,907
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	694	393
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	-	-
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	1,266	1,293
EU-9a	Derogation for derivatives: potential future exposure contribution under the simplified standardised approach	-	-
EU-9b	Exposure determined under Original Exposure Method	-	-
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)	-	-
11	Adjusted effective notional amount of written credit derivatives	-	5
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
13	Total derivatives exposures	1,960	1,691
Securities financing transaction (SFT) exposures			

		CRR leverage ratio exposures	
		a	b
		30/06/2022 5	31/12/2022 4
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	21,019	5,197
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
16	Counterparty credit risk exposure for SFT assets	697	448
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	-	-
17	Agent transaction exposures	-	-
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)	-	-
18	Total securities financing transaction exposures	21,715	5,645
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	62,666	72,931
20	(Adjustments for conversion to credit equivalent amounts)	(48,785)	(46,409)
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	-	-
22	Off-balance sheet exposures	13,881	26,522
Excluded exposures			
EU-22a	(Exposures excluded from the leverage ratio total exposure measure in accordance with points (c) and (ca) of Article 429a(1) CRR)	-	-
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a(1) CRR (on- and off-balance sheet))	-	-
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)	-	-
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans)	-	-
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))	-	-
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	(10)	(9)
EU-22g	(Excluded excess collateral deposited at triparty agents)	-	-
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	-	-
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	-	-
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)	-	-
EU-22k	(Excluded exposures to shareholders according to Article 429a(1), point (da) CRR)	-	-
EU-22l	(Exposures deducted in accordance with point (q) of Article 429a(1) CRR)	-	-
EU-22m	(Total exempted exposures)	(10)	(9)
Capital and total exposure measure			
23	Tier 1 capital	10,488	10,665
24	Total exposure measure	214,804	204,755
Leverage ratio			
25	Leverage ratio (%)	4.88%	5.21%
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	4.88%	5.21%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	4.88%	5.21%

		CRR leverage ratio exposures	
		a	b
		30/06/2022 5	31/12/2022 4
26	Regulatory minimum leverage ratio requirement (%)	3.00%	3.00%
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	-	-
EU-26b	Of which made up of CET1 capital	-	-
27	Leverage ratio buffer requirement (%)	-	-
EU-27a	Overall leverage ratio requirement (%)	3.00%	3.00%
Choice on transitional arrangements and relevant exposures			
EU-27b	Choice on transitional arrangements for the definition of the capital measure	Transitional arrangement	Fully phased
Disclosure of mean values			
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable	19,834	11,349
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	21,019	5,197
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	213,620	210,907
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	213,620	210,907
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	4.91%	5.06%
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	4.91%	5.06%

Template EU LR3 - LRSpl: Split-up of on-balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

The template in question provides details of on-balance sheet exposures (excluding derivatives, SFTs and exempted exposures), used to calculate the total exposure measure, in application of Article 451(1)(b) of the CRR.

The predominant component is the banking book, in particular exposures treated as sovereigns and exposures to companies.

In the first half of 2025, total on-balance sheet exposures increased by 7,490 million, as a result of the growth in exposures treated as sovereigns (+4,489 million), exposures to corporates (+5,268 million) and other exposures (+3,876 million), partly offset by the decrease in the remaining assets of the banking book.

		a
		CRR leverage ratio exposures
EU-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	181,206
EU-2	Trading book exposures	3,557
EU-3	Banking book exposures, of which	177,649
EU-4	Covered bonds	657
EU-5	Exposures treated as sovereigns	57,638
EU-6	Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns	880
EU-7	Institutions	7,774
EU-8	Secured by mortgages of immovable properties	29,507
EU-9	Retail exposures	12,119
EU-10	Corporates	42,772
EU-11	Exposures in default	1,685
EU-12	Other exposures (e.g. equity, securitisations and other non-credit obligation assets)	24,617

Section 7 - Disclosure of liquidity requirements

Template EU LIQ1 - Quantitative information of LCR

The Liquidity Coverage Ratio - LCR seeks to promote the short-term resilience of the bank's liquidity risk profile, by ensuring that it has sufficient high-quality liquid reserves to cover cash outflows for 30 days in the event of a severe stress scenario.

The ratio is monitored internally on a daily basis and is also reported on a monthly basis to the Supervisory Authority through supervisory reporting.

In compliance with the regulatory provisions (Article 451a (2) CRR), for each of the four quarters, the template below shows the average data in the previous 12 months relating to the main aggregates underlying the LCR calculation.

Template EU LIQ1 - Quantitative information of LCR (1/2)

		a	b	c	d
		Total unweighted value (average)			
EU 1a	Quarter ending on 30/06/2025	30/06/2025	31/03/2025	31/12/2024	30/09/2024
EU 1b	Number of data points used in the calculation of averages	12	12	12	12
HIGH-QUALITY LIQUID ASSETS					
1	Total high-quality liquid assets (HQLA)				
CASH OUTFLOWS					
2	Retail deposits and deposits from small business customers, of which:	69,684	69,598	69,814	69,934
3	Stable deposits	51,952	51,970	52,241	52,478
4	Less stable deposits	17,701	17,596	17,540	17,420
5	Unsecured wholesale funding	30,182	29,849	29,404	28,945
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	7,747	7,784	7,692	7,657
7	Non-operational deposits (all counterparties)	22,167	21,751	21,464	21,175
8	Unsecured debt	269	314	248	113
9	Secured wholesale funding				
10	Additional requirements	13,937	13,542	13,298	13,157
11	Outflows related to derivative exposures and other collateral requirements	1,359	1,280	1,213	1,140
12	Outflows related to loss of funding on debt products	-	-	-	2
13	Credit and liquidity facilities	12,579	12,262	12,085	12,015
14	Other contractual funding obligations	694	461	321	273
15	Other contingent funding obligations	42,821	41,895	41,052	41,052
16	TOTAL CASH OUTFLOWS				
CASH INFLOWS					
17	Secured lending (e.g. reverse repos)	7,427	6,195	5,445	4,283
18	Inflows from fully performing exposures	1,697	1,764	1,887	2,003
19	Other cash inflows	13,508	13,264	12,943	12,903
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)				
EU-19b	(Excess inflows from a related specialised credit institution)				
20	TOTAL CASH INFLOWS	22,631	21,224	20,275	19,189
EU-20a	Fully exempt inflows	-	-	-	-
EU-20b	Inflows subject to 90% cap	-	-	-	-
EU-20c	Inflows subject to 75% cap	19,893	17,998	17,553	16,917
TOTAL ADJUSTED VALUE					
EU-21	LIQUIDITY BUFFER				
22	TOTAL NET CASH OUTFLOWS				
23	LIQUIDITY COVERAGE RATIO				

Template EU LIQ1 - Quantitative information of LCR (2/2)

		e	f	g	h
		Total weighted value (average)			
EU 1a	Quarter ending on 30/06/2025	30/06/2025	31/03/2025	31/12/2024	30/09/2024
EU 1b	Number of data points used in the calculation of averages	12	12	12	12
HIGH-QUALITY LIQUID ASSETS					
1	Total high-quality liquid assets (HQLA)	27,287	26,821	28,453	29,902
CASH OUTFLOWS					
2	Retail deposits and deposits from small business customers, of which:	4,875	4,866	4,860	4,844
3	Stable deposits	2,598	2,598	2,612	2,624
4	Less stable deposits	2,247	2,235	2,216	2,184
5	Unsecured wholesale funding	12,498	12,284	11,948	11,636
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	1,815	1,827	1,806	1,800
7	Non-operational deposits (all counterparties)	10,415	10,144	9,894	9,723
8	Unsecured debt	269	314	248	113
9	Secured wholesale funding	636	571	584	651
10	Additional requirements	3,505	3,356	3,197	3,059
11	Outflows related to derivative exposures and other collateral requirements	1,359	1,280	1,213	1,140
12	Outflows related to loss of funding on debt products	-	-	-	2
13	Credit and liquidity facilities	2,146	2,076	1,985	1,917
14	Other contractual funding obligations	81	88	76	98
15	Other contingent funding obligations	1,971	1,945	1,926	1,974
16	TOTAL CASH OUTFLOWS	23,566	23,110	22,590	22,261
CASH INFLOWS					
17	Secured lending (e.g. reverse repos)	346	404	346	287
18	Inflows from fully performing exposures	1,182	1,242	1,356	1,453
19	Other cash inflows	3,026	2,918	2,817	2,776
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)	-	-	-	-
EU-19b	(Excess inflows from a related specialised credit institution)	-	-	-	-
20	TOTAL CASH INFLOWS	4,553	4,564	4,520	4,516
EU-20a	Fully exempt inflows	-	-	-	-
EU-20b	Inflows subject to 90% cap	-	-	-	-
EU-20c	Inflows subject to 75% cap	4,553	4,564	4,520	4,516
TOTAL ADJUSTED VALUE					
EU-21	LIQUIDITY BUFFER	27,287	26,821	28,453	29,902
22	TOTAL NET CASH OUTFLOWS	19,013	18,546	18,071	17,745
23	LIQUIDITY COVERAGE RATIO	143.73%	145.00%	158.16%	168.73%

Table EU LIQB on qualitative information on LCR, which complements template EU LIQ1

in accordance with Article 451a(2) CRR

Row number	Qualitative information - Free format
a)	Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time As highlighted in the EU LIQ1 template, in the last twelve months, the Banco BPM Group has maintained an average liquidity coverage ratio (LCR) of 144% (12-month average, as at 30/06/2025), well above the minimum regulatory requirement of 100%. This level was supported by the efficient management of liquidity reserves and the orientation towards stable forms of funding. The downward trend of the 12-month average LCR indicator is mainly influenced by the reduction in ECB funding (repayment of TLTROs and subsequent use of MRO/LTRO for lower amounts), partly offset by institutional bond issues. The components that contribute to the calculation of net liquidity outflows consist mainly of wholesale and retail deposits as well as the potential uses of non-revocable credit lines.
b)	Explanations on the changes in the LCR over time During the second quarter of 2025, no changes were made in the representation of the LCR indicator, calculated in accordance with Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 and subsequent amendments.
c)	Explanations on the actual concentration of funding sources The adequacy of the structure and cost of funding of the Banco BPM Group is ensured through constant diversification of funding sources. To mitigate concentration risk, the Group constantly monitors the management and regulatory concentration metrics. The main sources of funding for the Group include: customer deposits, funding from institutional customers and Eurosystem refinancing transactions.
d)	High-level description of the composition of the institution's liquidity buffer The EU LIQ1 template shows, as at 30 June 2025, a 12-month average level of high-quality liquid assets available of 27.3 billion (weighted value). As at 30 June 2025, the punctual liquidity buffer (weighted value) consists mainly of free reserves and other assets deposited with the Central Banks and government bonds, which jointly represent approximately 92% of the total liquidity buffer. In addition to the reserves calculated in the LCR buffer, the Group holds allocable reserves mainly represented by ABACO credits and self-withholding issues.
e)	Derivative exposures and potential collateral calls The Banco BPM Group negotiates derivatives both with central counterparties and bilaterally (OTC). The financial risks linked to these contracts, in the event of adverse movements in the underlying market factors, may increase future exposures and generate requests for collateral payments from counterparties (in cash or other liquid forms). This need to pay additional guarantees may impact the Group's liquidity position. To quantify this potential absorption of liquidity, the Banco BPM Group analyses the historical performance of the net collateral paid, using a model on the derivatives margin under CSA, which estimates the maximum outflow of liquidity deriving from an adverse market scenario.

Row number	Qualitative information - Free format
f)	Currency mismatch in the LCR European regulatory legislation defines the obligation of monitoring and reporting for the relevant currencies. Currencies are considered relevant when the aggregate liabilities held in a given foreign currency are equal to or greater than 5% of the total financial liabilities held by the institution. The Banco BPM Group periodically monitors foreign currency exposure, with a prudential operational threshold of 4%. As at 30 June 2025, the Group had no significant exposures in foreign currencies and the internal operational limit was also respected for each foreign currency.
g)	Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile The intraday liquidity risk represents the risk that the bank may not be able to promptly fulfil its payment obligations during the day, both under normal business conditions and under stress conditions. The management of intraday and short-term liquidity aims to ensure the ability to meet expected or unexpected cash payment commitments, also through efficient collateral management. According to the internal procedure, intraday liquidity is managed by the Group Treasury function and monitored on a daily and monthly basis by the Risk Function. The intraday liquidity risk is measured on a monthly basis through the monitoring of five indicators inspired by the Monitoring Tools defined by BCBS¹⁰ and the performance of intra-day stress tests on a combined stress scenario (Sovereign Scenario, Counterparty Scenario and Own-name Scenario) with differentiated intra-day and end-of-day impact. To cover the intraday liquidity risk, an immediately available liquidity buffer is envisaged to cover both expected and unexpected payments due on an ongoing basis.

¹⁰ See "Basel Committee on Banking Supervision - Monitoring tools for intraday liquidity management - April 2013"

Template EU LIQ2 - Net Stable Funding Ratio (1/2) - 30/06/2025

The Net Stable Funding Ratio - NSFR is a structural liquidity regulatory indicator, aimed at measuring the ratio between stable sources of funding and long-term funding requirements.

Introduced into the European regulatory framework by Regulation (EU) 2019/876 (CRR II), the NSFR represents a prudential requirement with a 100% floor, starting from June 2021. The regulation also defines the methods for calculating the indicator, in line with the provisions for the Liquidity Coverage Ratio (LCR).

The ratio is monitored internally on a monthly basis and is also reported on a quarterly basis to the Supervisory Authorities through supervisory reporting.

The following templates show the main components of the NSFR of the Banco BPM Group as at 30 June 2025 and 31 March 2025, in accordance with Article 451a (3) of the CRR.

As at 30 June 2025, the NSFR indicator was well above both the minimum regulatory requirement of 100%, and the internal threshold defined as part of the Group's Risk Appetite Framework. Similar to the LCR indicator, the NSFR also benefits from the dynamics related to commercial activities.

		a	b	c	d	e
(in currency amount)		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	≥ 1 year	
Available stable funding (ASF) items						
1	Capital items and instruments	14,098	-	-	1,400	15,498
2	Own funds	14,098	-	-	1,400	15,498
3	Other capital instruments		-	-	-	-
4	Retail deposits		70,888	376	3,397	70,127
5	Stable deposits		51,839	-	-	49,247
6	Less stable deposits		19,050	376	3,397	20,880
7	Wholesale funding:		64,846	4,115	18,562	35,410
8	Operational deposits		7,855	-	-	3,928
9	Other wholesale funding		56,991	4,115	18,562	31,482
10	Interdependent liabilities		-	-	-	-
11	Other liabilities:	101	16,663	69	1,241	1,275
12	NSFR derivative liabilities	101				
13	All other liabilities and capital instruments not included in the above categories		16,663	69	1,241	1,275
14	Total available stable funding (ASF) as at 30/06/2025					

Template EU LIQ2 - Net Stable Funding Ratio (2/2) - 30/06/2025

		a	b	c	d	e
(in currency amount)		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	≥ 1 year	
Required stable funding (RSF) items						
15	Total high-quality liquid assets (HQLA)					1,613
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		-	-	9,001	7,651
16	Deposits held at other financial institutions for operational purposes		-	-	-	-
17	Performing loans and securities:		31,728	7,722	67,438	65,971
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		9,002	-	-	5
19	Performing securities financing transactions with financial customers collateralised by other assets and loans and advances to financial institutions		3,451	695	3,967	4,647
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns and PSEs, of which:		11,289	5,685	35,841	37,866
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		1,738	1,869	7,767	6,875
22	Performing residential mortgages, of which:		667	808	17,656	13,515
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		615	738	15,708	11,740
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		7,319	533	9,974	9,937
25	Interdependent assets		-	-	-	-
26	Other assets:		7,413	52	18,731	19,667
27	Physical traded commodities				-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		849	-	7	728
29	NSFR derivative assets		41			41
30	NSFR derivative liabilities before deduction of variation margin posted		663			33
31	All other assets not included in the above categories		5,860	52	18,724	18,865
32	Off-balance sheet items		4,302	1,333	11,476	1,565
33	Total RSF as at 30/06/2025					96,466
34	Net Stable Funding Ratio (%) as at 30/06/2025					126.79%

Template EU LIQ2 - Net Stable Funding Ratio (1/2) - 31/03/2025

		a	b	c	d	e
(in currency amount)		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	≥ 1 year	
Available stable funding (ASF) items						
1	Capital items and instruments	13,601	-	-	1,709	15,310
2	Own funds	13,601	-	-	1,709	15,310
3	Other capital instruments		-	-	-	-
4	Retail deposits		69,445	863	3,376	69,234
5	Stable deposits		51,604	-	-	49,023
6	Less stable deposits		17,842	863	3,376	20,211
7	Wholesale funding:		67,349	4,397	17,769	34,630
8	Operational deposits		8,806	-	-	4,403
9	Other wholesale funding		58,543	4,397	17,769	30,227
10	Interdependent liabilities		-	-	-	-
11	Other liabilities:	94	12,871	65	1,099	1,132
12	NSFR derivative liabilities	94				
13	All other liabilities and capital instruments not included in the above categories		12,871	65	1,099	1,132
14	Total available stable funding (ASF) as at 31/03/2025					

Template EU LIQ2 - Net Stable Funding Ratio (2/2) - 31/03/2025

		a	b	c	d	e
(in currency amount)		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	≥ 1 year	
Required stable funding (RSF) items						
15	Total high-quality liquid assets (HQLA)					1,428
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		-	-	8,772	7,456
16	Deposits held at other financial institutions for operational purposes		-	-	-	-
17	Performing loans and securities:		28,499	8,440	67,772	67,329
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		4,408	-	-	-
19	Performing securities financing transactions with financial customers collateralised by other assets and loans and advances to financial institutions		3,588	956	5,427	6,262
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns and PSEs, of which:		12,507	6,106	35,603	38,470
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		1,792	1,962	8,060	7,140
22	Performing residential mortgages, of which:		671	807	17,584	13,421
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		615	734	15,857	11,828
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		7,325	572	9,159	9,176
25	Interdependent assets		-	-	-	-
26	Other assets:		6,622	48	18,558	19,522
27	Physical traded commodities				-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		973	-	8	834
29	NSFR derivative assets		-			-
30	NSFR derivative liabilities before deduction of variation margin posted		576			29
31	All other assets not included in the above categories		5,073	48	18,551	18,660
32	Off-balance sheet items		4,013	1,686	10,949	1,564
33	Total RSF as at 31/03/2025					97,299
34	Net Stable Funding Ratio (%) as at 31/03/2025					123.65%

Section 8 - Disclosure of credit risk quality

Template EU CR1 - Performing and non-performing exposures and related provisions (1/2)

The CR1 template, in accordance with Article 442 (c) of the CRR, provides information on the amount and quality of performing and non-performing exposures for loans, debt securities and off-balance sheet exposures, including their related accumulated impairment, provisions, negative fair value changes due to credit risk and amounts of collateral and financial guarantees received.

		a	b	c	d	e	f	g	h	i
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
		Performing exposures			Non-performing exposures			Performing exposures - accumulated impairment and provisions		
			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2
005	Cash balances at central banks and other demand deposits	12,124	12,124	-	-	-	-	-	-	-
010	Loans and advances	103,340	93,664	9,227	2,905	-	2,592	(448)	(87)	(358)
020	Central banks	-	-	-	-	-	-	-	-	-
030	General governments	1,491	1,486	2	1	-	1	(4)	(4)	0
040	Credit institutions	3,146	3,134	11	-	-	-	(1)	(1)	0
050	Other financial corporations	11,405	10,890	294	50	-	50	(15)	(6)	(9)
060	Non-financial corporations	55,155	47,533	7,434	2,310	-	2,002	(351)	(66)	(282)
070	Of which SMEs	27,332	23,245	4,028	1,528	-	1,512	(222)	(40)	(181)
080	Households	32,144	30,621	1,486	544	-	538	(76)	(9)	(67)
090	Debt securities	46,302	45,809	468	449	-	426	(14)	(8)	(6)
100	Central banks	-	-	-	-	-	-	-	-	-
110	General governments	37,722	37,716	1	-	-	-	(2)	(2)	0
120	Credit institutions	3,858	3,837	20	15	-	-	(3)	(3)	0
130	Other financial corporations	3,038	2,604	413	429	-	426	(7)	(2)	(5)

		a	b	c	d	e	f	g	h	i
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
		Performing exposures			Non-performing exposures			Performing exposures - accumulated impairment and provisions		
			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2
140	Non-financial corporations	1,685	1,651	34	5	-	-	(2)	(1)	(1)
150	Off-balance sheet exposures	78,454	49,159	1,479	667	-	296	(29)	(5)	(18)
160	Central banks	384	-	-	-	-	-	-	-	-
170	General governments	2,472	2,446	0	0	-	0	0	0	0
180	Credit institutions	4,571	1,736	17	-	-	-	0	0	0
190	Other financial corporations	18,182	3,850	68	1	-	0	(1)	(1)	0
200	Non-financial corporations	48,636	38,859	1,292	658	-	291	(22)	(4)	(12)
210	Households	4,210	2,269	101	8	-	5	(6)	0	(5)
220	Total	240,220	200,757	11,173	4,022	-	3,314	(491)	(100)	(382)

Template EU CR1 - Performing and non-performing exposures and related provisions (2/2)

		j	k	l	m	n	o	
		Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off	Collateral and financial guarantees received		
		Non-performing exposures - accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		On performing exposures		On non-performing exposures		
			Of which stage 2				Of which stage 3	
005	Cash balances at central banks and other demand deposits	-	-	-		-	-	
010	Loans and advances	(1,248)	-	(1,166)	(51)	63,497	1,171	
020	Central banks	-	-	-	-	-	-	
030	General governments	(1)	-	(1)	-	128	-	
040	Credit institutions	-	-	-	-	557	-	
050	Other financial corporations	(18)	-	(18)	-	6,009	4	
060	Non-financial corporations	(1,038)	-	(957)	(51)	26,408	844	
070	Of which SMEs	(744)	-	(731)	(38)	17,652	648	
080	Households	(191)	-	(189)	-	30,396	323	
090	Debt securities	(29)	-	(5)	-	529	421	
100	Central banks	-	-	-	-	-	-	
110	General governments	-	-	-	-	-	-	
120	Credit institutions	(15)	-	-	-	-	-	
130	Other financial corporations	(8)	-	(5)	-	481	421	
140	Non-financial corporations	(5)	-	-	-	48	-	
150	Off-balance sheet exposures	(90)	-	(14)		13,624	13	
160	Central banks	-	-	-		-	-	-
170	General governments	0	-	0		0	-	-
180	Credit institutions	-	-	-		2,304	-	-
190	Other financial corporations	0	-	0		9,545	-	-
200	Non-financial corporations	(88)	-	(13)		1,214	12	
210	Households	(1)	-	(1)		561	1	
220	Total	(1,366)	-	(1,185)	(51)	77,650	1,605	

Template EU CR1-A - Maturity of exposures

Template CR1-A, in accordance with Article 442 (g) of the CRR, shows the breakdown of loans and debt securities according to residual maturity.

		a	b	c	d	e	f
		Net exposure value					
		On request	≤ 1 year	> 1 year ≤ 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	15,632	11,931	32,003	44,983	0	104,549
2	Debt securities	-	2,518	20,061	24,130	-	46,709
3	Total	15,632	14,449	52,065	69,113	0	151,258

Template EU CR2 - Changes in the stock of non-performing loans and advances

Template CR2, in accordance with Article 442 (f) of the CRR, shows the changes in the gross amount of on and off-balance sheet defaulted exposures, information on the opening and closing balances, the gross amount of any exposure returned to performing status or subject to impairment.

		30/06/2025
		a
		Gross carrying amount
010	Initial stock of non-performing loans and advances	3,223
020	Inflows to non-performing portfolios	658
030	Outflows from non-performing portfolios	(977)
040	Outflows due to write-offs	(232)
050	Outflow due to other situations	(745)
060	Final stock of non-performing loans and advances	2,905

Template EU CQ1 - Credit quality of forborne exposures

Template CQ1, in accordance with Article 442 (c) of the CRR, provides information on the amount and quality of forborne exposures for loans, debt securities and off-balance sheet exposures, including their related accumulated impairment, provisions, negative fair value changes due to credit risk and amounts of collateral and financial guarantees received.

		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
			of which defaulted	of which impaired					
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
010	Loans and advances	1,356	1,142	1,142	849	(107)	(408)	1,407	483
020	Central banks	-	-	-	-	-	-	-	-
030	General governments	1	0	0	0	0	0	-	-
040	Credit institutions	-	-	-	-	-	-	-	-
050	Other financial corporations	13	13	13	13	(1)	(9)	15	3
060	Non-financial corporations	1,023	939	939	648	(89)	(344)	970	349
070	Households	319	190	190	189	(16)	(55)	422	131
080	Debt securities	-	-	-	-	-	-	-	-
090	Loan commitments given	20	20	20	20	(1)	0	4	0
100	Total	1,375	1,162	1,162	870	(107)	(408)	1,410	483

Template EU CQ4 - Quality of non-performing exposures by geography

Template CQ4, in accordance with Article 442 (c) and (e) of the CRR, shows the gross carrying amounts of defaulted and non-defaulted exposures (loans, debt securities and off-balance sheet exposures), the accumulated specific and general credit risk adjustments, the accumulated write-offs taken against those exposures, as well as their distribution by geographical area.

		a	b	c	d	e	f	g
		Gross carrying amount/nominal amount				Accumulated impairment	Provisions for off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing	Of which defaulted	Of which subject to impairment			
010	On-balance sheet exposures	165,121	3,354	3,354	164,413	(1,644)		(95)
020	Italy	133,456	3,331	3,331	132,797	(1,615)		(95)
070	Rest of the world	31,665	23	23	31,616	(29)		-
080	Off-balance sheet exposures	79,121	667	667			118	
090	Italy	71,624	667	667			118	
140	Rest of the world	7,498	0	0			1	
150	Total	244,242	4,022	4,022	164,413	(1,644)	118	(95)

Template EU CQ5 - Credit quality of loans and advances to non-financial corporations by industry

Template CQ5, in accordance with Article 442 (c) and (e) of the CRR, shows the gross carrying amounts of defaulted and non-defaulted exposures (loans, debt securities and off-balance sheet exposures), the accumulated impairment in relation to these exposures, as well as their distribution by sector of economic activity.

		a	b	c	d	e	f
		Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing	Of which defaulted	Of which loans and advances subject to impairment		
010	Agriculture, forestry and fishing	1,655	58	58	1,655	(30)	-
020	Mining and quarrying	185	18	18	185	(7)	-
030	Manufacturing	20,125	793	793	20,107	(430)	(2)
040	Electricity, gas, steam and air conditioning supply	1,645	11	11	1,645	(14)	-
050	Water supply	906	22	22	906	(19)	-
060	Construction	4,920	318	318	4,918	(251)	-
070	Wholesale and retail trade	8,914	390	390	8,895	(235)	(13)
080	Transport and storage	2,298	46	46	2,298	(37)	-
090	Accommodation and food services	2,180	72	72	2,176	(47)	0
100	Information and communication	1,844	54	54	1,843	(39)	-
110	Financial and insurance activities	259	0	0	226	(6)	-
120	Real estate activities	4,943	395	395	4,612	(111)	(53)
130	Professional, scientific and technical activities	4,112	56	56	4,110	(44)	(2)
140	Administrative and support service activities	1,742	45	45	1,742	(25)	-
150	Public administration and defence, compulsory social security	7	-	-	7	0	-
160	Education	121	2	2	121	(1)	-
170	Human health services and social work activities	883	12	12	883	(12)	-
180	Arts, entertainment and recreation	469	6	6	469	(5)	-
190	Other services	256	12	12	256	(6)	-
200	Total	57,465	2,310	2,310	57,055	(1,319)	(70)

Template EU CQ7 - Collateral obtained by taking possession and execution processes

The CQ7 template, in accordance with Article 442 (c) of the CRR, provides information on the value at the time of initial recognition and on the accumulated impairment, in relation to the guarantees obtained by acquiring ownership.

		a	b
		Collateral obtained by taking possession	
		Value at initial recognition	Accumulated negative changes
010	Property, plant and equipment (PP&E)	63	(45)
020	Other than PP&E	731	(399)
030	<i>Residential immovable property</i>	23	(8)
040	<i>Commercial immovable property</i>	692	(383)
050	<i>Movable property (auto, shipping, etc.)</i>	-	-
060	<i>Equity and debt instruments</i>	16	(7)
070	<i>Other collateral</i>	-	-
080	Total	794	(443)

Section 9 - Disclosure of credit risk mitigation techniques

Template EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques

Template CR3, in accordance with Article 453 (f) of the CRR, shows the value of the total exposure covered and not covered by eligible credit protection, separately for loans and debt securities.

		Unsecured carrying amount	Secured carrying amount			
			of which secured by collateral	of which secured by financial guarantees		of which secured by credit derivatives
		a	b	c	d	e
1	Loans and advances	52,006	64,668	47,629	17,039	4
2	Debt securities	45,759	950	-	950	
3	Total	97,764	65,618	47,629	17,989	4
4	of which non-performing exposures	486	1,592	551	1,040	-
EU-5	of which defaulted	486	1,592			

Section 10 - Disclosure of credit risk SA

Template EU CR4 - Standardised approach - Credit risk exposure and CRM effects

Template CR4 shows the exposures subject to standardised credit risk and the related RWAs, according to the provisions of Article 453 (g), (h) and (i) and Article 444 (e) of the CRR.

Specifically, the exposures are presented:

- **before CCF and before CRM**, namely without the effects of risk mitigation techniques resulting from the presence of collateral or personal guarantees and without the application of credit conversion factors on off-balance sheet exposures;
- **post CCF and post CRM**, namely considering the effects of risk mitigation techniques that are implemented in the presence of collateral or personal guarantees and applying credit conversion factors on off-balance sheet exposures. It should be noted that, through the application of the CRM, the effects of the transfer of exposures from the secured portfolio to the guarantor's portfolio may be recorded, also with transfers from portfolios with IRB treatment to Standard portfolios. The effect of the transfers can be observed, for example, in the class of central governments, where the on-balance sheet exposure post CRM recorded an increase of 13,785 million compared to the exposure before CRM.

This information is detailed by exposure class.

Template EU CR4 - Standardised approach - Credit risk exposure and CRM effects

	Exposure classes	Exposures before CCF and before CRM		Exposure post CCF and post CRM		RWAs and RWAs density	
		On-balance sheet exposures	Off-balance sheet exposures	On-balance sheet exposures	Off-balance sheet exposures	RWEAs	RWEA density (%)
		a	b	c	d	e	f
1	Central governments or central banks	56,100	324	69,885	795	2,625	3.71%
2	Non-central government public sector entities	880	1,937	808	599	491	34.88%
EU 2a	Regional governments or local authorities	189	538	217	210	85	19.99%
EU 2b	Public sector entities	691	1,399	591	388	405	41.37%
3	Multilateral development banks	407	-	415	1	-	-
3a	International organisations	66	211	66	0	-	-
4	Institutions	7,347	14,003	7,327	723	2,259	28.06%
5	Covered bonds	657	-	657	-	66	10.00%
6	Corporates	3,598	2,928	3,054	648	3,037	82.02%
6.1	Of which: Specialised Lending	19	11	9	3	11	88.85%
7	Subordinated debt exposures and equity	2,981	6	2,981	2	4,173	139.90%
EU 7a	Subordinated debt exposures	310	6	310	2	469	150.00%
EU 7b	Equity	2,671	-	2,671	-	3,704	138.72%
8	Retail	905	2,865	503	21	377	71.97%
9	Secured by mortgages on immovable property and ADC exposures	326	58	326	8	202	60.58%
9.1	Secured by mortgages on residential immovable property - non IPRE	90	-	90	-	23	26.07%
9.2	Secured by mortgages on residential immovable property - IPRE	20	22	20	-	23	115.67%
9.3	Secured by mortgages on commercial immovable property - non IPRE	184	20	183	8	120	62.52%
9.4	Secured by mortgages on commercial immovable property - IPRE	28	16	28	-	30	105.12%
9.5	Acquisition, Development and Construction (ADC)	4	-	4	-	7	150.00%
10	Exposures in default	64	56	60	54	131	114.90%
EU 10a	Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
EU 10b	Collective investment undertakings (CIU)	2,519	573	2,518	316	3,023	106.65%
EU 10c	Other items	4,052	-	4,052	-	3,224	79.57%
11	Not applicable						
12	TOTAL	79,903	22,961	92,651	3,168	19,608	20.46%

Template EU CR5 - Standardised approach (1/3)

Template CR5 shows the exposure classes subject to credit risk, treated with the standardised approach, distributed according to the weighting factor, in accordance with the disclosure of Article 444 (e) of the CRR.

Compared to the previous publication of the template (31 December 2024), the portfolios of the exposure classes have been updated and new weighting factors have been introduced, as required by the amendments introduced by CRR3, applicable from 1 January 2025.

Exposure classes		Risk weight								
		0%	2%	4%	10%	20%	30%	35%	40%	45%
		a	b	c	d	e	f	g	h	i
1	Central governments or central banks	68,692	-	12	63	134	-	-	-	-
2	Non-central government public sector entities	135	-	-	-	930	-	-	-	-
EU 2a	Regional governments or local authorities	-	-	-	-	427	-	-	-	-
EU 2b	Public sector entities	135	-	-	-	503	-	-	-	-
3	Multilateral development banks	416	-	-	-	-	-	-	-	-
EU 3a	International organisations	66	-	-	-	-	-	-	-	-
4	Institutions	0	1,788	-	-	2,055	1,397	41	999	-
5	Covered bonds	-	-	-	657	-	-	-	-	-
6	Corporates	-	-	-	-	84	-	-	-	-
6.1	Of which: Specialised Lending	-	-	-	-	-	-	-	-	-
7	Subordinated debt exposures and equity	114	-	-	-	-	-	-	-	-
EU 7a	Subordinated debt exposures	-	-	-	-	-	-	-	-	-
EU 7b	Equity	114	-	-	-	-	-	-	-	-
8	Retail exposures	-	-	-	-	-	-	-	-	-
9	Secured by mortgages on immovable property and ADC exposures	-	-	-	-	81	4	1	-	1
9.1	Secured by mortgages on residential immovable property - non IPRE	-	-	-	-	81	-	-	-	-
9.1.1	no loan splitting applied	-	-	-	-	-	-	-	-	-
9.1.2	loan splitting applied (secured)	-	-	-	-	81	-	-	-	-
9.1.3	loan splitting applied (unsecured)	-	-	-	-	-	-	-	-	-
9.2	Secured by mortgages on residential immovable property - IPRE	-	-	-	-	-	4	1	-	1
9.3	Secured by mortgages on commercial immovable property - non IPRE	-	-	-	-	-	-	-	-	-
9.3.1	no loan splitting applied	-	-	-	-	-	-	-	-	-
9.3.2	loan splitting applied (secured)	-	-	-	-	-	-	-	-	-
9.3.3	loan splitting applied (unsecured)	-	-	-	-	-	-	-	-	-
9.4	Secured by mortgages on commercial immovable property - IPRE	-	-	-	-	-	-	-	-	-
9.5	Acquisition, Development and Construction (ADC)	-	-	-	-	-	-	-	-	-
10	Exposures in default	-	-	-	-	-	-	-	-	-
EU 10a	Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-

	Exposure classes	Risk weight								
		0%	2%	4%	10%	20%	30%	35%	40%	45%
		a	b	c	d	e	f	g	h	i
EU 10b	Collective investment undertakings (CIU)	418	-	-	-	34	8	-	-	-
EU 10c	Other items	826	-	-	-	2	-	-	-	-
11	Not applicable									
EU 11c	TOTAL	70,665	1,788	12	720	3,321	1,409	42	999	1

Template EU CR5 - Standardised approach (2/3)

	Exposure classes	Risk weight								
		50%	60%	70%	75%	80%	90%	100%	105%	110%
		j	k	l	m	n	o	p	q	r
1	Central governments or central banks	69	-	-	-	-	-	1,145	-	-
2	Non-central government public sector entities	74	-	-	-	-	-	267	-	-
EU 2a	Regional governments or local authorities	-	-	-	-	-	-	-	-	-
EU 2b	Public sector entities	74	-	-	-	-	-	267	-	-
3	Multilateral development banks	-	-	-	-	-	-	-	-	-
EU 3a	International organisations	-	-	-	-	-	-	-	-	-
4	Institutions	1,603	-	-	14	-	-	124	-	-
5	Covered bonds	-	-	-	-	-	-	-	-	-
6	Corporates	779	-	-	326	-	-	2,473	-	-
6.1	Of which: Specialised Lending	-	-	-	-	-	-	12	-	-
7	Subordinated debt exposures and equity	-	-	-	-	-	-	1,792	-	-
EU 7a	Subordinated debt exposures	-	-	-	-	-	-	-	-	-
EU 7b	Equity	-	-	-	-	-	-	1,792	-	-
8	Retail exposures	-	-	-	501	-	-	23	-	-
9	Secured by mortgages on immovable property and ADC exposures	-	165	-	8	-	1	28	-	0
9.1	Secured by mortgages on residential immovable property - non IPRE	-	-	-	7	-	-	2	-	-
9.1.1	no loan splitting applied	-	-	-	2	-	-	-	-	-
9.1.2	loan splitting applied (secured)	-	-	-	-	-	-	-	-	-
9.1.3	loan splitting applied (unsecured)	-	-	-	5	-	-	2	-	-
9.2	Secured by mortgages on residential immovable property - IPRE	-	-	-	-	-	-	-	-	-
9.3	Secured by mortgages on commercial immovable property - non IPRE	-	165	-	1	-	-	25	-	-
9.3.1	no loan splitting applied	-	-	-	0	-	-	16	-	-
9.3.2	loan splitting applied (secured)	-	165	-	-	-	-	-	-	-
9.3.3	loan splitting applied (unsecured)	-	-	-	1	-	-	9	-	-
9.4	Secured by mortgages on commercial immovable property - IPRE	-	-	-	-	-	1	-	-	0
9.5	Acquisition, Development and Construction (ADC)	-	-	-	-	-	-	-	-	-
10	Exposures in default	-	-	-	-	-	-	80	-	-
EU 10a	Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-
EU 10b	Collective investment undertakings (CIU)	66	-	-	14	-	-	1,713	-	-
EU 10c	Other items	-	-	-	-	-	-	3,224	-	-
11	Not applicable									
EU 11c	TOTAL	2,591	165	-	863	-	1	10,868	-	0

Template EU CR5 - Standardised approach (3/3)

	Exposure classes	Risk weight							Total	Of which unrated
		130%	150%	250%	370%	400%	1250%	Other		
		s	t	u	v	w	x	y		
1	Central governments or central banks	-	-	565	-	-	-	-	70,681	17,265
2	Non-central government public sector entities	-	-	-	-	-	-	-	1,407	922
EU 2a	Regional governments or local authorities	-	-	-	-	-	-	-	427	420
EU 2b	Public sector entities	-	-	-	-	-	-	-	980	502
3	Multilateral development banks	-	-	-	-	-	-	-	416	416
EU 3a	International organisations	-	-	-	-	-	-	-	66	66
4	Institutions	-	29	-	-	-	-	-	8,050	3,140
5	Covered bonds	-	-	-	-	-	-	-	657	-
6	Corporates	-	40	-	-	-	-	-	3,702	2,343
6.1	Of which: Specialised Lending	-	-	-	-	-	-	-	12	12
7	Subordinated debt exposures and equity	-	313	765	-	-	-	-	2,983	2,715
EU 7a	Subordinated debt exposures	-	313	-	-	-	-	-	313	45
EU 7b	Equity	-	0	765	-	-	-	-	2,671	2,671
8	Retail exposures	-	-	-	-	-	-	-	524	495
9	Secured by mortgages on immovable property and ADC exposures	-	32	-	-	-	-	14	334	333
9.1	Secured by mortgages on residential immovable property - non IPRE	-	-	-	-	-	-	-	90	89
9.1.1	no loan splitting applied	-	-	-	-	-	-	-	2	2
9.1.2	loan splitting applied (secured)	-	-	-	-	-	-	-	81	80
9.1.3	loan splitting applied (unsecured)	-	-	-	-	-	-	-	7	7
9.2	Secured by mortgages on residential immovable property - IPRE	-	14	-	-	-	-	-	20	20
9.3	Secured by mortgages on commercial immovable property - non IPRE	-	-	-	-	-	-	-	191	191
9.3.1	no loan splitting applied	-	-	-	-	-	-	-	17	17
9.3.2	loan splitting applied (secured)	-	-	-	-	-	-	-	165	165
9.3.3	loan splitting applied (unsecured)	-	-	-	-	-	-	-	9	9
9.4	Secured by mortgages on commercial immovable property - IPRE	-	14	-	-	-	-	14	28	28
9.5	Acquisition, Development and Construction (ADC)	-	4	-	-	-	-	-	4	4
10	Exposures in default	-	34	-	-	-	-	-	114	114
EU 10a	Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-
EU 10b	Collective investment undertakings (CIU)	-	286	-	-	-	29	267	2,835	2,131
EU 10c	Other items	-	-	-	-	-	-	-	4,052	3,916
11	Not applicable									
EU 11c	TOTAL	-	733	1,330	-	-	29	280	95,819	33,856

Section 11 - Disclosure of credit risk IRB

Template EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range

Template CR6 provides the main risk metrics used to calculate capital requirements for exposures under the IRB approach, for each exposure class (broken down by F-IRB and A-IRB approach), in application of Article 452 (g) of the CRR.

As required by the instructions for its completion, exposures to counterparty credit risk (CCR), exposures to securitisations, exposures in other non credit-obligation assets, exposures to collective investment undertakings and equity exposures are excluded from this template.

Template EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range (1/9)

A-IRB	PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post-CCF and post-CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
		a	b	c	d	e	f	g	h	i	j	k	l
Corporates - Other A-IRB	0.00 to < 0.15	3,819	6,812	13.94%	4,769	0.09%	4,855	40.02%	2	827	17.33%	2	(1)
	0.00 to < 0.10	2,562	4,967	13.23%	3,220	0.06%	3,186	42.66%	2	496	15.40%	1	(1)
	0.10 to < 0.15	1,257	1,845	15.86%	1,549	0.14%	1,669	34.53%	2	331	21.36%	1	0
	0.15 to < 0.25	1,634	1,180	15.00%	1,811	0.18%	2,516	37.52%	2	424	23.39%	1	(1)
	0.25 to < 0.50	3,139	3,631	20.39%	3,879	0.33%	3,327	36.76%	2	1,346	34.70%	5	(4)
	0.50 to < 0.75	1,955	1,048	11.85%	2,080	0.63%	2,777	37.95%	2	875	42.05%	5	(10)
	0.75 to < 2.50	4,278	2,746	17.61%	4,762	1.28%	3,387	38.11%	2	3,233	67.91%	23	(29)
	0.75 to < 1.75	3,224	2,053	17.79%	3,589	1.07%	2,467	37.97%	2	2,265	63.10%	15	(21)
	1.75 to < 2.5	1,054	693	17.07%	1,172	1.90%	920	38.54%	2	969	82.64%	8	(8)
	2.50 to < 10.00	1,985	856	17.52%	2,135	4.60%	1,735	38.32%	2	2,200	103.04%	37	(55)
	2.5 to < 5	1,370	578	16.29%	1,464	3.50%	1,204	38.58%	2	1,415	96.62%	20	(26)
	5 to < 10	615	277	20.08%	671	7.01%	531	37.76%	2	785	117.07%	18	(30)
	10.00 to < 100.00	742	147	22.84%	776	31.39%	968	34.58%	3	1,033	133.10%	80	(101)
	10 to < 20	340	68	21.95%	355	13.73%	599	37.39%	2	525	147.82%	18	(31)
	20 to < 30	137	46	23.50%	148	24.55%	123	34.51%	2	227	153.94%	12	(14)
	30.00 to < 100.00	265	33	23.75%	273	58.06%	246	30.98%	4	280	102.70%	50	(55)
	100.00 (default)	1,085	254	44.15%	1,197	100.00%	1,425	56.86%	2	650	54.24%	629	(639)
Sub-total (exposure class)		18,638	16,674	16.61%	21,409	7.63%	20,990	39.17%	2	10,587	49.45%	782	(840)
Total (all exposure classes)		54,854	27,491	16.22%	59,318		650,259		2	17,411	29.35%	1,576	(1,573)

Template EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range (2/9)

A-IRB	PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post-CCF and post- CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
		a	b	c	d	e	f	g	h	i	j	k	l
Corporates - Specialised Lending A-IRB	0.00 to < 0.15	2	0	29.23%	2	0.06%	5	27.63%	4	0	10.12%	0	0
	0.00 to < 0.10	1	0	29.23%	1	0.05%	4	25.81%	5	0	10.10%	0	0
	0.10 to < 0.15	0	-	-	0	0.12%	1	35.99%	1	0	10.21%	0	0
	0.15 to < 0.25	12	1	41.83%	13	0.17%	16	34.28%	3	3	26.35%	0	0
	0.25 to < 0.50	51	0	58.55%	51	0.32%	19	31.83%	3	15	28.49%	0	0
	0.50 to < 0.75	21	0	38.03%	21	0.67%	22	29.30%	4	10	46.12%	0	0
	0.75 to < 2.50	48	1	41.93%	48	1.50%	27	38.16%	4	36	74.34%	0	(1)
	0.75 to < 1.75	44	1	43.81%	44	1.42%	22	38.83%	4	33	75.45%	0	(1)
	1.75 to < 2.5	4	0	33.43%	4	2.27%	5	31.00%	3	3	62.40%	0	0
	2.50 to < 10.00	42	0	51.53%	42	5.59%	24	38.55%	4	44	103.22%	1	(5)
	2.5 to < 5	21	0	50.00%	21	3.63%	15	37.92%	4	19	88.14%	0	(2)
	5 to < 10	21	0	52.85%	21	7.56%	9	39.19%	5	25	118.38%	1	(3)
	10.00 to < 100.00	5	16	40.00%	11	22.18%	5	32.72%	3	11	100.61%	1	0
	10 to < 20	2	16	40.00%	9	13.88%	4	35.05%	3	10	108.47%	0	0
	20 to < 30	-	-	-	-	-	-	-	-	-	-	-	-
	30.00 to < 100.00	2	-	-	2	54.59%	1	23.57%	2	2	69.88%	0	0
	100.00 (default)	17	0	96.85%	17	100.00%	6	40.22%	4	12	67.48%	6	(5)
Sub-total (exposure class)		199	19	40.57%	206	11.20%	124	35.29%	4	131	63.29%	8	(11)
Total (all exposure classes)		54,854	27,491	16.22%	59,318		650,259		2	17,411	29.35%	1,576	(1,573)

Template EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range (3/9)

A-IRB	PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post-CCF and post- CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
		a	b	c	d	e	f	g	h	i	j	k	l
Corporates - Purchased receivables A-IRB	0.00 to < 0.15	17	-	-	17	0.10%	22	26.12%	0	1	7.94%	0	0
	0.00 to < 0.10	9	-	-	9	0.06%	13	25.65%	0	0	5.25%	0	0
	0.10 to < 0.15	9	-	-	9	0.14%	9	26.59%	0	1	10.63%	0	0
	0.15 to < 0.25	5	-	-	5	0.16%	5	25.08%	0	1	10.03%	0	0
	0.25 to < 0.50	8	-	-	8	0.32%	14	27.33%	0	1	18.99%	0	0
	0.50 to < 0.75	2	-	-	2	0.60%	4	26.20%	1	0	27.51%	0	0
	0.75 to < 2.50	25	-	-	25	0.89%	20	25.70%	1	9	35.69%	0	0
	0.75 to < 1.75	24	-	-	24	0.84%	15	25.14%	1	8	34.15%	0	0
	1.75 to < 2.5	1	-	-	1	1.81%	5	36.46%	0	1	65.54%	0	0
	2.50 to < 10.00	10	-	-	10	3.64%	11	25.27%	1	6	61.91%	0	0
	2.5 to < 5	9	-	-	9	3.47%	9	25.29%	1	6	61.90%	0	0
	5 to < 10	1	-	-	1	6.38%	2	25.00%	0	0	62.08%	0	0
	10.00 to < 100.00	0	-	-	0	12.67%	1	25.00%	0	0	79.30%	0	0
	10 to < 20	0	-	-	0	12.67%	1	25.00%	0	0	79.30%	0	0
	20 to < 30	-	-	-	-	-	-	-	-	-	-	-	-
	30.00 to < 100.00	-	-	-	-	-	-	-	-	-	-	-	-
	100.00 (default)	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total (exposure class)		67	-	-	67	0.96%	77	25.89%	1	19	28.26%	0	0
Total (all exposure classes)		54,854	27,491	16.22%	59,318		650,259		2	17,411	29.35%	1,576	(1,573)

Template EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range (4/9)

A-IRB	PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post-CCF and post-CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
		a	b	c	d	e	f	g	h	i	j	k	l
Retail - Qualifying revolving A-IRB	0.00 to < 0.15	29	240	24.28%	87	0.12%	32,500	62.99%	-	4	4.36%	0	0
	0.00 to < 0.10	-	-	-	-	-	-	-	-	-	-	-	-
	0.10 to < 0.15	29	240	24.28%	87	0.12%	32,500	62.99%	-	4	4.36%	0	0
	0.15 to < 0.25	10	51	31.91%	26	0.19%	10,659	64.49%	-	2	6.46%	0	0
	0.25 to < 0.50	17	74	36.03%	44	0.37%	19,092	68.86%	-	5	12.09%	0	0
	0.50 to < 0.75	26	90	37.16%	59	0.60%	25,342	69.37%	-	11	17.82%	0	0
	0.75 to < 2.50	62	97	30.79%	93	1.55%	29,182	65.25%	-	32	34.05%	1	0
	0.75 to < 1.75	33	62	31.29%	53	1.05%	17,516	65.74%	-	14	26.11%	0	0
	1.75 to < 2.5	29	34	29.88%	40	2.21%	11,666	64.60%	-	18	44.69%	1	0
	2.50 to < 10.00	9	5	32.95%	11	5.44%	3,280	63.29%	-	9	81.39%	0	0
	2.5 to < 5	-	-	-	-	-	-	-	-	-	-	-	-
	5 to < 10	9	5	32.95%	11	5.44%	3,280	63.29%	-	9	81.39%	0	0
	10.00 to < 100.00	8	3	32.16%	9	16.45%	2,799	63.42%	-	13	145.68%	1	(1)
	10 to < 20	5	3	30.59%	6	11.60%	1,998	64.84%	-	8	131.22%	0	(1)
	20 to < 30	3	1	37.25%	3	25.94%	801	60.64%	-	5	173.98%	0	(1)
	30.00 to < 100.00	-	-	-	-	-	-	-	-	-	-	-	-
	100.00 (default)	2	0	42.03%	3	100.00%	557	68.92%	-	1	52.36%	2	(1)
Sub-total (exposure class)		164	561	29.86%	332	2.05%	123,411	65.72%	-	77	23.12%	4	(3)
Total (all exposure classes)		54,854	27,491	16.22%	59,318		650,259		2	17,411	29.35%	1,576	(1,573)

Template EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range (5/9)

A-IRB	PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post-CCF and post-CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
		a	b	c	d	e	f	g	h	i	j	k	l
Retail - Real estate collateral A-IRB	0.00 to < 0.15	12,663	6	22.04%	12,664	0.11%	127,079	23.62%	-	774	6.11%	3	(1)
	0.00 to < 0.10	2,766	1	17.49%	2,766	0.07%	23,010	23.58%	-	115	4.16%	0	0
	0.10 to < 0.15	9,897	5	23.08%	9,898	0.13%	104,069	23.63%	-	659	6.66%	3	(1)
	0.15 to < 0.25	4,887	11	40.69%	4,891	0.19%	55,473	23.75%	-	438	8.95%	2	(1)
	0.25 to < 0.50	2,991	1	19.11%	2,991	0.37%	33,891	23.32%	-	433	14.46%	3	(1)
	0.50 to < 0.75	2,735	7	28.24%	2,737	0.61%	30,824	23.28%	-	559	20.42%	4	(4)
	0.75 to < 2.50	1,746	10	26.24%	1,748	1.49%	19,614	24.03%	-	649	37.13%	6	(8)
	0.75 to < 1.75	1,130	9	25.38%	1,132	1.10%	12,845	24.46%	-	360	31.79%	3	(5)
	1.75 to < 2.5	616	1	33.94%	616	2.22%	6,769	23.24%	-	289	46.94%	3	(3)
	2.50 to < 10.00	505	1	28.87%	505	5.30%	5,193	25.33%	-	399	78.88%	7	(11)
	2.5 to < 5	101	0	40.00%	101	3.75%	408	34.97%	-	84	83.18%	1	(4)
	5 to < 10	404	0	27.09%	404	5.68%	4,785	22.92%	-	315	77.81%	5	(7)
	10.00 to < 100.00	538	0	25.51%	538	20.01%	5,623	22.86%	-	620	115.29%	25	(34)
	10 to < 20	288	0	1.46%	288	12.20%	3,170	22.95%	-	310	107.68%	8	(15)
	20 to < 30	223	0	39.74%	223	25.83%	2,139	22.48%	-	286	128.16%	13	(16)
	30.00 to < 100.00	27	0	40.00%	27	54.78%	314	25.01%	-	25	90.39%	4	(3)
	100.00 (default)	402	0	2.63%	402	100.00%	5,157	42.32%	-	130	32.28%	160	(127)
Sub-total (exposure class)		26,466	37	29.80%	26,477	2.32%	282,854	23.90%	-	4,001	15.11%	209	(188)
Total (all exposure classes)		54,854	27,491	16.22%	59,318		650,259		2	17,411	29.35%	1,576	(1,573)

Template EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range (6/9)

A-IRB	PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post-CCF and post- CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
		a	b	c	d	e	f	g	h	i	j	k	l
Retail - Purchased receivables A-IRB	0.00 to < 0.15	3	-	-	3	0.07%	11	30.00%	-	0	4.44%	0	0
	0.00 to < 0.10	3	-	-	3	0.06%	9	30.00%	-	0	3.79%	0	0
	0.10 to < 0.15	1	-	-	1	0.12%	2	30.00%	-	0	6.50%	0	0
	0.15 to < 0.25	0	-	-	0	0.16%	1	30.00%	-	0	7.75%	0	0
	0.25 to < 0.50	1	-	-	1	0.33%	4	30.00%	-	0	12.88%	0	0
	0.50 to < 0.75	0	-	-	0	0.74%	1	30.00%	-	0	20.21%	0	0
	0.75 to < 2.50	0	-	-	0	1.46%	1	30.00%	-	0	26.86%	0	0
	0.75 to < 1.75	0	-	-	0	1.46%	1	30.00%	-	0	26.86%	0	0
	1.75 to < 2.5	-	-	-	-	-	-	-	-	-	-	-	-
	2.50 to < 10.00	0	-	-	0	3.70%	3	30.00%	-	0	32.71%	0	0
	2.5 to < 5	0	-	-	0	3.70%	3	30.00%	-	0	32.71%	0	0
	5 to < 10	-	-	-	-	-	-	-	-	-	-	-	-
	10.00 to < 100.00	-	-	-	-	-	-	-	-	-	-	-	-
	10 to < 20	-	-	-	-	-	-	-	-	-	-	-	-
	20 to < 30	-	-	-	-	-	-	-	-	-	-	-	-
	30.00 to < 100.00	-	-	-	-	-	-	-	-	-	-	-	-
	100.00 (default)	0	-	-	0	100.00%	1	50.89%	-	0	20.08%	0	0
Sub-total (exposure class)		5	-	-	5	0.44%	22	30.00%	-	0	9.26%	0	0
Total (all exposure classes)		54,854	27,491	16.22%	59,318		650,259		2	17,411	29.35%	1,576	(1,573)

Template EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range (7/9)

A-IRB	PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post-CCF and post-CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
		a	b	c	d	e	f	g	h	i	j	k	l
Retail - Other A-IRB	0.00 to < 0.15	1,797	4,233	12.76%	2,338	0.09%	46,310	38.76%	-	156	6.67%	1	0
	0.00 to < 0.10	874	3,290	11.62%	1,257	0.06%	19,668	41.23%	-	66	5.26%	0	0
	0.10 to < 0.15	923	943	16.72%	1,081	0.12%	26,642	35.89%	-	90	8.31%	0	0
	0.15 to < 0.25	1,357	1,884	13.75%	1,616	0.22%	24,630	38.51%	-	204	12.61%	1	(1)
	0.25 to < 0.50	1,472	1,548	13.82%	1,686	0.39%	28,100	38.75%	-	313	18.54%	3	(2)
	0.50 to < 0.75	1,477	1,145	15.68%	1,656	0.68%	28,872	39.04%	-	426	25.69%	4	(5)
	0.75 to < 2.50	1,521	871	21.61%	1,710	1.59%	40,159	39.23%	-	621	36.34%	11	(13)
	0.75 to < 1.75	1,056	663	19.23%	1,184	1.28%	24,068	39.54%	-	409	34.58%	6	(7)
	1.75 to < 2.5	465	208	29.20%	526	2.26%	16,091	38.54%	-	212	40.28%	5	(5)
	2.50 to < 10.00	687	331	19.92%	753	5.28%	18,187	38.70%	-	333	44.20%	15	(23)
	2.5 to < 5	423	225	19.76%	468	3.85%	10,121	39.25%	-	201	43.00%	7	(11)
	5 to < 10	264	106	20.27%	286	7.63%	8,066	37.82%	-	132	46.18%	8	(12)
	10.00 to < 100.00	372	100	24.27%	398	31.25%	59,935	36.95%	-	256	64.29%	45	(43)
	10 to < 20	199	51	23.96%	214	16.17%	53,516	38.26%	-	131	61.15%	13	(18)
	20 to < 30	39	7	17.20%	40	24.87%	1,822	34.05%	-	28	68.82%	3	(4)
	30.00 to < 100.00	133	41	25.94%	144	55.38%	4,597	35.82%	-	98	67.68%	29	(22)
	100.00 (default)	633	88	34.41%	663	100.00%	28,319	77.67%	-	289	43.53%	492	(443)
Sub-total (exposure class)		9,316	10,200	14.72%	10,821	8.11%	274,512	41.15%	-	2,597	24.00%	572	(530)
Total (all exposure classes)		54,854	27,491	16.22%	59,318		650,259		2	17,411	29.35%	1,576	(1,573)

Template EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range (8/9)

F-IRB	PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post-CCF and post- CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
		a	b	c	d	e	f	g	h	i	j	k	l
Corporates - Other F-IRB	0.00 to < 0.15	2,492	5,204	19.53%	3,508	0.06%	537	40.14%	3	689	19.64%	1	(1)
	0.00 to < 0.10	2,254	4,632	20.57%	3,206	0.05%	380	40.12%	3	613	19.12%	1	(1)
	0.10 to < 0.15	238	572	11.17%	302	0.14%	157	40.28%	1	76	25.17%	0	0
	0.15 to < 0.25	4,597	8,835	18.74%	6,253	0.16%	441	40.65%	3	2,372	37.93%	4	(1)
	0.25 to < 0.50	2,682	4,860	19.23%	3,617	0.44%	459	39.79%	3	2,188	60.51%	6	(3)
	0.50 to < 0.75	204	120	15.17%	222	0.61%	189	39.51%	3	161	72.76%	1	(1)
	0.75 to < 2.50	1,357	1,698	14.11%	1,597	1.30%	452	39.43%	2	1,402	87.81%	8	(11)
	0.75 to < 1.75	1,000	1,293	15.32%	1,198	1.13%	333	39.35%	2	989	82.54%	5	(9)
	1.75 to < 2.5	358	406	10.27%	399	1.83%	119	39.69%	3	414	103.60%	3	(3)
	2.50 to < 10.00	540	257	15.54%	580	5.05%	325	40.98%	3	796	137.31%	12	(11)
	2.5 to < 5	287	107	18.19%	306	3.53%	231	42.52%	3	407	133.00%	5	(3)
	5 to < 10	253	150	13.64%	274	6.76%	94	39.26%	2	389	142.12%	7	(8)
	10.00 to < 100.00	91	40	32.42%	104	23.11%	112	39.69%	2	211	202.48%	10	(11)
	10 to < 20	32	13	48.74%	39	13.13%	80	39.55%	2	69	178.38%	2	(3)
	20 to < 30	43	15	34.38%	48	24.35%	16	39.76%	3	107	223.01%	5	(7)
	30.00 to < 100.00	16	12	11.63%	18	41.55%	16	39.83%	2	36	199.80%	3	(2)
	100.00 (default)	98	219	62.84%	236	100.00%	40	40.01%	2	-	-	94	(89)
Sub-total (exposure class)		12,062	21,233	19.10%	16,117	2.11%	2,555	40.20%	3	7,821	48.52%	136	(129)
Total (all exposure classes)		12,521	21,233	19.10%	16,577		2,573		2	7,991	48.21%	138	(129)

Template EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range (9/9)

F-IRB	PD range	On-balance sheet exposures	Off-balance sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post-CCF and post- CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
		a	b	c	d	e	f	g	h	i	j	k	l
Corporates - Purchased receivables F-IRB	0.00 to < 0.15	43	-	-	43	0.10%	14	40.00%	0	5	11.14%	0	0
	0.00 to < 0.10	21	-	-	21	0.05%	10	40.00%	0	1	6.07%	0	0
	0.10 to < 0.15	22	-	-	22	0.14%	4	40.00%	0	3	16.15%	0	0
	0.15 to < 0.25	271	-	-	271	0.16%	11	40.00%	1	68	24.99%	0	0
	0.25 to < 0.50	69	-	-	69	0.45%	10	40.00%	0	26	38.09%	0	0
	0.50 to < 0.75	-	-	-	-	-	-	-	-	-	-	-	-
	0.75 to < 2.50	66	-	-	66	1.72%	18	40.00%	1	50	76.47%	0	0
	0.75 to < 1.75	11	-	-	11	1.29%	11	40.00%	1	7	69.40%	0	0
	1.75 to < 2.5	55	-	-	55	1.81%	7	40.00%	1	43	77.82%	0	0
	2.50 to < 10.00	3	-	-	3	6.86%	1	40.00%	2	4	140.24%	0	0
	2.5 to < 5	-	-	-	-	-	-	-	-	-	-	-	-
	5 to < 10	3	-	-	3	6.86%	1	40.00%	2	4	140.24%	0	0
	10.00 to < 100.00	8	-	-	8	31.74%	1	40.00%	0	17	204.23%	1	0
	10 to < 20	-	-	-	-	-	-	-	-	-	-	-	-
	20 to < 30	-	-	-	-	-	-	-	-	-	-	-	-
	30.00 to < 100.00	8	-	-	8	31.74%	1	40.00%	0	17	204.23%	1	0
	100.00 (default)	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total (exposure class)		460	-	-	460	1.04%	55	40.00%	1	170	37.01%	2	0
Total (all exposure classes)		12,521	21,233	19.10%	16,577		2,573		2	7,991	48.21%	138	(129)

Template EU CR7 – IRB approach– Effect on the RWEAs of credit derivatives used as CRM techniques

Template CR7 shows the potential effect on RWAs of derivatives, used as a risk mitigation technique, in accordance with the disclosure required by Article 453 (j) of the CRR.

Banco BPM does not use derivatives for Credit Risk Mitigation, consequently the amounts of the two columns of the template (which require the RWAs without the recognition of credit derivatives as a CRM technique and the actual RWAs) are the same.

		Pre-credit derivatives risk weighted exposure amount	Actual risk weighted exposure amount
		a	b
1	Central governments and central banks – F-IRB	-	-
EU 1a	Regional governments and local authorities – F-IRB	-	-
EU 1b	Public sector entities – F-IRB	-	-
2	Central governments and central banks – A-IRB	-	-
EU 2a	Regional governments and local authorities – A-IRB	-	-
EU 2b	Public sector entities – A-IRB	-	-
3	Institutions – F-IRB	-	-
4	not applicable		
5	Corporates – F-IRB	7,991	7,991
EU 5a	Corporates - General	7,821	7,821
EU 5b	Corporates - Specialised lending	-	-
EU 5c	Corporates - Purchased receivables	170	170
6	Corporates – A-IRB	13,193	13,193
EU 6a	Corporates - General	10,587	10,587
EU 6b	Corporates - Specialised lending	2,587	2,587
EU 6c	Corporates - Purchased receivables	19	19
7	not applicable		
8	not applicable		
EU 8a	Retail – A-IRB	6,675	6,675
9	Retail – Qualifying revolving (QRRE)	77	77
10	Retail - Secured by residential real estate	4,001	4,001
EU10a	Retail - Purchased receivables	0	0
EU10b	Retail - Other retail exposures	2,597	2,597
11	not applicable		
12	not applicable		
13	not applicable		
14	not applicable		
15	not applicable		
16	not applicable		
17	Exposures under F-IRB	7,991	7,991
18	Exposures under A-IRB	19,868	19,868
19	Total exposures	27,859	27,859

Template EU CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques (1/2)

Template CR7-A shows the exposures under the IRB approach and the incidence of credit risk mitigation techniques with and without substitution effect, in accordance with the disclosure required by Article 453 (g) of the CRR.

The Group reports that from this disclosure, the A-IRB and F-IRB templates have been completed in accordance with the EBA instructions referred to in annex XXII “Disclosure of the use of the IRB Approach to credit risk (excluding counterparty credit risk)”, departing from the latest mapping tool published by the EBA.

Specifically, the exposures and the incidence of the relative risk mitigation techniques are shown on the basis of the exposure class applicable to the obligor, without considering the substitution effect due to the existence of a guarantee, i.e. before Credit Risk Mitigation.

In this context, any IRB exposures covered by Standard guarantors (e.g. Sace, SME Fund counter-guaranteed by the State) are represented in the secured exposure class.

The same approach was followed for the compilation of column m) “RWEA without substitution effects” while column n) shows the RWEA figure with substitution effects. It should be noted that the minimal variance between the RWAs between columns m) and n) derives mainly from the substitution effect on exposures that migrate to standard portfolios with a weighting of 0% and to a marginal extent only on the Foundation approach where substitution is envisaged of the metrics of secured exposures with those of the guarantor.

A-IRB		Total exposures	Credit risk mitigation techniques											Credit risk mitigation methods in the calculation of RWEAs	
			Funded credit protection (FCP)									Unfunded credit protection (UFCP)		RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and substitution effects)
			Part of exposures covered by Financial collaterals (%)	Part of exposures covered by Other eligible collaterals (%)			Part of exposures covered by Other funded credit protection (%)			Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit derivatives (%)				
				Part of exposures covered by Immovable property collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)						
		a	b	c	d	e	f	g	h	i	j	k	l	m	n
1	Central governments and central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Regional governments and local authorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Corporates	30,456	0.99%	13.61%	13.61%	-	-	-	-	-	-	19.64%	-	13,257	13,193
5.1	Corporates - General	26,904	1.12%	14.77%	14.77%	-	-	-	-	-	-	22.16%	-	10,647	10,587
5.2	Corporates - Specialised lending	3,473	0.01%	4.93%	4.93%	-	-	-	-	-	-	0.22%	-	2,587	2,587

A-IRB		Total exposures	Credit risk mitigation techniques										Credit risk mitigation methods in the calculation of RWEAs		
			Funded credit protection (FCP)								Unfunded credit protection (UFCP)		RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and substitution effects)	
			Part of exposures covered by Financial collaterals (%)	Part of exposures covered by Other eligible collaterals (%)			Part of exposures covered by Other funded credit protection (%)			Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit derivatives (%)				
				Part of exposures covered by Immovable property collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)						
		a	b	c	d	e	f	g	h	i	j	k	l	m	n
5.3	Corporates - Purchased receivables	79	-	-	-	-	-	-	-	-	-	15.30%	-	24	19
6	Retail	43,639	0.46%	64.55%	64.55%	-	-	-	-	-	-	14.60%	-	6,676	6,675
6.1	Retail - Qualifying revolving	332	-	-	-	-	-	-	-	-	-	-	-	77	77
6.2	Retail - Secured by residential real estate	28,039	0.02%	94.22%	94.22%	-	-	-	-	-	-	5.57%	-	4,001	4,001
6.3	Retail - Purchased receivables	5	-	-	-	-	-	-	-	-	-	5.76%	-	1	0
6.4	Retail - Other retail exposures	15,262	1.27%	11.47%	11.47%	-	-	-	-	-	-	31.52%	-	2,598	2,597
7	Total	74,095	0.67%	43.61%	43.61%	-	-	-	-	-	-	16.68%	-	19,933	19,868

Template EU CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques (2/2)

F-IRB		Total exposures	Credit risk mitigation techniques										Credit risk mitigation methods in the calculation of RWEAs		
			Funded credit protection (FCP)								Unfunded credit protection (UFCP)		RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and substitution effects)	
			Part of exposures covered by Financial collaterals (%)	Part of exposures covered by Other eligible collaterals (%)			Part of exposures covered by Other funded credit protection (%)			Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit derivatives (%)				
				Part of exposures covered by Immovable property collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)						
		a	b	c	d	e	f	g	h	i	j	k	l	m	n
1	Central governments and central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Regional governments and local authorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Corporates	18,205	0.45%	1.00%	1.00%	-	-	-	-	-	-	10.35%	-	8,012	7,991
5.1	Corporates - General	17,714	0.46%	1.03%	1.03%	-	-	-	-	-	-	10.46%	-	7,830	7,821
5.2	Corporates - Specialised lending	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5.3	Corporates - Purchased receivables	491	-	-	-	-	-	-	-	-	-	6.47%	-	183	170
6	Total	18,205	0.45%	1.00%	1.00%	-	-	-	-	-	-	10.35%	-	8,012	7,991

Template EU CR8 - RWEA flow statements of credit risk exposures under the IRB approach

Template CR8 shows the variations in the risk-weighted exposure amounts of the current disclosure period compared to the immediately preceding disclosure period that result from the use of internal models, including an outline of the key drivers explaining those variations, in accordance with Article 438 (h) of the CRR.

		Risk weighted exposure amount
		a
1	Risk weighted exposure amount as at the end of the previous reporting period	27,463
2	Asset size (+/-)	1,468
3	Asset quality (+/-)	(1,090)
4	Model updates (+/-)	-
5	Methodology and policy (+/-)	-
6	Acquisitions and disposals (+/-)	23
7	Foreign exchange movements (+/-)	-
8	Other (+/-)	(5)
9	Risk weighted exposure amount as at the end of the reporting period	27,859

The Group reports that the change in the RWEA amount compared to the previous quarter is mainly due to:

- closure by Banco BPM, in April 2025, of the synthetic securitisation called Audrey with the European Investment Fund (EIF) concerning loans disbursed to Italian small and medium-sized enterprises. The closure took place through the exercise of the early termination option envisaged by the contract;
- finalisation in June 2025 by Banco BPM of the Tranché Cover 2006 transaction with the Guarantee Fund for Small and Medium Enterprises. The transaction provides for the coverage of the Junior tranche through a direct personal guarantee from the Fund and a counter-guarantee from the State starting on 27 June;
- finalisation, between April and June, of some single name disposals relating to non-performing loans, partly already approved during the first quarter.

Section 12 - Disclosure of specialised lending and equity exposures

Template EU CR10 - Specialised lending and equity exposures

Template CR10 shows on- and off-balance sheet exposures, the risk-weighted exposure amounts and associated expected losses for each category of specialised lending treated with the slotting approach, in accordance with Article 438 (e) of the CRR.

Template EU CR10.1

<i>Specialised lending: Project finance (Slotting approach)</i>							
Regulatory categories	Remaining maturity	On-balance sheet exposures	Off-balance sheet exposures	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
		a	b	c	d	e	f
Category 1	Less than 2.5 years	3	6	50%	4	2	-
	Equal to or more than 2.5 years	124	159	70%	183	113	1
Category 2	Less than 2.5 years	33	19	70%	36	24	0
	Equal to or more than 2.5 years	1,100	342	90%	1,175	941	9
Category 3	Less than 2.5 years	5	1	115%	5	5	0
	Equal to or more than 2.5 years	31	3	115%	31	30	1
Category 4	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	-	-	250%	-	-	-
Category 5	Less than 2.5 years	-	-	-	-	-	-
	Equal to or more than 2.5 years	-	-	-	-	-	-
Total	Less than 2.5 years	41	25		45	30	0
	Equal to or more than 2.5 years	1,255	503		1,389	1,083	11

Template EU CR10.2

Specialised lending: Income-producing real estate and high volatility commercial real estate (Slotting approach)							
Regulatory categories	Remaining maturity	On-balance sheet exposures	Off-balance sheet exposures	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
		a	b	c	d	e	f
Category 1	Less than 2.5 years	282	57	50%	290	143	-
	Equal to or more than 2.5 years	384	202	70%	439	297	2
Category 2	Less than 2.5 years	454	84	70%	460	316	2
	Equal to or more than 2.5 years	453	258	90%	514	450	4
Category 3	Less than 2.5 years	85	33	115%	85	92	2
	Equal to or more than 2.5 years	61	-	115%	61	70	2
Category 4	Less than 2.5 years	3	-	250%	3	7	0
	Equal to or more than 2.5 years	-	0	250%	0	0	0
Category 5	Less than 2.5 years	15	-	-	15	-	7
	Equal to or more than 2.5 years	-	-	-	-	-	-
Total	Less than 2.5 years	838	174		854	559	12
	Equal to or more than 2.5 years	898	460		1,014	817	8

The exposures relating to the portfolio of Specialised lending generated by Structured Finance include two types of transactions represented by Project Finance and Real Estate, respectively 43% and 57% of the exposure treated under Slotting Criteria.

As can be seen from the templates shown above, for both types, exposure is concentrated first and foremost in Category 2 (84% Project and 52% IPRE, respectively) and secondly in category 1 (13% Project and 39% IPRE, respectively). Non-performing exposures are zero or negligible (1% for IPRE Specialised Lending).

In the half year, there was a decrease in EAD of over 200 million, which can be explained, as regards the non-performing component, by single-name disposals carried out in the first quarter but completed in the second, and as regards the performing component by the application of the CCF Standard on irrevocable margins of 40% in place of the 75% envisaged by the CCF foundation following the regulatory update envisaged by Basel 3 finalized.

Section 13 - Disclosure of counterparty credit risk

Template EU CCR1 - Analysis of CCR exposure by approach

Template CCR1 shows the exposures subject to counterparty risk differentiated by approach adopted, in application of the requirements of Article 439 (f), (g) and (k) of the CRR. Specifically, for derivative transactions and securities financing transactions, the exposure values before and after the effect of the credit risk mitigation are reported, as well as the exposure value (having applied all CRM techniques and considering the deduction of the CVA loss) and the relative weighted amount.

Banco BPM adopts the following approaches to calculate counterparty risk:

- Standardised Approach for derivatives;
- Financial collateral comprehensive method (for SFTs).

		a	b	c	d	e	f	g	h
		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
EU-1	EU - Original Exposure Method (for derivatives)	-	-		1.4	-	-	-	-
EU-2	EU - Simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
1	SA-CCR (for derivatives)	495	587		1.4	2,189	1,515	1,511	681
2	IMM (for derivatives and SFTs)			-	-	-	-	-	-
2a	Of which securities financing transactions netting sets			-		-	-	-	-
2b	Of which derivatives and long settlement transactions netting sets			-		-	-	-	-
2c	Of which from contractual cross-product netting sets			-		-	-	-	-
3	Financial collateral simple method (for SFTs)					-	-	-	-
4	Financial collateral comprehensive method (for SFTs)					9,521	982	982	295
5	VaR for SFTs					-	-	-	-
6	Total					11,709	2,497	2,493	975

Template EU CCR3 - Standardised approach - CCR exposures by regulatory exposure class and risk weights (1/2)

Template CCR3 provides details of the exposures, broken down by class and weight, subject to counterparty risk, treated with the standardised approach, in accordance with the provisions of Article 444 (e) of the CRR.

The exposures reported in the template below relate to derivative contracts for 2,754 million and securities financing transactions (SFT) for 1,221 million. Almost all of these transactions are in place with counterparties belonging to the class of Institutions (93% of the total exposure value).

Exposure classes		Risk weight					
		a	b	c	d	e	f
		0%	2%	4%	10%	20%	50%
1	Central governments or central banks	-	-	-	-	-	-
2	Regional governments or local authorities	-	-	-	-	0	-
3	Public sector entities	-	-	-	-	-	-
4	Multilateral development banks	-	-	-	-	-	-
5	International organisations	-	-	-	-	-	-
6	Institutions	-	1,925	-	-	869	287
7	Corporates	-	-	-	-	-	59
8	Retail	-	-	-	-	-	-
9	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
10	Other items	-	-	-	-	-	-
11	Total exposure value	-	1,925	-	-	869	346

Template EU CCR3 - Standardised approach - CCR exposures by regulatory exposure class and risk weights (2/2)

Exposure classes		Risk weight					
		g	h	i	j	k	l
		70%	75%	100%	150%	Other	Total exposure value
1	Central governments or central banks	-	-	3	-	-	3
2	Regional governments or local authorities	-	-	-	-	-	0
3	Public sector entities	-	-	0	-	-	0
4	Multilateral development banks	-	-	-	-	-	-
5	International organisations	-	-	-	-	-	-
6	Institutions	-	-	1	5	608	3,695
7	Corporates	-	1	8	-	-	68
8	Retail	-	0	-	-	-	0
9	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
10	Other items	-	-	209	-	-	209
11	Total exposure value	-	1	221	5	-	3,975

Template EU CCR4 - IRB approach - CCR exposures by exposure class and PD scale (1/4)

Template CCR4 shows the exposure classes, under the IRB approach, subject to counterparty risk, broken down by PD range, in application of Article 452 (g) of the CRR.

It should be noted that for each exposure class, in addition to the IRB total, the total broken down by F-IRB and A-IRB approach was also indicated.

			a	b	c	d	e	f	g
		PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amounts
1	Corporates - Other F-IRB	0.00 to < 0.15	16	0.09%	56	40.00%	2	4	22.37%
2		0.15 to < 0.25	31	0.16%	55	40.19%	3	11	35.65%
3		0.25 to < 0.50	32	0.45%	71	40.00%	3	19	59.86%
4		0.50 to < 0.75	1	0.64%	17	40.28%	3	1	80.66%
5		0.75 to < 2.50	24	1.40%	72	40.45%	3	24	99.14%
6		2.50 to < 10.00	3	5.21%	25	40.32%	2	5	137.57%
7		10.00 to < 100.00	0	20.48%	3	40.00%	4	1	222.32%
8		100.00 (default)	1	100.00%	6	40.00%	3	-	-
X	Sub-total		109	1.26%	304	40.17%	3	64	59.16%
Y	Total (all CCR relevant exposure classes)		400	2.14%	11,171	29.91%	3	181	45.27%
Total F-IRB (all CCR relevant exposure classes)			109	1.26%	304	40.17%	3	64	59.16%

Template EU CCR4 - IRB approach - CCR exposures by exposure class and PD scale (2/4)

			a	b	c	d	e	f	g
		PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amounts
1	Corporates - Other A-IRB	0.00 to < 0.15	53	0.08%	957	25.55%	3	8	15.35%
2		0.15 to < 0.25	24	0.19%	688	25.54%	4	6	23.33%
3		0.25 to < 0.50	50	0.33%	867	25.47%	4	17	34.15%
4		0.50 to < 0.75	22	0.64%	688	25.76%	4	8	39.20%
5		0.75 to < 2.50	62	1.36%	785	25.34%	3	35	55.64%
6		2.50 to < 10.00	32	4.59%	400	25.30%	4	26	81.48%
7		10.00 to < 100.00	5	25.49%	146	25.74%	4	5	104.85%
8		100.00 (default)	3	100.00%	89	25.15%	4	5	211.42%
X	Sub-total		250	2.60%	4,620	25.47%	4	110	44.12%
Y	Total (all CCR relevant exposure classes)		400	2.14%	11,171	29.91%	3	181	45.27%
Total A-IRB (all CCR relevant exposure classes)			291	2.47%	10,867	26.08%	4	117	40.09%

Template EU CCR4 - IRB approach - CCR exposures by exposure class and PD scale (3/4)

			a	b	c	d	e	f	g
		PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amounts
1	Corporates - Specialised Lending A- IRB	0.00 to < 0.15	-	-	-	-	-	-	-
2		0.15 to < 0.25	0	0.23%	5	22.84%	3	0	16.34%
3		0.25 to < 0.50	0	0.30%	5	20.08%	4	0	21.90%
4		0.50 to < 0.75	0	0.62%	3	18.69%	5	0	27.68%
5		0.75 to < 2.50	0	1.49%	2	18.34%	5	0	36.25%
6		2.50 to < 10.00	0	4.20%	1	22.27%	5	0	48.72%
7		10.00 to < 100.00	-	-	-	-	-	-	-
8		100.00 (default)	0	100.00%	1	12.50%	4	0	105.91%
X	Sub-total		0	2.82%	17	20.31%	4	0	32.37%
Y	Total (all CCR relevant exposure classes)		400	2.14%	11,171	29.91%	3	181	45.27%
Total A-IRB (all CCR relevant exposure classes)			291	2.47%	10,867	26.08%	4	117	40.09%

Template EU CCR4 - IRB approach - CCR exposures by exposure class and PD scale (4/4)

			a	b	c	d	e	f	g
		PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amounts
1	Retail - Other A-IRB	0.00 to < 0.15	10	0.08%	1,593	30.06%	-	0	4.60%
2		0.15 to < 0.25	7	0.20%	1,103	30.03%	-	1	9.33%
3		0.25 to < 0.50	10	0.35%	963	30.03%	-	1	13.30%
4		0.50 to < 0.75	5	0.68%	892	30.04%	-	1	19.38%
5		0.75 to < 2.50	5	1.65%	847	30.01%	-	1	27.49%
6		2.50 to < 10.00	2	5.10%	416	30.12%	-	1	33.95%
7		10.00 to < 100.00	1	25.23%	241	22.87%	-	0	39.22%
8		100.00 (default)	0	100.00%	175	32.15%	-	0	217.77%
X	Sub-total		41	1.70%	6,230	29.86%	-	6	15.58%
Y	Total (all CCR relevant exposure classes)		400	2.14%	11,171	29.91%	3	181	45.27%
Total A-IRB (all CCR relevant exposure classes)			291	2.47%	10,867	26.08%	4	117	40.09%

Template EU CCR5 - Composition of collateral for CCR exposures

Template CCR5 shows the details of the collateral at fair value used in derivative transactions and SFTs, in application of Article 439 (e) of the CRR.

		a	b	c	d	e	f	g	h
		Collateral used in derivative transactions				Collateral used in SFTs			
Collateral type		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
		Segregate d	Unsegregate d	Segregate d	Unsegregate d	Segregate d	Unsegregate d	Segregate d	Unsegregate d
1	Cash - domestic currency	542	524	387	335	-	0	-	9
2	Cash - other currencies	22	-	106	29	-	-	-	-
3	Domestic sovereign debt	-	-	-	-	-	-	-	16,399
4	Other sovereign debt	-	-	-	-	-	-	-	-
5	Government agency debt	-	-	-	-	-	-	-	-
6	Corporate bonds	-	-	-	-	-	-	-	3,241
7	Equity securities	-	-	-	-	-	271	-	276
8	Other collateral	11	-	-	-	-	9,154	-	41,166
9 Total		574	524	494	363	-	9,425	-	61,091

Template EU CCR6 - Credit derivatives exposures

Template CCR6 shows the notional amounts and the fair value of credit derivative transactions (broken down by product type), in application of Article 439 (j) of the CRR.

		a	b
		Protection bought	Protection sold
Notionals			
1	Single-name credit default swaps	25	-
2	Index credit default swaps	63	-
3	Total return swaps	-	-
4	Credit options	-	-
5	Other credit derivatives	-	-
6	Total notionals	88	-
Fair values			
7	Positive fair value (asset)	0	-
8	Negative fair value (liability)	(3)	-

Template EU CCR8 - Exposures to CCPs

Template CCR8 provides details of existing transactions with a CCP, namely a central counterparty, in application of Article 439 (i) of the CRR.

It should be noted that Banco BPM Group carries out transactions only with qualifying central counterparties (QCCP), a qualification that allows a more favourable prudential treatment.

		a	b
		Exposure value	RWEA
1	Exposures to QCCPs (total)		117
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	1,925	39
3	(i) OTC derivatives	122	2
4	(ii) Exchange-traded derivatives	30	1
5	(iii) SFTs	1,773	35
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	433	
8	Non-segregated initial margin	961	19
9	Prefunded default fund contributions	358	59
10	Unfunded default fund contributions	-	-
11	Exposures to non-QCCPs (total)		-
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-
13	(i) OTC derivatives	-	-
14	(ii) Exchange-traded derivatives	-	-
15	(iii) SFTs	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	
18	Non-segregated initial margin	-	-
19	Prefunded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

Section 14 - Disclosure of exposures to securitisation positions

Template EU SEC1 - Securitisation exposures in the non-trading book

Template SEC1 provides details of the securitisation transactions in the banking book, broken down by underlying type and by role played by the Banco BPM Group (originator, sponsor, investor), in application of Article 449 (j) of the CRR.

It should be noted that, as part of traditional transactions, there are no ABCP transactions.

The Banco BPM Group has no securitisation transactions included in the trading book; therefore, template EU SEC2 is not applicable.

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
		Traditional				Synthetic	Synthetic	Sub-total	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total
		STS		Non-STS			of which SRT		STS	Non-STS			STS	Non-STS		
		of which SRT		of which SRT												
1	Total exposures	-	-	13	13	9,313	9,313	9,326	37	14	-	51	385	418	-	803
2	Retail (total)	-	-	1	1	-	-	1	-	-	-	-	251	219	-	470
3	Residential mortgage	-	-	-	-	-	-	-	-	-	-	-	251	-	-	251
4	Credit card	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Other retail exposures	-	-	1	1	-	-	1	-	-	-	-	-	219	-	219
6	Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Wholesale (total)	-	-	12	12	9,313	9,313	9,325	37	14	-	51	134	199	-	333
8	Loans to corporates	-	-	12	12	9,313	9,313	9,325	-	-	-	-	-	93	-	93
9	Commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Lease and receivables	-	-	0	0	-	-	0	37	14	-	51	134	106	-	240
11	Other wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Template EU SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor

Template SEC3 shows the amounts of securitisation positions, in which the Banco BPM Group acts in the role of originator or sponsor, and the related risk-weighted assets and capital requirements, broken down by regulatory approach, including exposures deducted from own funds, in application of Article 449 (k) (i) of the CRR.

It should be noted that Banco BPM deducts all amounts that would have a weight of 1250% from own funds. The exposure values shown in columns a) to d) and f) to h) are net of the deduction, reported in specific columns e) and i).

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	EU-p	EU-q
	Exposure values (by RW bands/deductions)				Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap				
	≤ 20% RW	> 20% to 50% RW	> 50% to 100% RW	> 100% to < 1250% RW	1250% RW/deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW
1 Total exposures	8,886	425	-	48	18	8,872	-	487	18	1,331	-	176	-	106	-	13	-
2 Traditional transactions	14	-	-	48	2	-	-	62	2	-	-	69	-	-	-	5	-
3 Securitisations	14	-	-	48	2	-	-	62	2	-	-	69	-	-	-	5	-
4 Retail	-	-	-	0	1	-	-	0	1	-	-	0	-	-	-	0	-
5 of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6 Wholesale	14	-	-	48	1	-	-	62	1	-	-	69	-	-	-	5	-
7 of which STS	-	-	-	36	-	-	-	36	-	-	-	46	-	-	-	3	-
8 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Synthetic transactions	8,872	425	-	-	16	8,872	-	425	16	1,331	-	107	-	106	-	9	-
10 Securitisations	8,872	425	-	-	16	8,872	-	425	16	1,331	-	107	-	106	-	9	-
11 Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12 Wholesale	8,872	425	-	-	16	8,872	-	425	16	1,331	-	107	-	106	-	9	-
13 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Template EU SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor

Template SEC4 shows the amounts of securitisation positions in which the Banco BPM Group acts in the role of investor, and the related risk-weighted assets and capital requirements, broken down by regulatory approach, including exposures deducted from own funds, in application of Article 449 (k) (ii) of the CRR.

It should be noted that Banco BPM deducts all amounts that would have a weight of 1250% from own funds.

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	EU-p	EU-q
	Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
	≤ 20% RW	> 20% to 50% RW	> 50% to 100% RW	> 100% to < 1250% RW	1250% RW/deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW
1 Total exposures	741	21	-	41	-	-	123	680	-	-	20	204	-	-	2	10	-
2 Traditional securitisation	741	21	-	41	-	-	123	680	-	-	20	204	-	-	2	10	-
3 Securitisations	741	21	-	41	-	-	123	680	-	-	20	204	-	-	2	10	-
4 Retail underlying	470	-	-	0	-	-	-	470	-	-	-	59	-	-	-	5	-
5 of which STS	251	-	-	-	-	-	-	251	-	-	-	25	-	-	-	2	-
6 Wholesale	271	21	-	41	-	-	123	210	-	-	20	145	-	-	2	6	-
7 of which STS	134	-	-	-	-	-	123	11	-	-	20	1	-	-	2	0	-
8 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Synthetic securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 Securitisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11 Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12 Wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Template EU SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments

Template SEC5 shows, for transactions in which the Banco BPM Group plays the role of originator or sponsor, the amounts of exposures in default and the amount of the specific credit risk adjustments made during the current period, broken down by type of underlying exposure, in application of Article 449 (l) of the CRR.

During the first half of 2025, Banco BPM did not carry out new securitisation transactions, as originator or sponsor, with underlying portfolios in default.

		a	b	c
		Exposures securitised by the institution - Institution acts as originator or as sponsor		
		Total outstanding nominal amount	of which exposures in default	Total amount of specific credit risk adjustments made during the period
1	Total exposures	25,114	9,625	133
2	Retail (total)	14,053	8,699	31
3	Residential mortgage	2,911	7	10
4	Credit card	-	-	-
5	Other retail exposures	11,143	8,691	22
6	Re-securitisation	-	-	-
7	Wholesale (total)	11,061	927	102
8	Loans to corporates	10,903	821	102
9	Commercial mortgage	-	-	-
10	Lease and receivables	158	106	-
11	Other wholesale	-	-	-
12	Re-securitisation	-	-	-

Section 15 - Disclosure of market risk

The templates relating to market risk were completed in accordance with Implementing Regulation 2021/637, in force until the entry into force of the "Fundamental Review of the Trading Book (FRTB)" framework.

Template EU MR1 - Market risk under the standardised approach

		a
		RWEAs
Outright products		
1	Interest rate risk (general and specific)	-
2	Equity risk (general and specific)	-
3	Foreign exchange risk	-
4	Commodity risk	10
Options		
5	Simplified approach	-
6	Delta-plus approach	-
7	Scenario approach	-
8	Securitisation (specific risk)	-
9	Total	10

Template EU MR2-A - Market risk under the Internal Model Approach (IMA)

		a	b
		RWEAs	Own funds requirements
1	VaR (higher of values a and b)	204	16
a)	Previous day's VaR (VaRt-1)		5
b)	Multiplication factor (mc) x average of previous 60 working days (VaRavg)		16
2	sVaR (higher of values a and b)	527	42
a)	Latest available sVaR (SVaRt-1)		16
b)	Multiplication factor (ms) x average of previous 60 working days (SVaRavg)		42
3	IRC (higher of values a and b)	762	61
a)	Most recent IRC measure		59
b)	12 weeks average IRC measure		61
4	Comprehensive risk measure (higher of values a, b and c)	-	-
a)	Most recent measurement of comprehensive risk		-
b)	12 weeks average of comprehensive risk measure		-
c)	Comprehensive risk measure - Floor		-
5	Other	-	-
6	Total	1,493	119

Template EU MR2-B - RWEA flow statements of market risk exposures under the IMA

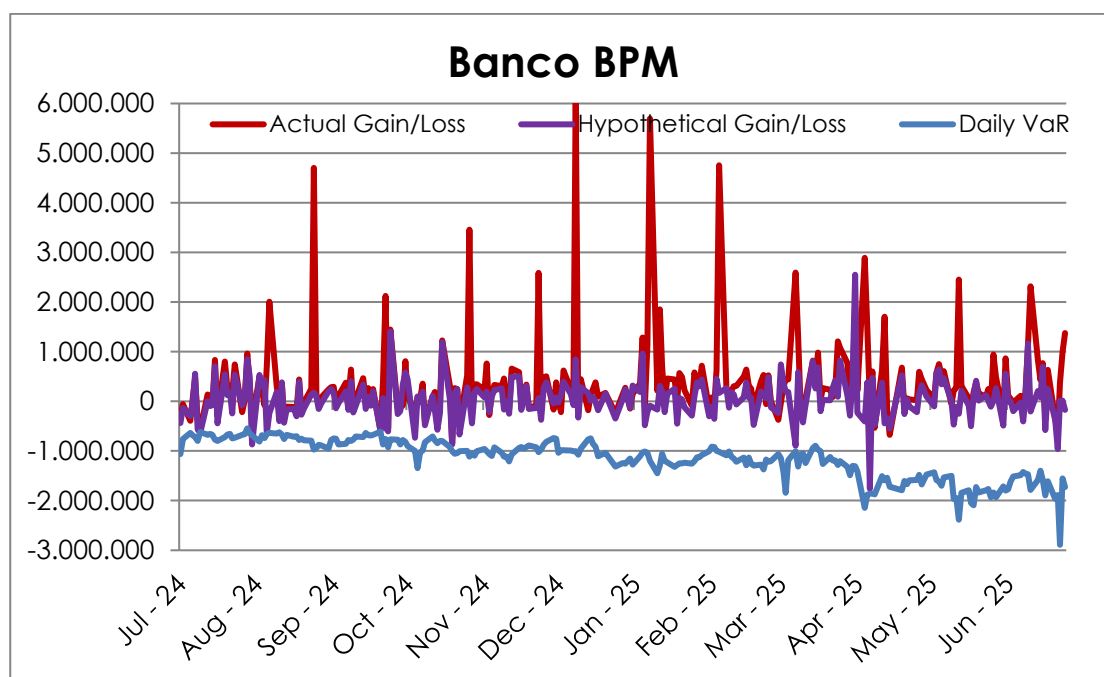
		a	b	c	d	e	f	g
		VaR	SVaR	IRC	Comprehensive risk measure	Other	Total RWEAs	Total own funds requirements
1	RWEAs at previous period end	138	572	714	-		1,424	114
1a	Regulatory adjustment	(90)	(405)	-	-		(496)	(40)
1b	RWEAs at the previous quarter-end (end of the day)	48	167	714	-		928	74
2	Movement in risk levels	(38)	(96)	18			(116)	(9)
3	Model updates/changes							
4	Methodology and policy							
5	Acquisitions and disposals							
6	Foreign exchange movements	58	130				188	15
7	Other							
8a	RWEAs at the end of the disclosure period (end of the day)	68	202	731	-		1,001	80
8b	Regulatory adjustment	136	325	31	-		492	39
8	RWEAs at the end of the disclosure period	204	527	762	-		1,493	119

The increase in the RWEA for exposures subject to market risk is attributable to the SVaR component, due to the sharp increase in the long vega position with respect to the major European stock indexes, in particular SelDiv30, Ftse Mib and Smi, against scenarios characterised by negative volatility shocks.

Template EU MR3 - IMA values for trading portfolios

		a
VaR (10 day 99%)		
1	Maximum value	9
2	Average value	5
3	Minimum value	3
4	Period end	5
sVaR (10 day 99%)		
5	Maximum value	22
6	Average value	15
7	Minimum value	9
8	Period end	16
IRC (99.9%)		
9	Maximum value	67
10	Average value	57
11	Minimum value	45
12	Period end	59
Comprehensive risk measure (99.9%)		
13	Maximum value	-
14	Average value	-
15	Minimum value	-
16	Period end	-

Template EU MR4 - Comparison of VaR estimates with gains/losses



The situation as at 30/06/2025 is as follows:

- Actual Backtesting: no limit exceeded
- Hypothetical Backtesting: two limits exceeded

The exceptions on the P&L of Hypothetical Backtesting on the portfolio are mainly attributable to the widening of the credit spread on financial issues against a short sensitivity position and to the fall in share prices, against long delta positions.

Section 18 - Disclosure of interest rate risk of non-trading book activities

Template EU IRRBB1 - Interest rate risks of non-trading book activities

Starting from the disclosure of 30/06/2025, the quantitative disclosure contained in template "EU IRRBB 1" has been aligned with the ITS IRRBB supervisory reports, applying the mapping proposed by the EBA. In particular, the values contained in the template refer to the "All currency" version, with the application of the weightings envisaged by the relative regulations.

For the semi-annual Pillar III disclosure, in order to maintain consistency with the comparison data reported as at 30/06/2025, the same logic was applied as at 31/12/2024, whose values therefore differ from those contained in the previous disclosure (December 2024).

Supervisory shock scenarios		a	b	c	d
		Changes of the economic value of equity		Changes of the net interest income	
		Current period	Last period	Current period	Last period
1	Parallel up	(1,412)	(1,542)	130	172
2	Parallel down	495	274	(317)	(432)
3	Steepener	161	256		
4	Flattener	66	61		
5	Short rates up	(439)	(309)		
6	Short rates down	588	724		

Section 21 - Prudential disclosures on ESG risks

Qualitative ESG disclosure

As a leading banking institution, the Banco BPM Group (hereinafter also the Group or Banco BPM) is aware of the impact that environmental, social and governance factors can have on its business model, market competitiveness and corporate strategy in terms of risks and business opportunities, as well as the impacts that its operations can have on people and the environment.

Banco BPM also considers support to businesses and individuals in the process of transitioning to a sustainable economy to be fundamental, with particular reference to climate change mitigation and adaptation, which has led to a development of methodologies for assessing the credit rating of its debtors, at the time of the disbursement and throughout the life of a loan, combining the valuation of traditional economic, financial and equity components with the assessment of the most innovative environmental, social and governance components.

In fact, in order to create value and prosper in the Medium/Long term, in addition to the importance of generating profits while maintaining a balanced economic and financial situation, the Group is also aware of the need to be well governed (i.e. it must have adequate governance based on orderly and effective internal processes, with clear allocation of roles and responsibilities), to be able to effectively use new technologies (for example by digitising the production and marketing processes of products), to support the territory in which it operates by interacting with the communities it comes into contact with and, lastly, to mitigate its direct and indirect impacts on the climate and the environment, with the aim of eliminating them in the long term, at the same time adapting to the consequences of ongoing adverse climate change events.

As discussed in more detail later in the document, these considerations were integrated by the Group within its Strategic Plan, the main business and financial planning processing, intervening in the following areas:

- **Business Model.** Also as a result of membership with the Net-Zero Banking Alliance (NZBA), Banco BPM has launched a process of decarbonisation in relation to its loans and securities portfolios that envisages the development of multiple projects: customer engagement, exclusion policies, divestment, acquisition of new skills, development of new tools and products, assessment of portfolio risk alignment and exposure, adoption of new strategies and policies to grow the customer base;
- **Credit policies.** The framework applied for the definition of credit strategies, integrated with ESG factors, makes it possible to assess for each counterparty both the climate transition risk, and the impacts that unfavourable physical events could have on the customer's production assets and consequently on their operational continuity, as well as on the value of collateral pledged as security. In addition, the presence of mitigation elements with respect to adverse climate events is investigated;
- **Management and measurement of risks.** The Bank carries out materiality assessment and transparency activities aimed at assessing and measuring the potential current and future impact of climate and environmental risk factors on the Group's risk profile. Together with the adoption of specific indicators used to govern and monitor the main ESG risk factors, these activities make it possible to provide useful information to feed the Group's decision-making and operating processes;
- **IT Architecture & Data Governance.** In order to integrate and manage ESG data, Banco BPM has implemented suitable IT infrastructure development activities, setting up and using a dedicated data warehouse.

Table 1 - Qualitative information on Environmental risk

in accordance with Article 449a CRR

Row number	Qualitative information - Free format
	Business strategy and processes
a)	Institution's business strategy to integrate environmental factors and risks, taking into account the impact of environmental factors and risks on institution's business environment, business model, strategy and financial planning The Group's ESG vision was defined in the 2023-2026 Strategic Plan approved by the Board of Directors of Banco BPM in December 2023 and was reconfirmed on 12 February 2025 with the approval and presentation to the Market of the 2024-2027 Strategic Plan, which extended the targets to 2027. Defining the Group's strategic ambition in all sustainability areas, the Plan is based on solid pillars to support customers and the community, aiming for sustainable growth in governance and business models, as well as the creation of value for all stakeholders. The Strategic Plan reflects the outcome of a path towards growth and innovation that Banco BPM has undertaken in recent years, also through the increasing integration of sustainability factors. In particular, with reference to the main strategic goals of the Plan relating to the Environmental and Business component, Banco BPM confirms its intention to: 1. Support Group customers in their transition process, by offering advisory and commercial products and services; 2. Strengthen the management and monitoring of climate and environmental risk; 3. Consolidate the Bank's leadership role as issuer of ESG bonds and the integration of ESG logic in the investment of its own financial resources; 4. Continue to reduce the environmental impact of Scope 1 and 2 greenhouse gas emissions. Joining the Net Zero Banking Alliance (NZBA), deliberated in March 2023, is the core of this strategic vision, which commits the bank to align its credit and investment portfolio to achieving net zero emissions by 2050. In relation to this commitment, in August 2024, Banco BPM published the decarbonisation targets to 2030 for the 5 most emissive sectors present in its Loans and Securities portfolios: Automotive, Cement, Coal, Oil & Gas and Power Generation. In particular, as regards the sectors directly linked to coal, Banco BPM opted for the application of a run-off strategy by 2026, confirmed in the update of the 2024-27 Strategic Plan. In May 2025, Banco BPM published the NZBA Transition Plans, which outline the short-term actions already in place, and the medium/long-term actions to be implemented to achieve the targets. Banco BPM's Net-Zero strategy, expressed in the main business processes, is based on the development of a commercial offer and investment decisions that are able to fully meet the needs of customers who have to decarbonise their production

processes and make consumption more energy efficient, with consequent benefits on the decarbonisation of Banco BPM's loans and securities portfolios.

In order to align company activities with the commitments undertaken within the NZBA, Banco BPM has integrated data and targets in the **tools and processes for guiding, evaluating and reviewing the loan and investment activities of the proprietary portfolio**.

In the **credit** area:

- Banco BPM has progressively integrated ESG factors within the credit policies Framework. 100% of credit resolutions on companies in the Large Corporate and Corporate commercial segments, operating in highly emissive sectors, are subject to ESG assessment.
For more information on the integration of ESG factors in credit policies, please refer to the paragraph below "credit policies".
- In the process of defining the credit strategy of a Large Corporate and Corporate counterparty, following the assessment of the alignment of current and prospective emission intensities with the NZBA 2030 targets of Banco BPM, the possibility of intervening through notching is added. In particular, to support the decision-making processes, a climate sustainability assessment sheet has been developed that allows a summary and integrated assessment of the counterparty/transaction during the due diligence stage, aimed at the disbursement of a loan or the purchase of a security of a counterparty included in the most emissive sectors.
- The Group has also developed a commercial offer of loan products provided to support the "ESG transition" of its customers. The main strategic objective is to enhance the existing range of products (rationalising it where necessary) in order to meet the needs of customers in the transition to Net-Zero and to encourage further development of investments in the Renewable Energy sector. To this end, Banco BPM will also continue to focus on structured finance or ordinary finance solutions that support customers in the process of reducing greenhouse gas emissions. For more information, please see the section "Commercial Offer".

With reference to the **proprietary portfolio**, Banco BPM assesses the issuing companies and their governance, also from an ESG perspective, using the information available for this purpose. In particular, the Group uses the classification provided by a leading external info-provider to identify/assess the ESG bond issues to be included in the Bond portfolio. Specifically, in the "Guidelines for the integration of sustainability factors in the investment strategies of the proprietary portfolio", the following are envisaged:

- Exclusion criteria, aimed at avoiding investments in issuers whose activities or sectors could worsen the Group's ESG profile;
- Inclusion criteria, through which the bank undertakes to encourage investments in companies that are most active in the field of environmental responsibility and respect for human and minority rights, as well as investments in bonds aimed at financing environmental and social projects as well as projects for improving the issuer's governance.

These criteria also integrate specific references to the NZBA sectors.

With regard to the non-government portfolio owned by the Group, as at 30 June 2025, the ESG Bonds included in the scope were 2.6 billion euro, of which approximately 1.9 billion euro represented by Green Bonds.

Lastly, as will be better explained in letter d) of this disclosure on environmental risks, the Group is also strongly committed to providing advice to customers in the ESG area. With regard to this activity and specifically the Bank's commitments in the Net-Zero area, in particular, the enhancement of specific technical skills/knowledge of the current specialist staff who provide support to the commercial networks is being assessed.

In this context, it should be noted that Banco BPM has already prepared and applied a series of **Guidelines, Frameworks and operational documentation** to regulate the Group's operations in the ESG area. In addition to the credit policies mentioned above, and the proprietary portfolio policies, the Group has set in place:

- Guidelines on the management of environmental and energy issues and the fight against climate change.
- Guidelines on sustainable investments, with a view to integrating ESG factors in the provision of investment activities and services.
- A Framework for ESG bond issues, updated starting from 2023, to incorporate the Taxonomy-alignment criteria.¹¹

Credit policies

The assessment of ESG factors and the impacts of potential climate change-related risks on the economic and capital prospects of the companies to which Group is exposed, have been integrated into the credit policy framework since 2022.

Over the years, the assessment of ESG factors has become increasingly important in the credit granting and monitoring process; the credit policy framework, in particular, has been enriched with specific components, such as:

- **Transition Risk** - a transition risk is associated with each counterparty on the basis of the economic sector of activity (NACE) in which it operates, and specific information on the company if available, expressed on a five-class scale: Very High, High, Medium, Negligible, Green.
- **Physical Risk** - the assessment of the assets of counterparties requesting loans includes the physical risk component, which has two meanings: a) counterparty risk, which measures the degree of impact of climatic/physical phenomena on the operations (production assets) of business customers, and consequently on their operating continuity and solvency, for which the presence of mitigating elements is required, represented for example by adequate insurance cover; b) the risk associated with collateral, therefore the impact that climatic/physical phenomena may have on the value of the assets used as collateral for the loans granted and, consequently, on the probability that the Bank would be able to recover its losses in the event of default.
- **ESG questionnaire** – whose objective is to understand how the counterparty manages ESG risks, and what strategic actions it has taken in the medium/long-term. This objective is achieved by obtaining both qualitative data (strategies/policies/plans aimed at mitigating ESG risks) and

¹¹ For more information on the Bank's operations in relation to the issue of "sustainable" bonds, please refer to the paragraph "Green, Social and Sustainability Bonds"

	quantitative data (e.g. GHG emissions) in order to objectively measure ESG risk and assess the reduction plans over time. The questions are differentiated by sector. Since 2023, the mandatory completion of the ESG questionnaire has been extended to all large counterparties and/or those operating in sectors with high/very high transition risk and/or in sectors with the greatest impact in terms of greenhouse gas emissions, and that the bank has identified as part of the NZBA target setting activity, as well as for all customers who prepare a Non-financial statement; while from 2025, the mandatory scope has also been extended to counterparties with medium transition risk and those with high or very high acute physical risk. The enhancement of the questionnaire envisaged: a) the introduction of questions related to the customers' green transition process (questions on emissions baseline, targets, etc.); b) a request to disclose any mitigating factors regarding physical risk (adoption of specific business continuity plans and/or, starting from the end of 2024, the purchase of insurance policies and/or structural interventions and/or specific guarantees from the parent company); c) the introduction of specific questions aimed at integrating assessments by considering also social and governance aspects, where two "fatal" questions were identified, one for each section ("S" and "G"), aimed at identifying any dispute situations and/or pending court cases, also with reference to corruption and anti-money laundering activities. During 2024, specific projects were activated and implemented to refine the disclosure's accuracy and integrity, also for new customers, and the consistency of the information contained in the ESG Questionnaire with what is defined at prospective level by the customer's Business Plan through a "Forward Looking" assessment. The forward-looking financial sustainability assessment is carried out using the "Forward Looking" tool, which also incorporates ESG factors, through the collection of information relating to emission reduction plans (decarbonisation curve) and the consequent assessment of the impacts in terms of investments, costs and revenues deriving from the transition process and the costs of hedging physical risk, where present, allowing greater consistency between corporate sustainability projections and ESG issues. From this point of view, the mandatory scope of compilation of the "Forward Looking" tool was extended to counterparties operating in "NZBA sectors" and to those with a high and very high transition risk. The forward-looking financial sustainability assessment carried out using the tool, therefore, also incorporates the impact of ESG variables, represented by (Scope 1 and 2) emissions, by the investments necessary for the ESG transition and by the costs of hedging physical risk, where present. The forward-looking economic and financial assessments contribute to the definition of the credit strategies, associated with each counterparty, in the process of granting loans and are subject to quarterly monitoring.
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	From 2023, specific evaluation criteria were introduced for the five most emissive sectors selected by the Bank as part of its commitment to the NZBA. These sectors are subject to more stringent credit strategies, in particular with regard to those counterparties that do not draw up Sustainability reporting or a Non-Financial Statement and which, in general, have not begun a transition process. In particular, as part of the transition risk assessment, the score is calculated on the basis of point data on the counterparty's greenhouse gas emission intensities and their distance to sectoral decarbonisation trajectories. During 2025, the alignment of the targets of the Corporate and Large Corporate counterparties¹² falling within the NZBA scope with respect to the bank's targets, represented an additional element of assessment in the definition of the credit strategy. The application of a run-off strategy towards coal-related sectors, which are strongly impacted by the climate transition, is confirmed, consistent with the objective of progressively reducing their exposure to zero by 2026, as indicated in the Strategic Plan. With respect to counterparties operating in the Construction and Real Estate sectors, the assessment of transition risk is made based on the energy class of the property purchased or the property development being financed. Throughout 2023, in addition to strengthening the analysis of the financial sustainability of real estate initiatives through the adoption of specific Key Risk Indicators (KRIs), work began on aligning the requirements for the classification of Green real estate investments with the technical requirements of the European Union Taxonomy and incorporating physical risk assessments on the collateral asset. In 2024, the Bank identified the transition risk levels relating to Real Estate assets, through a standard scale with 5 risk categories (Very High, High, Medium, Negligible, Green) and undertook a similar exercise with counterparties in the Construction sector. Furthermore, the entire framework of credit policies seeks to accompany the transition process of companies by differentiating the commercial offer through the placement of loan products with ESG KPIs and products aimed at hedging ESG investments. The above-mentioned activities are monitored by the Credit Policies structure, in terms of assessing the ESG risk dynamics of the loan portfolio, with focus on assessing the correct use of the framework (completion of the ESG questionnaire and use of targeted loans). <i>Commercial offer of the Group</i> <i>Loans to business customers</i> During 2025 Banco BPM reiterated its commitment to the "ESG transition" of its customers as an integral part of the commercial offer proposed by the Group.
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¹² Companies with turnover > 75 million euro and Structured Finance transactions

	This commitment has materialised, in particular, through the continuous evolution of the range of financial products, also with a view to increasing the awareness of Business customers of the importance of ESG issues. A summary of the main catalogue solutions aimed at supporting the green transition of business customers is provided below: Unsecured Sustainable Business Loan: In line with the foregoing and in response to developments in the regulatory and market context, the design of the new "Sustainability Linked Loan" financing product was completed. This financing solution allows business customers to access resources without restrictions on the allocation of funds, rewarding companies that effectively improve their ESG performance by reducing the interest rate applied, following the achievement of sustainability objectives monitored annually. The product concept was designed according to the guidelines set forth in the "Sustainability Linked Loan Principles" of the Loan Market Association. The "Sustainability Performance Targets" of the individual Key Sustainability Indicators are defined considering the main statutory references and sector sustainability objectives envisaged both at national and international level. Transition 5.0 Approach: The "Transition 5.0 Approach" financing solution allows business customers to access all medium and long-term instalment products available in the catalogue from both an ordinary and subsidised perspective. The "Transition 5.0 Approach" is a solution that supports companies that intend to evolve their production processes towards more efficient, sustainable and/or renewable energy-based models in strict compliance with the provisions of the Transition Plan 5.0 measure established by the Italian government¹³, with the aim of supporting the digital and energy transition process of companies. Approach to Green Transition: The financing solution "Approach to Green Transition" enables companies to achieve their "low carbon" investment plans in line with EU environmental targets¹⁴. By following the methodology proposed with the "Approach to Green Transition", the transition paths of Italian companies and/or the construction of plants that produce energy from renewable sources are supported and enhanced. Unsecured Loans for Companies Green Taxonomy: The Unsecured Loans for Companies Green Taxonomy is the catalogue solution intended primarily for companies whose economic sectors are eligible for the EU Taxonomy and, specifically, for counterparties subject to the obligation to prepare a "sustainability report"¹⁵. The aim of the financing product is to support companies in realising investments designed to increase the alignment of their economic activities to the technical
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¹³ Specifically, these are incentive measures as part of the decree revising the NRRP (art. 38 of Italian Law Decree no. 19/2024 converted into law 56/2024)

¹⁴ Reference is made to mitigation and adaptation to climate change, protection of water and marine resources, circular economy, biodiversity prevention and pollution prevention

¹⁵ Reference is made to companies subject to Directive 2014/95/EU (NFRD), or companies subject to Directive 2022/2464/EU (CSRD)

	screening criteria of the EU Taxonomy. Certification by an independent third party attesting to the alignment of the investment is always required, both prior to contracting and upon project completion. • SACE Growth Guarantee: In line with the objective of supporting the business customers most engaged in transactions of strategic importance for the Italian economy (e.g. internationalisation, economic security, activation of production and employment processes), in "Green" investment transactions and in transactions involving infrastructure (including social ones), local public services, technological and digital innovation and working capital, at the end of March 2025, the Bank joined the Guarantee agreement proposed by SACE in order to offer solutions for loans backed by the "SACE Growth guarantee". This Agreement has made it possible to simplify and standardise the previous SACE Futuro, Green and Archimede guarantees, unifying them under a single regulation for loans of up to 50 million euro. Transactions can be Green or NON-Green. Among the many purposes of the loan envisaged, SACE also identifies those of a truly Green nature: all the green cases envisaged by the application form called GREEN SME and the areas "Transition, clean and circular economy and sustainable mobility" and "Adaptation/mitigation, sustainability/climate resilience" of the Domestic Market MID & Large Corporate Request Form. • Other commercial initiatives: In addition to the ordinary offer, it is worth highlighting Banco BPM's participation in the main bank financing pools, which cover interventions in both green project finance and infrastructure, as well as supporting the transition of industrial and technology groups. By way of example, operations to be financed may include plants for the production of energy from renewable sources, technological infrastructure development work and interventions for the decarbonisation of production processes, both nationally and internationally. <i>Loans to Individuals</i> With reference to Private customers, the main instrument offered by Banco BPM is the green mortgage, introduced by the Bank in order to incentivise its customers' energy requalification through the disbursement of mortgages with a "green factor" clause¹⁶. This clause offers subscribers a discount on the rate against specific efficiency improvement works carried out on the property purchased, provided they are guaranteed:
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¹⁶ The offer covers all mortgages taken out for the purposes of purchase, construction, renovation and purchase with simultaneous renovation, with the exception of those taken out for subrogation, liquidity or commercial purposes

	○ a reduction in energy consumption of at least 30%; or ○ an improvement in the energy rating of the house by two classes¹⁷. The mortgages in this scope were awarded the Energy Efficient Mortgage Label (EEML)¹⁸, a quality and transparency label promoted by the European Commission for best practices in the energy-efficient mortgage market. In order to develop the product catalogue with a more complete green mortgage offer aligned with that of the main players in the market, in October 2023, Banco BPM launched a "promo" on mortgages for the purchase of a property in energy class A or B. In 2024, it increased the value of the discount from 10 to 20 bps. In 2025, the CRIF simulator "Green BEES®" was made available to customers, a tool that can be accessed from the "Loans" menu of the <i>YouWeb internet banking</i> portal, which allows them to easily discover the benefits related to the energy efficiency of the properties examined, both in terms of reducing consumption and in terms of possible tax deductions. Starting from some simple data on the property, the Green BEES® calculation engine returns a complete list of possible building and plant interventions, which could improve the energy efficiency of the property, providing an estimate of any costs to be sustained and potential savings in both economic and energy terms. In addition, Green BEES® provides an estimate of the initial energy class, and the class that can be attained after the suggested energy efficiency measures, an estimate of the potential savings deriving from the tax benefits available from time to time and an estimate of the potential impact of the interventions on the market value of the property. With the launch of this service, Banco BPM confirms its commitment to increasing the awareness of Customers and Colleagues with respect to the benefits of energy efficiency in residential properties. <i>Green, Social and Sustainability Bonds</i> The Group consistently works to secure appropriate resources on financial markets to channel towards specific sustainable activities through the issuance of its own bonds with ESG characteristics. With regard to its own issues, at present bond issues are carried within the Green, Social and Sustainability Bonds Framework¹⁹ (GSS Bonds Framework), a document aimed at governing the raising of funds to be used to finance projects with environmental and social impact in accordance with ICMA Principles.
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¹⁷ The reduction in consumption is measured as a change in the overall non-renewable Energy Performance Index (EPgl, nren), while the improvement of two classes in the energy rating of the house is measured through the Energy Performance Certificate (APE) before and after the works

¹⁸ Initiative to create a standardised European-wide energy efficiency mortgage to encourage the renovation of buildings and the purchase of highly efficient properties through favourable financial conditions

¹⁹ In this document, Banco BPM describes its ESG approach and the eligibility criteria of the green and social projects that it intends to finance with the proceeds from the issues, the rules and processes for management of the related income, as well as the reporting commitments relating to the allocation and impacts made by the Bank

	The GSS Bonds Framework, the first version of which was published in 2021, was updated in November 2023 according to the most recent market standards²⁰. The updating of this document has allowed the achievement of various targets on which to align with best market practices, cover a wider range of activities and include alignment with the European Taxonomy for some eligible assets. The categories of assets that can be financed with the proceeds collected through the issue of green bonds are as follows: • Mortgages to individuals and residential and commercial construction (<i>aligned with the EU Taxonomy or other "green" criteria reported in the GSS Bonds Framework</i>); • Renewable Energy (<i>Solar, Wind, Hydroelectric and Biomass Energy aligned with the EU Taxonomy and geothermal energy and infrastructure aligned to the criteria reported in the GSS Bonds Framework</i>); • Production of organic base chemicals (<i>aligned with the EU Taxonomy</i>); • Energy efficiency; • Pollution prevention and control; • Sustainable water infrastructure; • Green transport; • Green guarantees; • Sustainable agriculture. All activities with potentially negative or controversial environmental or social impacts are not considered - and are therefore excluded. Specifically, any kind of investment related to the use of fossil fuels, the armaments sector or the tobacco and gambling sectors are excluded, as are investments finalised at the production of nuclear energy. In order to ensure full transparency on the allocation of the proceeds of the issue and the related social and environmental impacts, in accordance with the ICMA principles, a report on the allocation and impacts is expected to be provided to the market at least on an annual basis throughout the remaining life of each bond issued. In particular, in June 2025, the Green, Social & Sustainability Bonds Report was published, containing data and information on the allocation of the proceeds of the bonds issued and an estimate of the positive environmental and social impacts achieved as at 31 December 2024. Based on data updated as at 30 June 2025, the Group's eligible portfolio, under the GSS Bonds Framework, was approximately 9.7 billion euro, of which 5.6 billion euro represented by "eligible green loans".
b)	Objectives, targets and limits to assess and address environmental risks in the short-, medium- and long-term, and performance assessment against these objectives,

²⁰ ICMA Green Bond Principles (June 2021, with June 2022 appendix), ICMA Social Bond Principles (June 2023), ICMA Sustainability Bond Guidelines (June 2021) and EU Taxonomy

c)	targets and limits, including forward-looking information about the design of business strategy and processes Current investment activities and (future) investment targets towards environmental objectives and EU Taxonomy-aligned activities As already specified in letter a), with reference to the NZBA, in line with that defined in the Strategic Plan, in August 2024 Banco BPM published the decarbonisation targets to 2030 for the 5 most emissive sectors present in its Loans and Securities portfolios and in May 2025, the NZBA Transition Plans were published, which outline the short-term actions already in place and any medium/long-term actions to be implemented to achieve targets. For more information on the transition plan, please refer to letter a) of this section as well as the document "Transition Plans"²¹. In addition to the above, with the 2024-2027 Strategic Plan, Banco BPM has set a target for new medium/long-term Low-Carbon disbursements²², which includes green lending products (targeted loans, project financing and SLL) and ordinary loans granted to specific sectors classified as "green" or with a low exposure to climate-related risk factors, amounting to at least 7 billion euro for 2027. In order to support the achievement of this target, the Bank has started to enrich and rationalise its product catalogue as well as the allocation to the commercial networks of specific objectives in terms of volumes disbursed, in full compliance with the specific KPI introduced in the Group's strategic RAF. With regard to the second strategic goal (strengthening the management and monitoring of climate and environmental risks), the Plan's update reiterates the intention to pursue the activities aimed at the full implementation of the "ESG diagnostic tool" (ESG questionnaire) to integrate the credit policies defined by the Group. 100% of credit resolutions on companies in the Large Corporate and Corporate commercial segments, operating in highly emissive sectors, are currently subject to "ESG assessment"²³. With regard to the third goal, the Strategic Plan confirms Banco BPM's objective of consolidating its leadership role in the "ESG issues" market. In particular, the target in the previous Strategic Plan, which envisaged "Issues of Green, Social and Sustainable bonds" of at least 5 billion euro in the 2024-2026 three-year period, was also replicated for the 2025-2027 three-year period in the updated Plan. In order to achieve the target, the Bank has planned a series of actions relating to IT processes and data that will make it possible to more accurately identify the eligible assets within the portfolios. The Group is also operating on the financial markets to raise resources to finance ESG sustainable projects, both through the placement of its own ESG bond issues and by providing support to other issuers.
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²¹ See https://gruppo.bancobpm.it/media/dlm_uploads/Banco_BPM_Net-zero_Banking_Alliance_Transition-Plans.pdf

²² New loans to households, companies and businesses with a maturity of more than 18 months

²³ For an in-depth analysis of the actions and developments implemented by the bank on this issue, please refer to the paragraph "credit policies"

Through the work of Banca Akros, Banco BPM has set itself the objective to participate in the placement of ESG bonds, as joint bookrunner or joint lead manager, for a total value of at least 19.5 billion euro in the 2025-2027 three-year period.

The Group also integrates ESG logic into its investment decisions in order to consciously direct its financial resources and, in this regard, has defined a specific Strategic Plan target, with the aim of reaching at least 40% of ESG bonds in its non-government portfolio at the end of 2027. The main actions carried out to achieve this included a refocusing of investments towards those attributable to the companies most committed to addressing environmental and social sustainability issues, as well as decarbonisation if belonging to the most emissive sectors identified as a result of membership of NZBA. This refocusing was achieved through the use of the inclusion and exclusion criteria defined in the Guidelines for the integration of sustainability factors in the investment strategies of the proprietary portfolio, already described in letter a) of this section.

With reference to the last goal indicated - relating to the direct and indirect environmental impact of the Bank's activities - the Group has been engaged for some time in monitoring/managing consumption and reducing GHG emissions in order to obtain a gradual improvement of its environmental footprint (Carbon Footprint from own operations).

In this perspective, the updated Strategic Plan integrates the energy consumption reduction target (Scope 1 and 2) indicated in the 2023-2026 Plan, setting a target for the reduction of Scope 1 and 2 emissions for 2027.

The pursuit of the Group objectives defined in the Strategic Plan is subject to careful monitoring through a reporting dashboard, presented quarterly to the Board of Directors.

The following table summarises the main environmental and "ESG Finance" indicators of the 2025-2027 Strategic Plan, with an indication of the respective values achieved as at 30 June 2025.

ENVIRONMENT		
	TARGET 2027	Status 1H 2025
• Low-Carbon New M/L Term financing ²⁴	€7,0bn	€4,3bn
• Direct Energy consumption ²⁵	< 472 kGj	241 kGj
• Scope 1&2 direct emissions market-based ²⁶	10,9 ktCO ₂ e	6,2 ktCO ₂ e

²⁴ New loans to Households, Companies and Businesses with an original due date of > 18 months, including green lending products (targeted loans, project financing and SLL) and ordinary loans granted to sectors classified as "green" or with low exposure to climate transition risk drivers

ESG FINANCE

	TARGET	Status 1H 2025
• Issue of Green, Social & Sustainable Bonds	€5,0bn 2025-27	€1,25bn
• Share of ESG bonds in the Corporate bond proprietary portfolio (banking book) ²⁷	40% YE 2027	39,8%
• ESG bonds issues as Joint Bookrunner/Lead Manager	€19,5bn 2025-27	€7,25bn

Net-Zero Banking Alliance (NZBA) Targets

As previously highlighted, Banco BPM took the decision to join the NZBA in March 2023 following a thorough internal assessment aimed at ensuring a fully informed decision.

In August 2024, Banco BPM published the decarbonisation targets to 2030 for the 5 most emissive sectors present in its Loans and Securities portfolios: Automotive, Cement, Coal, Oil & Gas and Power Generation.

To this end, the 2050 “net-zero” scenarios proposed by the best market standards (International Energy Agency - IEA) were applied to the Bank's loans and securities portfolios, based on the situation recorded as at 31 December 2022 which, therefore, represents the NZBA base year.

The target setting methodology was based on what is called the “physical WACI²⁸” metric, which represents the weighted average per used (loans and securities) of total CO₂ equivalent emissions of each counterparty with respect to the output quantities which generated those emissions, typical of the business sector the entity belongs to. In order to estimate the inertial path of the portfolio from the starting point until 2050, the metric is projected from a static balance sheet perspective for each counterparty based on the available information or the published transition plans or, alternatively, by projecting the business metric of the sector to which it belongs using the STEPS²⁹ and APS³⁰ inertial scenarios produced on a scientific basis by the IEA.

Below are the 2030 targets for each of the five “NZBA sectors” (expressed as a percentage reduction from the end of 2022 of the weighted average emission intensity based on exposure to Large Corporate and Corporate counterparties³¹).

- **Automotive:** 48% reduction in emission intensity recorded at the end of 2022 (0.45 million tonnes of CO₂e per billion passenger-kilometres travelled by

²⁵ Excluding properties rented to third parties

²⁶ Excluding HFC gas leaks

²⁷ Share on Corporate and Financial securities managed by the Finance Department

²⁸ Weighted Average Carbon Intensity

²⁹ Stated Policies Scenario

³⁰ Announced Pledges Scenario

³¹ Counterparties with turnover exceeding 75 million euro

vehicles sold). The target takes into account the Scope 1, 2 and 3 emissions of the counterparties in the portfolio, which include HGV manufacturers.

- **Cement:** reduction of 23% in the emission intensity recorded at the end of 2022 (0.50 tonnes of CO₂e per tonne of cement product). The target takes into account the Scope 1 and 2 emissions of the counterparties in the portfolio.
- **Coal:** run-off by 2026 of exposures to counterparties operating mainly in the Coal sector.
- **Oil & Gas:** 14% reduction in emission intensity recorded at the end of 2022 (60.7 grammes of CO₂e per megajoule of oil/natural gas produced or distributed). The target takes into account the Scope 1, 2 and 3 emissions of the counterparties in the portfolio.
- **Power Generation:** 56% reduction in emission intensity recorded at the end of 2022 (0.17 tonnes of CO₂e per megawatt-hour of energy produced). The target takes into account the Scope 1 and 2 emissions of the counterparties in the portfolio.

Considering that the Scope 3 emissions of the counterparties are only relevant for the Automotive and Oil & Gas sectors, the five most emissive sectors selected by Banco BPM are representative of approximately 75% of the total emissions financed to companies operating in the emission-intensive sectors, as identified by NZBA.

The table below summarises the 2030 targets:

Sector	Emission Intensity		% change by 2030
	Metric	Starting point 31/12/2022	
AUTOMOTIVE (Scope 1, 2 & 3)	Million tons of CO ₂ e per billion passenger-kilometers traveled by vehicles sold	0.45	-48%
CEMENT (Scope 1 & 2)	Tons of CO ₂ e per ton of cement products	0.50	-23%
COAL	Run off of the exposure by 2026		-100%
OIL & GAS (Scope 1, 2 & 3)	Grams of CO ₂ e per megajoule of petroleum product/natural gas produced or distributed	60.7	-14%
POWER GENERATION (Scope 1 & 2)	Tons of CO ₂ e per megawatt-hour of energy produced	0.17	-56%

For more information on the NZBA targets, please refer to the transition plans published by the group in May 2025, which also include a report on the progress achieved at the end of 2024³².

Banco BPM therefore continues its alignment with the Net Zero objective, by defining and implementing the necessary actions in its strategies, aimed at

³² Please refer to https://gruppo.bancobpm.it/media/dlm_uploads/Banco_BPM_Net-zero_Banking_Alliance_Transition-Plans.pdf

	supporting companies in their transition paths, constantly monitoring the evolution of their most emissive portfolios and their contribution in terms of emissions financed to the Group's overall Carbon Footprint.
d)	Policies and procedures relating to direct and indirect engagement with new or existing counterparties on their strategies to mitigate and reduce environmental risks In order to support customers and companies in their paths towards a carbon-free economy, ensuring that their strategies are aligned with the objectives and Transition Plans, Banco BPM has launched and is developing a series of projects aimed at sharing experiences and information with customers and other financial institutions, as well as through the promotion and participation in webinars, events and round tables and the creation of partnerships. As part of Banco BPM's projects for customers, the sharing of knowledge and resources dedicated to ESG awareness with the business world is also conveyed through the ESG Factory project, which envisages the organisation of meetings, conferences and initiatives, in collaboration with Universities, Entities, Institutions and qualified partners and the involvement of Group colleagues. ESG Factory aims to provide concrete support to companies that wish to embark on a sustainable transition path through the disbursement of free ESG training. Among the future projects, the integration of specialised modules is envisaged, with a view to the greater involvement of customers in issues relating to climate transition, with a focus on NZBA Transition Plans (e.g. through webinars). During 2024, 1,800 hours of training were provided to companies. For customers who wish to embark on or accelerate their paths towards a sustainable transition, Banco BPM can make qualified partners available to them, to provide advisory and assistance services on sustainability issues, among which Finservice, which specifically offers an in-depth "check-up" in the ESG area, in order to embark on a structured path towards a sustainable transition, and a set of ESG services modulated according to different needs. Lastly, as already described in letter a) of this section, to which reference should be made for more information, the impacts of potential risks linked to climate change on the economic and financial prospects of customer companies are assessed as part of credit policies. The ESG assessment requires the customer to fill out a questionnaire differentiated by customer sector, which seeks to understand how the counterparty manages ESG risks and what strategic actions it has taken in the medium/long-term. This objective is achieved by obtaining both qualitative data (strategies/policies/plans aimed at mitigating ESG risks) and quantitative data in order to objectively measure ESG risk (e.g. GHG emissions) and assess the reduction plans over time. Banco BPM is aware that in order to provide more effective support to customers in defining strategies to mitigate and reduce environmental risks, the other stakeholders need to be informed and involved, in particular other financial institutions, as well as governments and the public sector. To this end, the Group has consolidated and perfected engagement activities with its stakeholders, including territorial committees, financial market operators, universities, employees, consulting companies, on one hand, through the periodic distribution of an online questionnaire to be completed, and on the other hand, by participating in ESG banking conferences and meetings with investors and credit rating agencies on ESG issues (e.g. active participation in the ICMA Principles). As part of the dialogue with governments and the public sector, Banco BPM participated in the "High Level Forum for Sustainable Building Renovation", organised by the European Commission, and coordinated the Italian roundtable of the Energy Efficient Mortgages Initiative of the European Mortgages Federation (EMF). In addition, the Bank will assess the further involvement of public sector stakeholders in the form of dialogue with government executives and leaders,

	feedback on the consultation processes of regulators and legislators, as well as the publication of research and reports.
	Governance
e)	Responsibilities of the management body for setting the risk framework, supervising and managing the implementation of the objectives, strategy and policies in the context of environmental risk management covering relevant transmission channels The Group has adopted an integrated governance model with the aim of addressing sustainability issues in an increasingly effective way. In particular, the Board of Directors is responsible for the strategic supervision and management of the Bank, to be conducted also with a view to "sustainable success", understood as the creation of long-term value to the benefit of shareholders, taking into account the interests of other relevant stakeholders. In this context, the Board of Directors defines the Group's socio-environmental policies. At its meeting of 26 April 2023, following the renewal of the corporate bodies by the Shareholders' Meeting, the Board of Directors set up a specific Sustainability Committee in order to further develop what had been ensured up to then by the Internal Control, Risk and Sustainability Committee (renamed the Internal Control and Risk Committee - ICRC). The Sustainability Committee offers support in the assessment and in-depth analysis of ESG issues related to the Bank's operations and in the approval of strategic guidelines and policies on sustainability, including the social and cultural responsibility model and the fight against climate change, helping to ensure the best control of risks and taking into account the objectives of solid and sustainable creation and distribution of value for all stakeholders. The Board of Directors is also responsible for approving the Regulations, including in the area of sustainability, and the Code of Ethics. On the other hand, the Chief Executive Officer is responsible for approving the Bank's Guidelines, including those relating to sustainability issues (such as, by way of example but not limited to, the: "Guidelines on the management of environmental and energy issues and the fight against climate change"; "Guidelines on respect and protection of human rights" updated in July 2025; "Guidelines on the integration of sustainability risks in the provision of investment services to customers", updated in April 2025; "Guidelines regarding operations in the weapons materials and systems industry" updated in March 2025; "Guidelines for the integration of sustainability factors in the investment strategies of the real estate portfolio"). With specific reference to the Code of Ethics, it is worth pointing out that the Group's statement of values contained therein makes explicit reference to the areas of sustainability, equity, protection of human rights and combating climate change, together with the specific references of international regulations on sustainability, in order to ensure an improved formalisation of ESG topics. The Board of Directors also defines the guidelines and coordination policies on sustainability reporting, approving the results of the double materiality analysis and, starting from 2024, in compliance with Directive 2022/2464, the Corporate Sustainability Reporting Directive (CSRD), the Consolidated Sustainability Reporting, included in a specific section of the Report on Operations.

	To further strengthen the implementation of the sustainability strategy, the Board of Directors created a "Transition and Sustainability" function in May 2024. This function, operational from July 2024, reports directly to the Co-General Manager - CFO. The Parent Company's Board of Directors also has the key role of managing and controlling risks, including those related to ESG aspects, arising from the Group's activities. The same Body establishes strategic guidelines, approves risk management policies, assesses the degree of efficiency and adequacy of the internal control system and guarantees a suitable level of internal communication and discussion. In this context, in particular, the Board of Directors approves the Risk Appetite Framework (RAF), including the related indicators of the ESG dimensions (Key Sustainability Indicators - KSI) developed on different risk areas and on all hierarchical levels of the RAF (strategic, operational and early warning). These indicators are monitored on a quarterly basis by the Board of Directors as part of its periodic Risk Appetite Framework Monitoring (RAM), after detailed analysis by the Internal Control and Risk Committee (ICRC) and disclosure to the Sustainability Committee through its Chairperson. Again, in the pursuit of sustainable success, the Board of Directors, also: • in March 2023, resolved to join the NZBA, making a commitment to align its credit and investment portfolios with the achievement of the net zero emissions target by 2050, identifying the five most emissive sectors (Automotive, Cement, Coal, Oil & Gas and Power Generation) and committing to communicate the relative targets within 18 months of membership; in compliance with the commitment undertaken, on 16 July 2024 the Board of Directors approved the calibration of the intermediate decarbonisation targets by 2030 for the five "NZBA sectors", communicating them to the market on 9 August 2024; in May 2025, it adopted the transition plans for 4 sectors for which decarbonisation targets to 2030 were set (Automotive, Cement, Oil & Gas and Power Generation), with the exclusion of the Coal sector for which the Bank opted to apply a run-off strategy by 2026; • on 12 December 2023, approved the 2023-2026 Group Strategic Plan, which aims to fully integrate ESG sustainability goals within the initiatives and targets on which the Plan has been developed. This strategic vision was reconfirmed on 12 February 2025 with the approval and presentation to the market of the update of the aforementioned Plan, which extended the targets to 2027; • as part of the annual approval of Group credit policies for the direction of commercial activities, the Board of Directors approved the adoption of guidelines and metrics aimed at achieving the progressive integration of ESG sustainability factors in the Group's business model. In this context, the credit policies approved in December 2024, valid for 2025, envisaged further adjustments to integrate sustainability factors as fundamental elements of the credit granting process³³. To this end, the Board also examines the periodic reports, prepared by the competent units, including updates on customer engagement initiatives to acquire information also relating to the ESG profile of the same;
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³³ For more information, please refer to the paragraph "credit policies" in letter a) of this disclosure dedicated to environmental risks

	• it also draws up remuneration and incentive policies, including ESG performance targets, to submit to the Shareholders' Meeting for approval, reviews them at least once a year, and handles their proper implementation. In this regard, the Board is assisted by the Remuneration Committee, comprised by Board members who collectively possess adequate knowledge, skills and professional experience in terms of remuneration policies and practices and risk management and control activities, as well as by the Sustainability Committee, through its Chairperson, for profiles with expertise; • examines the results of the application of the framework to assess the materiality of areas of climate risk (considering the acute and chronic physical risk drivers as well as transition ones) and of environmental risk with respect to the business model defined and the risk profile of the Bank, based on the relevant transmission channels to traditional risk categories. In addition to the above, the Board of Directors also: (i) approved the guidelines on spending and social responsibility policies for 2025 pursuant to art. 5.4. of the Articles of Association; (ii) resolved, as part of the annual Funding Plan, to issue: a Senior Preferred Social Bond for institutional investors issued for 500 million euro in January 2025; a Social Covered Bond issued for 750 million euro in February 2025; a Green Bond labelled "EU Green Bond (EuGB)" in May 2025. In addition, it should be noted that, in the composition of the Board, attention is paid to adequate diversity in terms of age, time in the office, gender and skills of the members, having also defined in Banco BPM's Articles of Association (updated to April 2022) clear rules to comply with the gender quota, as provided for by the relevant legislation in force and the Corporate Governance Code.
f)	Management body's integration of short-, medium- and long-term effects of environmental factors and risks, organisational structure both within business lines and internal control functions Below is a summary representation of the other main company areas/functions that are involved in the ESG field: • The Transition and Sustainability function, directly reporting to the Co-General Manager CFO, is responsible for integrating sustainability into the Banco BPM Group's strategies, business models and governance processes. This function is divided into two areas: ◦ <i>ESG Strategy</i>, which, among other activities, (i) supports the definition of strategic guidelines on sustainability and their implementation in the subsequent operational activities, (ii) oversees ESG project initiatives, and (iii) coordinates activities aimed at implementing the provisions of the Corporate Sustainability Reporting Directive (CSRD) regarding the preparation of the Sustainability Reporting. ◦ <i>ESG Business Advisory</i>, which has specialised expertise to assist the business functions or the Group companies in correctly implementing the strategies and consequent methodologies at the level of business processes. • Area Chief Lending Officer (Loans), in the definition of credit policies integrated with climate and environmental risk factors;

- **Area Chief Risk Officer (Risk Management)**, in ensuring that the potential impact of ESG risk factors on the current and future risk profile of the Group is adequately assessed in the risk management framework.

In summary, the Risk Function:

- assesses the materiality of ESG risk factors as part of the Risk Identification process for updating the long list, Risk Inventory and Risk Map;
- contributes to the development and evolution of systems for measuring the potential impact of ESG risk factors on the risk profiles to which the Group is exposed, favouring their application in business processes;
- monitors the ESG risk factors, with particular reference to the risk indicators included in the RAF, which are reported to the Board of Directors on a quarterly basis, after examination by the Internal Control and Risk Committee and disclosure to the Sustainability Committee.

Lastly, the Risk Function expresses prior technical opinions on the new products presented to the New Products and Markets Committee, of which it is a permanent member, also evaluating the reputational risk linked to ESG risks.

For detailed information on:

- responsibilities of the Risk Function and on information flows to the Corporate Bodies, please refer to the section "Risk management objectives and policies" of the annual Pillar 3 disclosure;
- identification, measurement and monitoring of ESG risks, please refer to paragraphs related to "Risk management"

- **Co-General Manager/Chief Business Officer Area and Corporate and Investment Banking CIB Area (for Investments and Wealth Management)**, in integrating sustainability aspects in the investment services provided, through evaluations of products, financial instruments, services and policies to integrate sustainability risks of product companies, and in the creation and development of ESG Insurance Products;

- **Co-General Manager/Chief Business Officer Area and Corporate and Investment Banking CIB Area (Commercial, Marketing and Omnichannel, Private Banking, Corporate and Investment Banking)**, in analysing the needs and requirements of customers for the definition of an overall offer, in line with the segments served, of ESG and climate change products and services, as well as in promoting customer engagement on ESG issues, also through specific initiatives aimed at increasing customer awareness;

- **Co-General Manager/Chief Financial Officer Area**

- **Finance**, in funding operations within the Green, Social and Sustainability Bonds Framework, financing assets with sustainability-linked features and increasing the share of portfolio invested in ESG securities;
- **Value Planning and Management**, in overseeing the process of drafting and monitoring the Group's Strategic Plan, including ESG targets;
- **Integrated Procurement Management**, in ensuring procurement from suppliers whose activities and products minimise environmental impacts and consider the safeguarding of human rights also by its supply chain;

- **Chief Innovation Officer Area**

	- Operations and Property, in measuring and managing the Group's direct and indirect environmental impacts and implementing energy reduction and efficiency initiatives; - Information Technology and Security, in ensuring the proper functioning, availability and continuous evolution of an information system capable of collecting, storing and processing information needed for the ESG risk factor assessment, for monitoring and reporting addressed to Regulators, and for calculating the various KPIs in the analyses and frameworks of each of the Group's Business Units; - Data governance, in defining and implementing IT security and business continuity policies and standards, as well as architecture guideline and data governance priorities; - Personnel Health and Safety, in overseeing ESG activities for workers' health and safety components; • Communication and Social Responsibility (reporting directly to the Chief Executive Officer), in monitoring the cultural and social dimensions of Corporate Social Responsibility, as well as in ESG-related communication to stakeholders; • Organisation (reporting directly to the Chief Executive Officer), in promoting evolutionary and transformational initiatives that support the sustainable development of the Group in line with the current organisational and operational model; • Human Resources (reporting directly to the Chief Executive Officer), in fostering the dissemination of an ESG culture within the Group, in promoting specific training activities on sustainability issues, in defining well-being and sustainable mobility policies for staff, in steering initiatives aimed at respecting people and diversity, in promoting equality of gender, age, ethnicity, disability, religious orientation, emotional orientation, nationality and language, social inclusion and equality; • Compliance (reporting directly to the Chief Executive Officer), in overseeing the management of compliance risk with regard to all company activities, according to a risk-based approach, it carries out controls, audits and assessments on the adequacy and effectiveness of the organisational and control measures in place to mitigate compliance risks. With this in mind, in view of the ongoing evolution of the European regulatory framework on sustainability, evolutionary activities of the compliance model have also been implemented, and others are underway, to measure the risks of non-compliance with climate and environmental, social and governance factors. The head of the Compliance function, who also covers the role of Data Protection Officer (DPO), is therefore tasked with the responsibility for the protection of personal data from data breach reports and all other actions that impact this area; • Audit (reporting directly to the Board of Directors), in planning and carrying out third-level control function audits, also with the aim of assessing the quality and effectiveness of the overall internal control system framework with respect to climate, environmental, social and governance risks, in particular by assessing the structure of first and second level controls and the ESG risk governance
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	model. This assessment can be carried out either as part of audits dedicated to specific risks or as part of audits on business processes that are impacted by these risks. In addition, the head of the Audit function is responsible for the internal violation reporting system envisaged by external regulations and receives reports on behaviours that may constitute violations of rules and/or be subject to disciplinary measures, etc.
g)	Integration of measures to manage environmental factors and risks in internal governance arrangements, including the role of committees, the allocation of tasks and responsibilities, and the feedback loop from risk management to the management body covering relevant transmission channels The Group has adopted an integrated governance model with the aim of addressing ESG issues in an increasingly effective way. The Sustainability Committee is assigned support functions for the Board of Directors and the other Board Committees of the Parent Company in matters of sustainability, with responsibility for the entire Group. The tasks and functions of the Committee have been laid down in the relevant "Sustainability Committee Regulation", last updated in October 2024. The Committee is entrusted with overseeing the ESG dimensions also in the light of development of legislation, practice and academia aspects, of the indications emerging from the materiality analysis, as well as market developments in the area of competence. The Committee is composed of 3 Directors, all of whom are non-executive and the majority of whom (including the person elected to the office of Chairperson) meet the independence requirements set forth in the Articles of Association. The members of the Committee must have sufficient knowledge, skills and experience to be able to fully understand and monitor the pursuit of the Group's strategies and guidelines in the area of sustainability and its ESG dimensions. At least one member of the Committee must have adequate experience in the field of sustainability, in particular with regard to reporting and management of related risks, to be ascertained by the Board of Directors at the time of appointment. All members of the Committee, in its current composition, are independent and meet the requirements indicated above, as verified at the time of appointment. Specifically, the Chairperson has adequate experience in the field of sustainability, having also acted as Director in charge of ESG issues during the previous mandate. Pursuant to its Rules of Procedure, the Committee supports the Board of Directors in defining and approving strategic guidelines on sustainability, also examining proposals and making recommendations. In addition, the Committee supports the Board of Directors in assessing proposed project initiatives (i) in order to integrate sustainability into business processes, consistent with regulatory developments and the guidelines defined in the Strategic Plan with reference to ESG dimensions; and (ii) for the development and promotion of the Group's important areas and communities. As regards sustainability reporting, during 2024, the Committee supervised the project activities aimed at implementing the provisions of the reference European and national regulations within an adequate governance structure and those preparatory to the drafting of the same reporting (such as the double materiality

assessment and the definition of the dedicated internal control system), liaising with the Financial Reporting Manager and the Independent Auditors. The Committee is responsible for examining sustainability reporting, also for the purposes of the internal control and risk management system, and expresses its opinion on the matter to the Board of Directors.

As part of this periodic Pillar 3 disclosure, the Committee also assesses the contribution relating to the ESG dimensions, communicating its observations to the ICRC.

The Sustainability Committee has defined a structured system of information flows with regard to which, with the support of the qualified corporate functions, among other things it examines:

- interactions with the Supervisory Authorities on integrating the ESG dimensions in corporate processes, liaising with the ICRC;
- the outcomes of the Risk Identification, the Risk Appetite Framework, the related Guidelines and the Risk Appetite Statement, expressing its observations to the ICRC in relation to the indicators relating to the ESG dimensions;
- credit policy guidelines, their implementation and monitoring, forwarding its observations to the ICRC on the sustainability objectives, in line with the commitments undertaken by the Bank;
- the aspects of Data Quality and Data Governance in the ESG area, also in terms of suitable data control systems (first and second level), to support their adequate cross-functional use in the various business processes;
- the ESG ratings assigned to the Bank, supervising the related process;
- the performance of the main ESG indicators and metrics as well as the results achieved with respect to the strategic objectives defined in terms of sustainability (quarterly dashboard);
- the results of the application of the framework to assess the materiality of areas of climate risk (considering the acute and chronic physical risk drivers as well as transition ones) and of environmental risk with respect to the business model defined by the bank and its risk profile, based on the relevant transmission channels to traditional risk categories.

Lastly, the Sustainability Committee promotes the adoption of remuneration policies that envisage the integration of ESG objectives into incentive plans in order to underline the importance of these topics by enhancing management's contribution to achieving sustainability objectives. It coordinates and discusses these aspects with the Remuneration Committee.

The Committee acquires additional information flows on issues of interest through the participation of the Chairperson in the meetings of the other internal board committees, in particular the ICRC and Remuneration Committee when discussing topics with sustainability implications, coordinating with the latter in support of the Board of Directors.

Up to this Disclosure, in addition to that already highlighted, the Sustainability Committee has also analysed:

	• the initiatives undertaken in connection with NZBA membership; • the implementation of the ESG targets defined in the Strategic Plan; • the integration of sustainability areas into the RAF and credit policies; • some topics pertaining to the field of weapons materials and systems; • the framework and public disclosure relating to the Green, Social & Sustainability Bonds issued by the Bank. In the area of ESG, the Internal Control and Risk Committee has retained specific competences in, among other things, assisting the Board of Directors in (i) establishing the guidelines of the internal control and risk management system (including climate and environmental risks), so that the main risks pertaining to the Parent Company and its subsidiaries are correctly identified and adequately measured, managed and monitored; and (ii) determining the degree of compatibility of the risks pertaining to the Group with a sound and prudent management, consistent with the strategic objectives identified and the pursuit of sustainable success. Chaired by the Chief Executive Officer, the members of the ESG Committee include the two Co-General Managers as well as almost all the Bank's first line managers. Its main tasks include examining the Group's positioning and overseeing all corporate activities and initiatives in the social, environmental and governance fields, in line with what is defined in the Group Strategic Plan. The ESG Committee is also tasked with promoting the dissemination of the ESG culture and practices of social responsibility and sustainable development within and outside the Group.
h)	Lines of reporting and frequency of reporting relating to environmental risk As already described in letters e) and g) of this section, the Corporate Bodies of Banco BPM, in line with the roles and responsibilities defined, are recipients of specific disclosures regarding environmental risks. Below is a summary of the main periodic disclosures addressed to the Corporate Bodies: • as part of the Group's overall RAF, characterised by a set of indicators referring to ESG dimensions (KSI), the indicators are monitored quarterly with the periodic examination of the Risk Appetite Framework Risk Monitoring (RAM). In the event that the monitoring activity shows that the Trigger and Tolerance thresholds are exceeded or further deviated with respect to the last available figure, assisted by the structures under their responsibility, the Chief Risk Officer starts the escalation process with the preparation of an information note that illustrates the causes of the indicator dynamics and the potential intervention levers, to be sent to the pertinent Corporate Bodies and Committees (Chief Executive Officer or Board of Directors, supported by the internal Committees). • with reference to the Group Strategic Plan, which includes objectives related to environmental aspects, the level of achievement of the pre-set targets is subject to specific quarterly monitoring. In particular, the KPI performance is compared with the respective Plan objectives and the interim period targets. The KPIs have a synthetic "status flag" to highlight any alert levels, based on a predefined grid (with 3 levels:

	green, yellow, red) and consistent with the thresholds defined in the RAF. With reference to the process of any escalation for high critical issue status flags - in cases where the RAM monitoring process has not already been activated - the following steps are taken: ○ <i>yellow status or first red flag</i>: in light of the misalignment from the targets, after verifying that it is a non-temporary misalignment, a communication is initiated with the Chief Executive Officer and with Top management to define the "remedial actions" to be taken (e.g. initiatives and processes aimed at recovering any gaps/delays that may arise); ○ <i>second or subsequent red flag</i>: the Chief Executive Officer activates a disclosure to the Board of Directors to assess the remedial actions implemented and envisaged and, as a last resort, the opportunity to revise the Strategic Plan targets³⁴. • as part of the projects related to membership of NZBA and the relative commitments made, in line with the approved transition plans, monthly monitoring of performance with respect to the targets set is envisaged; • with reference to the implementation of the Group's credit policies, a periodic report is prepared, including updates on customer engagement initiatives for the acquisition of information also relating to the ESG profile of the same; the results of the application of the framework to assess the materiality of climate risk (considering the drivers of acute and chronic physical risk as well as transition risk) and environmental risk areas with respect to the business model defined and the risk profile of the Bank, are periodically reported on the basis of the relevant transmission channels to traditional risk categories; • with reference to the Group's remuneration and incentive policies, which include ESG performance targets (see letter i) of this section), a specific disclosure is envisaged concerning verifying the achievement of the pre-set targets. During the first half of 2025, the Board of Directors examined different ESG issues at 8 meetings out of a total of 10 meetings, more often than on a monthly basis. Lastly, it should be noted that topics specifically relating to climate and environmental risks were the subject of 5 meetings.
i)	Alignment of the remuneration policy with institution's environmental risk-related objectives The remuneration policy (hereinafter "policy") represents an important management lever to attract, motivate and retain management and staff. This steers behaviour towards reducing the risks taken on (including legal and reputational), protecting customers and increasing loyalty while also being careful to manage conflicts of interest.

³⁴ For a complete representation of the update of the Strategic Plan defined by the Group, please refer to the presentation of the results for 2024 and the update of the Group's strategic plan: https://gruppo.bancobpm.it/media/dlm_uploads/250212-Banco-BPM-Group-FY-2024-Results-and-Strategic-Plan-Update-1.pdf

	The policy also pursues sustainable success, which produces long-term value for the benefit of shareholders and in the interest of the Group's stakeholders. The 2025 Policy defines the guidelines of the remuneration systems to pursue long-term strategies, objectives and results, in line with governance and risk management policies. The correlation between variable remuneration of personnel and ESG factors is one of the elements of the 2025 Policy. Variable remuneration is therefore related to strategic actions concerning environmental issues, health and safety and human resource management. The remuneration policy for staff is gender neutral. The process of integrating the ESG strategy into the Group's governance models is also a hugely important part of the remuneration policy, with reference to incentive mechanisms. The combination of objectives relating to the banking business, such as profitability, credit and asset quality, capital adequacy, along with ESG metrics is considered a key factor in strengthening the Group's results in the medium-term, as it makes it possible to combine staff satisfaction and socio-environmental sustainability. In particular, by way of example, it should be noted that in the climate domain, after becoming a member of the NZBA in March 2023, Banco BPM took steps to align its loans and securities portfolios with the objective of the European Green Deal to eliminate net greenhouse gas emissions by 2050, by identifying the 5 highest emission sectors (oil & gas, power generation, cement, automotive, coal) and setting, for each of them, the intermediate decarbonisation targets to 2030, communicated to the market on 9 August 2024. The implementation of projects in this area and the annual definition of the ESG objectives of the Strategic Plan are encouraged through specific KPIs included in the 2025 short-term incentive plan. Quantifiable ESG indicators are also defined to align with the annual ESG objectives in the Strategic Plan correlated, among other things, to "new medium/long-term Low Carbon funding", the "share of ESG bonds in the proprietary corporate portfolio", completion of specific project initiatives related to the Net-Zero Banking Alliance. For the Retail network, the Short-Term Incentive plan makes provision, continuing with the approach of last year, for a mechanism linked to customer profiling that also integrates the acquisition of customer ESG preferences. For the Private network, considering the level of maturity achieved with reference to the ESG dimension, provision is made for a mechanism related to the consistency of the portfolio with the ESG preferences expressed by customers. The objective regarding "new medium/long-term Low Carbon funding", the annual definition of the Strategic Plan objective, is also assigned to managers and staff of the sales functions and to the entire sales chain that manages corporate, business,
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	small business, private and institutional customers, to support of the process of achieving the objectives of the Strategic Plan. As part of the short-term incentive plan, through the ECAP (Economic Capital) Reputational Risk indicator that represents the amount of economic capital with respect to the reputational risk estimated using an internal model, the non-financial adjustment factor could reduce the economic resources of all staff in the event of a sudden deterioration of the Group's image, also in relation to the possible occurrence of ESG risks. As an example, the calculation indicator model considers elements of physical, transition and conduct risks (greenwashing), as well as other elements of environmental risk (e.g. loss of biodiversity, pollution, rising seas, etc.). The model also considers any sanctions relating to climate and environmental issues, participation in campaigns or initiatives that damage the company's image, customer complaints related to environmental and sustainability issues, entering into agreements with counterparties with a low reputation in terms of climate and environmental risks, worsening of the rating due to non-compliance with sustainability standards. In the Long-Term Incentive plan, the performance objectives include ESG metrics related to the main objectives of the 2023-2026 Strategic Plan, also as regards the environmental area (Green, Social & Sustainable bond issues).³⁵
	Risk management
j)	Integration of short-, medium- and long-term effects of environmental factors and risks in the risk framework The European Central Bank's expectations on climate and environmental risk drivers clarify how these risks must be identified, analysed, monitored, managed and mitigated "in the short, medium and long-term". In compliance with this specific expectation and in line with the current method of conducting the Group's forward-looking capital and financial adequacy analyses/assessments, Banco BPM has established and introduced the following definitions: • Short-Term: one-year time horizon to ensure full alignment with the budget horizon; • Medium-Term: considers a time horizon between 3 and 5 years (up to 2030 where relevant/possible), consistent with the planning horizon, ECB guidance, NZBA intermediate targets set by the UE (e.g. Fit for-55); • Long-Term: time horizon longer than five years (up to 2050 where relevant/possible) consistent with ECB guidance, the NZBA target horizon and the Paris targets to which the European Union subscribes.

³⁵ For more ESG-related information and updates in the Remuneration Policy, please refer to the document available at gruppo.bancobpm.it > Corporate Governance > Remuneration Policies > Remuneration Policy (section I)

The potential impacts of transition (T) and physical (P) risks are assessed by the Group in traditional risk categories against the short (S), medium (M), long (L) term horizons of potential materiality, as summarised in the table below:

Type of risk	Potential Impacts of transition and physical risks	T/P	Horizon
CREDIT RISK Risk that a debtor will default on his obligations or that his/her creditworthiness will deteriorate	Estimates of the Probability of Default (PD) and Loss Given Default (LGD) of funded counterparties are impacted by considerations of the additional costs and investments that companies incur to comply with the new climate and environmental standards. This specific factor (e.g. due to the deterioration of the real estate market) impacts PD and LGD estimates of the exposures to sectors or geographical areas vulnerable to physical risks.	T P	S M L
MARKET RISK Risk of potential losses in the trading and banking books generated by adverse changes in issuer-related variables (specific risk) or market conditions (generic risk)	Financial instruments issued by corporations with business models perceived as unsustainable in climate and environmental terms, with risks of market price volatility (e.g. sudden repricing).	T P	S M L
LIQUIDITY RISK Risk of being unable to meet payment obligations due to the inability to raise funds on the market (funding liquidity risk) or to dispose of assets (market liquidity risk)	Direct impact as a result of significant cash withdrawals or higher drawdowns of credit lines by customers to finance the repair of damage caused by extreme weather events. Sudden repricing of securities due to, for example, the sudden implementation of restrictive carbon emission policies that may reduce the value of the bank's liquid assets.	P T	M L
OPERATIONAL RISK Risk of suffering losses caused by inadequacy or failure attributable to internal procedures, human resources and	Interruption of operations following the occurrence of physical risks to owned operating assets, outsourced services or IT activities. Damage to property, plant and equipment owned by the Bank. Financial impact of legal liability also in terms of "greenwashing".	P T	S M L

	systems, or caused by external events			
	REPUTATIONAL RISK Risk arising from a negative perception of the Bank's image by stakeholders	Negative impacts on the ability to maintain or develop new business opportunities and to continue to have access to funding sources as the Bank is not perceived by the various stakeholders as adequately sensitive to ESG issues.	T P	S M L
k)	Definitions, methodologies and international standards on which the environmental risk management framework is based The environmental and climate risk management framework adopted by the Banco BPM Group is based on recognised international definitions, methodologies and standards, in line with global best practices and the indications of the Supervisory Authorities, based on the European regulatory framework and the guidelines provided by supranational partnerships that support financial institutions in the transition to a Net Zero economy. In particular, climate and environmental risk is classified according to international standards, with reference to the definitions of physical and transition risk outlined in the Guide on climate-related and environmental risks published by the European Central Bank (November 2020). In addition, the Banco BPM Group has joined the TCFD (Task Force on Climate-related Financial Disclosures) framework and the NZBA, with the aim of strengthening governance on climate risk management processes, in line with international standards and with short, medium and long-term sustainability objectives. Climate and environmental risks can be divided into two main categories: • Transition risk: means the financial loss an institution may incur because of the adjustment process of its own customers to a low-carbon economy that could be caused, for example, by changes in regulation, technology and market preferences (consumer choices and preferences). • Physical risks: mean the financial impact of extreme weather events (acute) and gradual changes in climate (chronic). This definition also includes other environmental events (pollution, use of water resources, loss of biodiversity, circular economy). The tables below describe the main risk factors associated with physical and transitional risks, as well as the main impacts that these may have directly on the Group and indirectly on its customers in the short-term, but especially in the medium and long-term.			
	TRANSITION RISK			
	Risk factor	Main impacts identified		

	<i>Regulatory</i>	- Higher investments and/or operating costs for companies operating in sectors associated with high carbon emissions. - Increased resources for collecting and reporting climate and environmental data and information. - Increased regulatory capital requirements on assets most exposed to physical and transition risks.
	<i>Technological</i>	- Replacing existing products and services with solutions using lower-carbon technologies. - Need for activities in sectors with a high environmental impact to incur high costs for the transition to more sustainable technologies and business models.
	<i>Market</i>	- Changes in demand for products and services resulting from changes in consumer preferences that could also impact the revenue mix with repercussions on business profitability. - Rising energy prices that can significantly affect the costs incurred by companies.
	<i>Reputational</i>	Negative economic/financial impact because of perceived lack of commitment to combating climate change by stakeholders.
	PHYSICAL RISKS	
	Risk factor	Main impacts identified
	<i>Acute</i>	- Resources earmarked for the prevention of damage or for the reconstruction of property damaged by natural disasters and increased insurance costs to cover possible future damage. - Reduction in income-generating capacity caused by natural disasters. For example, damage to property used in operations, interruption of the supply chain, logistics difficulties, etc.
	<i>Chronic</i>	Reduction in the value of assets in areas impacted by chronic physical risk and in the ability to generate income by companies operating in areas impacted by such risk.
I)	Processes to identify, measure and monitor activities and exposures (and collateral where applicable) sensitive to environmental risks, covering relevant transmission channels The risk identification process constitutes one of the fundamental sources of information to feed all the Group's main strategic processes, including the Strategic Plan, Budget, RAF, ICLAAP and the Recovery Plan. The process represents a structured and dynamic path, carried out at financial conglomerate level, also taking into account the specific characteristics of the businesses and of the ESG components and is conducted continuously and updated at least annually, unless extraordinary circumstances make the update necessary more frequently. The risk identification process includes the following steps:	

	1. identification of all current and emerging risk factors, including those relating to ESG issues, to which the Group is or could be exposed, both under normal and adverse scenario conditions, also from a forward-looking perspective analysing the current macroeconomic environment and the Bank's main challenges for the coming years. The update also entails conducting interviews with the Top Management of the Bank and the main Group Companies, also in order to understand potential emerging risk factors on social and environmental issues related to the territory in which the Group operates. The evidence collected in this phase makes it possible to update the long list of potential risks; 2. identification of the correlation between risk factors identified/reference macro-themes; 3. identification of possible levers to mitigate risk factors, enabling their active management; 4. reconciliation of the individual risk factors examined, including those on environmental, social and governance issues, to the different types of risk the Group is exposed to and updating of the related "Risk Inventory", i.e. the list of major risks identified internally by the Group, which includes both qualitative risks, for which adequate organisational controls have been defined to mitigate and manage them, and quantitative risks subject to adequate measurement through appropriate internal methods; 5. verification of the materiality of quantitatively measured risks and preparation of the "Risk Map". As part of the risk identification process conducted by the Group during the second and third quarters of 2024 (the update for 2025 is being finalised), the potential and prospective materiality of issues related to climate and environmental risk factors was confirmed. The relevant impact analyses conducted on the main types of risk relevant to Banco BPM show, to date, an exposure and actual impact that are still substantially insignificant considering current risk scoring³⁶. <i>Double Materiality Assessment</i> During 2024, in compliance with the provisions of the European CSRD Directive, Banco BPM carried out the Double Materiality Assessment (DMA) to identify the material sustainability topics for the Group and along its value chain, whose process and related outcomes have been included in the 2024 Sustainability Report. The process was developed through an approach consistent with the dictates of the EFRAG Guidelines for the enforcement of the Standards on materiality analysis ("Implementation Guidance EFRAG IG 1 Materiality Assessment" of 31 May 2024). This exercise was carried out by jointly assessing the impacts of the Group's operations on people and the environment (Impact Materiality, inside-out
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³⁶ For more information on materiality analyses, please refer to the paragraph on "Measurement and management of risks"

	perspective) and, on the other hand, the Financial Materiality that translates how environmental, social and governance factors may influence the economic and financial situation of the Group as a result of the risks and opportunities deriving from exposure to sustainability factors (outside-in perspective). For the purposes of identifying and assessing the Impacts, Risks and Opportunities (IRO) on environmental, social and governance issues, it took into consideration the Group's own operations³⁷ and its upstream (suppliers) and downstream (customers) value chain³⁸. The analysis process³⁹ included the following steps: • <u>context analysis</u>: overview of key information to identify IROs through the development of an overview of the Group's activities and commercial relations with customers and suppliers, as well as the context in which these take place, and an understanding of the main stakeholders; • <u>identification of IROs</u>: a first IRO long-list on environmental, social and governance issues; • <u>IRO assessment</u>: application of qualitative/quantitative criteria applied to the identified IROs to which assessment scoring has been assigned; • <u>determination of materiality</u>: on the basis of the defined materiality threshold, IROs were assessed as material or non-material and subsequently subjected to validation by a selected panel of external stakeholders⁴⁰. In relation to the identification of risks, the Group has taken into consideration: • the positive/negative impacts that could generate consequent risks; • the outcomes of the internal risk identification process. In relation to the identification of opportunities, the Group has taken into consideration: • the analyses carried out when identifying impacts in order to identify any opportunities linked to the direct dependency of the Group and/or the upstream and downstream sectors to which the players in the value chain belong; • the positive/negative impacts that could generate consequent opportunities; • the initiatives set out in the Group Strategic Plan and the projects/opportunities in the commercial area.
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³⁷ The set of internal processes of the Group (including the activities of the Legal Entities consolidated on a line-by-line basis in the financial statements) and which focus on internal stakeholders such as, for example, employees

³⁸ In particular, the following were analysed: interests in associates and joint ventures, investments in securities (including investments to cover provisions for the BBPM Vita and Vera Vita insurance portfolios) and loans disbursed

³⁹ The process was developed through an approach consistent with the dictates of the EFRAG Guidelines for the enforcement of the Standards on materiality analysis - "Implementation Guidance EFRAG IG 1 Materiality Assessment" of 31 May 2024

⁴⁰ For a complete and detailed description of the process and its outcomes, please refer to the Group's 2024 sustainability reporting

The **risk and opportunity assessment process** was carried out through expert-based assessment and leveraging the results of internal processes and tools available and governed by the Risk Management function of the Parent Company, including the outcomes of the risk identification process illustrated in the previous paragraph. The relevant functions of the Parent Company are responsible for continuously monitoring risks and opportunities on sustainability topics. In particular, for the purposes of assessing the risks to which the Group is exposed in the short, medium or long-term, each risk was associated with a scoring that derives from the product of the scores associated with the assessment of magnitude and probability of occurrence of the risk factor.

For the purposes of the **materiality determination**, the scores associated with the IROs were aggregated in a summary view through a heat map from which the Group defined the value to be considered as the materiality threshold. Once the score was assigned to the assessment dimensions envisaged for the IROs through the discussions with the internal functions of the Parent Company, the external stakeholders were involved in order to gather a qualitative judgement of validation and possible integration with respect to the topics that emerged as material.

The results of the DMA were approved by the Board of Directors of the Parent Company, after sharing them with the Board of Statutory Auditors, following a process of involvement and sharing of the methodological framework adopted with the Sustainability Committee, the ESG Committee, the Risk Committee and the Internal Control and Risk Committees (limited to the materiality assessment of the risks) and with the same Board of Directors, to which the DMA framework was pre-emptively illustrated in a Board Induction.

With specific reference to environmental issues, the results of the Financial Materiality highlighted that:

- in terms of **risk**, physical and transition risks are now considered the main threats deriving from exposure to ESG sustainability factors, together with the reputational risk due to the failure to achieve the published objectives;
- in terms of **opportunities**:
 - the reduction of exposure to transition risk thanks to greater clarity in terms of medium and long-term climate objectives after joining the NZBA, with positive impacts on the Group's reputation with respect to its stakeholders;
 - the extension/refocusing of the commercial offer to support climate change adaptation and mitigation initiatives.

Lastly, it should be noted that in the first half of 2025, the process of updating the double materiality analysis for 2025 Sustainability Reporting was launched and will be concluded in the second part of the year.

Measurement and management of risks

Banco BPM has integrated ESG risks, in particular climate risks, into all traditional risk categories to which it is exposed (credit, financial and non-financial), through an

	approach aimed at their management and mitigation in the short, medium and long-term. The impacts related to climate change are assessed in the context of credit risk on the basis of the specific provisions of related regulations. They require banks to consider climate and environmental risks in all phases of the lending and credit monitoring process, carrying out analyses to identify any concentrations in sectors/geographic areas that are highly exposed to these risks, even if only potentially. In particular, in the vertical reporting produced on the issue, the Group integrated the assessments of the transition risk and physical risks (the most relevant factors of climate and environmental risk as a whole) with a series of detailed analyses that provide a complete methodological overview and an analytical representation for each individual risk driver, in order to be able to examine all the characterising elements considered most significant. The methodology described was developed by the Group with the support of an external data provider. This allows for continuous updating of physical (acute, chronic and environmental) and transition risk scoring, with regard to: i) real estate received as collateral; ii) the companies financed and their related production assets. The scoring scale adopted by Banco BPM is consistent for all types of risk and based on specific assessment classes, from "Very Low" (score 0) to "Very High" (score 4) risk. The approach implemented, however, also makes it possible to consider specific elements of analysis in relation to the individual driver examined. For example, the "Very Low" score, defined with specific regard to transition risk, is assigned to all corporate counterparties that conduct green economic activities (i.e., aligned with EU Taxonomy requirements). Instead with reference to acute physical risk, the "Very Low" score is assigned to real estate located in geographic areas not substantially exposed to the relative risk factors (flooding, landslides, etc.). The scoring process is firstly based on the availability of precise and analytical data that allow the Group to carry out adequate detailed assessments. In some cases, this information is public (for example, the maps provided by the Italian Institute for Environmental Protection and Research - ISPRA for flood and landslide risks), in others it was necessary to request the support of specialised providers (for example, on emission intensities) or draw from appropriate external and certified data sources (such as energy performance certificates of production assets and/or guarantees). In order to assign an overall summary score, the information collected is then integrated with that made available to the Bank directly by borrower customers through the completion of specific qualitative questionnaires. The risk score obtained, for each individual counterparty or property, is therefore calculated with a top-down approach (mainly sector-based for transition risk) and
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	a bottom-up approach (often relevant for significantly larger customers that prepare Sustainability Reporting). In general, the methodology for estimating climate and environmental risks is therefore based on the combination of sector elements, precise geographic data, and where available, additional information provided by the customer or relating to the individual asset examined. With regard to the specific analysis of transition risk, for the purpose of its internal assessments the Group also considers the emission intensities relating to the counterparty examined, its overall alignment with the EU Taxonomy requirements and the possibility for the customer to access the CO₂ emissions market ("EU Emissions Trading System"). Lastly, for certain types of loans, requested by companies in order to make specific investments of a structural nature, the Bank envisages certification of the overall projects by independent third-party experts in the field. With reference to the analysis of other environmental risk factors (related to the protection and restoration of biodiversity and ecosystems, the transition to a circular economy, the sustainable use of water resources and the reduction of pollution), the Group adopts separate assessment criteria for each individual objective examined, borrowing its approach from the EU Taxonomy regulations. Particular importance is attributed to "Do No Significant Harm" (DNSH) and the indications adopted by the main Italian and European institutions. In fact, this methodology developed by the Group for the purposes of assessing the physical risk component takes into account what is expressly required by the current legislation on the matter and, in fact, considers all the potential physical risk hazards envisaged by the "Taxonomy". Furthermore, this methodology makes it possible to assess, directly or indirectly - also considering the important correlations between the various events examined - the overall list of physical risk hazards (acute and chronic) envisaged by the Regulator, therefore guaranteeing a complete score mapping. It should be specified that, by virtue of the predominantly domestic nature of its business, Banco BPM pays great attention to the most significant risk factors for Italy with a dedicated focus, in particular, on hydrogeological events (landslides and floods) and the phenomenon of drought. Banco BPM continues in its efforts to constantly strengthen and fine-tune the estimation models used to assess the potential impacts of climate and environmental risk factors on its business model and on the definition of specific company strategies, also through greater availability of detailed information. Such increasing data availability will at the same time determine a substantial improvement in the quality, accuracy and timeliness of the information relating to these particular areas of analysis. In addition, thanks to the improvement of the methodology, it was possible to refine the assessment of customers' climate risks by
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	increasing the use of single-name information on the Group's loan portfolio in relation to the Real Estate sector. With reference to credit risk, climatic, physical and transition risks currently emerge as material but at the same time the score attributed to these types of risk is limited overall, confirming the fact that Banco BPM customers are on average concentrated in geographical areas and sectors not excessively exposed⁴¹. In addition, in accordance with the measurement models described above, the Risk Function of Banco BPM also carries out specific sensitivity analyses to estimate the impact of the factors examined on the main risk parameters (PD and LGD), taking into account expected evolutions over the different time horizons considered and in relation to the different scenarios used. Specifically, in the credit risk area, Banco BPM has: 1. integrated climate risks into IFRS 9 provisioning measures (via post model adjustment - PMA - already starting from December 2022); 2. integrated climate risks, adopting an advanced approach, into capital adequacy assessments - ICAAP (starting from March 2023, both from a regulatory and an economic point of view); 3. defined and completed the implementation of the methodological framework for including climate risks in the internal rating system for management purposes. With reference to the first two points, climate risk has already been considered with the simplified approach since 2023, while it has been included in long-term projections in the PD and LGD satellite models since 31 December 2024, through the use of specific exogenous factors as a vehicle for the higher costs due to the energy transition as well as the need for mitigation or reconstruction of an extreme event (e.g. flood). The PD and LGD satellite models respectively relate the change in default rates and expected recovery rates with the performance of the main macroeconomic drivers, also envisaging the use of sector financial KPIs as additional explanatory drivers. In fact, financial KPIs, divided by economic sector, represent important indicators that make it possible to better understand the transmission of transition risk and, in the long term, of physical risk depending on the climate scenario being analysed. As regards macroeconomic drivers, the increase of the carbon price related to the need to reduce emissions translates into higher costs that a company must face for higher taxation and for the investments to be made to support the ecological transition. In addition, the increase in the likelihood of extreme physical events involves the use of insurance as protection against such events, and the investments necessary for any reconstruction. This increase in costs affects the financial statements of corporate customers and their relative future financial stability, also indirectly affected by the scoring assessments described above. In addition, the macroeconomic drivers for the projection of PD and LGD with satellite
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⁴¹ Certain specific underlying risk drivers are more impactful than others, such as the risk of loss of biodiversity among environmental risks, flood risk for acute physical risk and soil erosion risk for chronic physical risk

	models, also include the price indices of residential/commercial properties that present specific shocks in relation to transition and/or physical risk scenarios. Both satellite models were used for the IFRS9 and ICAAP exercise starting from a reference date of 31 December 2024, applying the Orderly NGFS (Net-Zero 2050) scenario, integrated with the flood scenario of the Climate Stress Test conducted by the ECB in 2022, which instead impacts the price indices of the properties. With specific reference to the economic perspective of the ICAAP, this methodology, outlined for credit risk, was also extended to the calculation of the economic capital on the equity portfolio, banking and trading books. The impact of the climate shock on the first prospective year, measured on the loan portfolio, including equity, banking and trading books, for ICAAP25 is equal to +3% of the total economic capital. The methodology described above aims to quantify the impact of climate and environmental transmission channels, as described later in the diagram relating to financial risk transmission channels. With regard to the third point, at the end of 2023 a framework was defined to support the Rating Desk structure, in order to attribute a credit rating to borrower customers, and the manager who can override the rating. This framework envisages the definition of a Climate rating alongside the AIRB reporting rating, while waiting for the climate and environmental risk drivers to be directly included in the regulatory rating system. The already-mentioned Climate rating derives from the application of a specific model that can modify the counterparty AIRB rating through the application of worsening or improving notches, in order to incorporate the (negative or positive) impacts on the assessment of the debtor's credit rating deriving from exposure to physical and transition risks. With regard to transition risk, the Climate rating considers both the costs and investments that impact the single-name balance sheet projections of the debtor under different climate scenarios, and the qualitative ESG questionnaires completed by the relationship managers. These two factors are integrated so as to create a single climate score to be compared with notch-up and notch-down thresholds for each estimation sector/cluster defined during the assessment of the model. The factors considered by the climate rating for physical risk, on the other hand, are represented by synthetic scores at counterparty level and by specific questions on the ESG qualitative questionnaires completed by the relationship managers. Also in this case, these factors are integrated so as to create a single Climate score to be compared with specific thresholds (notch-up and notch-down) defined during the model estimation phase. Starting from June 2024, a climate rating was introduced into the IFRS9 framework for the purpose of calculating and refining the above-mentioned PMA (post-model
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	adjustment) to manage one of the emerging risks monitored by the Supervisory Authorities. In addition, from April 2025, as part of the monthly monitoring for the RAM, the new rating was also introduced into the calculation of the fair value underlying the quantification of the economic capital at the reference date. Lastly, with regard to the measurement of the social (S) and governance (G) components, it should be noted that the Group is in the process of adopting a scoring system in these two areas. This data will be combined with the assessments already present such as, for example, the qualitative component of the credit policies ESG questionnaire, which includes questions on the social and governance aspects of the counterparties. The increasing availability/quality of the information collected by the questionnaire will allow the Group to strengthen the strategies implemented with regard to the specific management of these risk factors, allowing the competent company functions to address appropriate and targeted initiatives to proactively manage the impacts of these special components on its business model, processes and company policies adopted internally. For more information, please see the section "Lending policies". The impacts relating to climate change were assessed by Banco BPM also with specific reference to market risk, by analysing the potential impairment of financial instruments included in the proprietary portfolios following unexpected economic difficulties/default of the issuing companies, due to the effect of higher costs/investments incurred by them related to the energy transition and to physical risk. In particular, the Bank conducted an in-depth study of the transmission channels that showed that the economic-financial impacts attributable to climate risk factors vary enormously depending on the characteristics of the geographical area of reference. In this regard, indicators were identified that can represent the transition and physical risk profiles of the countries, starting from which it was possible to assign risk classes to the latter from "Negligible" to "Severe". This methodology has made it possible to expand the scope of the instruments and asset classes considered in the materiality assessment (e.g. sovereign bonds, interest rate derivatives), to also integrate the physical risk component and provide a complete analysis of climate risk exposure, combining the high-level view by country of the Group's portfolios, with a representation of the specific climate risk at individual company/issuer level (corporate and financial). Banco BPM's exposures expressed in terms of sensitivity to traditional risk factors (delta equity, interest rate, forex and credit spread) are then grouped by country in order to highlight the actual materiality of generic climate risks for trading portfolios and the banking book. The results of the analyses carried out are summarised below:
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- the majority of the exposures in Banco BPM's portfolio are concentrated in developed countries, belonging to the European Union and North America.
- the portfolio 's exposure to transition risk is present, for the Interest and Forex asset classes, due to the importance of countries, such as the United States, characterised by high-emission economies.
- the physical risk assessment shows the predominance of exposures to countries which, although significantly impacted by climate change, have sufficient resources to adapt to the changed weather conditions, significantly mitigating the economic-financial effects of this risk, which is therefore negligible.

With reference to the specific risk of individual (corporate and financial) issuers of bonds and shares of the Group's proprietary portfolios, separately by trading book and banking book, Banco BPM conducts a materiality analysis of the exposure to ESG risks, based on certain indicators calculated by the platform of a leading external info-provider.

The results of the checks carried out confirm what already emerged in the previous analyses carried out by the Group: almost all of the exposure deriving from the financial instruments falling within the scope considered is marginally impacted by climate and environmental risks. Exposure to social and governance risks is increasing, in particular on the banking book.

Banco BPM also conducts an estimate of the impact of transition risk on the fair value of (equity and bond) positions included in the trading portfolio. The analysis described is also extended, from a management point of view, to the banking books limited to the credit spread risk factor, as the latter represents the main risk factor of the portfolios in question. The methodology adopted by the Bank is mainly based on the rationales and evolution of macroeconomic variables envisaged for these types of risk as part of specific "Climate Stress Test" exercises.

As part of the activities on ESG risks applied to **liquidity risk**, in line with what was done for the other risks of Banco BPM and in line with the materiality analyses conducted, the focus was on risks related to the climate component.

The potential impacts linked to climate change are assessed by the Group with specific reference to three main areas of analysis: credit lines, funding mix and securities portfolio.

Within each of the aforementioned clusters, a materiality analysis is conducted on exposure to environmental and climate risk factors, based on NACE sectors classified by risk score, as well as on data and information related to GHG emissions.

The results of the analyses show, on the whole, low exposure of the Group to NACE sectors characterised by high transition risk scores.

With reference to the cluster relating to the investment portfolio, the analysis on transition risk was also conducted on the basis of the ESG score, calculated via the platform of a primary external info-provider. The Group's exposure to issuers with medium-high ESG scores recorded negligible values.

	With reference to credit lines and funding (funding mix), starting from 2023 the assessments also entailed measuring ESG scores relating to acute and chronic physical risk. The results of these assessments resulted in overall low exposures to counterparties with high ESG scores. In addition, Banco BPM carries out specific sensitivity analyses to assess the historical impacts on liquidity and funding profiles originating from acute and unforeseen physical events, which actually occurred, with a specific focus on the collection of liquidity via demand deposits. As regards the clusters of credit lines and the funding mix, starting from the risk assessment dated 30 June 2025, the analyses will also concern some indicators able to assess the impact on liquidity of the risks linked to the environmental dimension. In addition, some "forward-looking" data points will be included in the June 2025 analysis, which will give an idea of the impact of climate-environmental risks on liquidity in the medium and long-term Since 2024 the Group integrates into the databases used for the measurement of liquidity/funding risks, a set of ESG information considered material for the purpose of preparing adequate periodic monitoring reporting on the three clusters analysed and mentioned above. The integrations regard the following aspects: • acquisition of the information flow from the supplier in DWH, in accordance with the methods defined by the Banco BPM Group, containing information and data on climate risks relating to the Bank's customers; • acquisition of the information flow from the platform of a leading international data provider that is used to estimate the ESG risk on the investment portfolio; this flow consists of various ESG data points that make it possible to assign an average score to each securities issuer. Among the various data points extracted from the platform of a leading international data provider, there is a synthetic parameter that considers all ESG aspects, including those related to the social and governance components. Therefore, with reference to the securities Portfolio, the assessment carried out periodically also includes specific aspects relating to social and governance risk. The Governance Risk Score is also extracted from the same database, which allows the Group to isolate the governance risk, making it possible to assess any impacts at the level of liquidity and funding risk. The Bank is also integrating its ESG DWH with a series of data for the purpose of assessing the social and governance risks of customer companies through data consistent with methodologies shared with the supplier of the climate and environmental scores. In particular, the "Governance Score" aims to measure exposure to risks inherent in company management, with specific reference to transparency and management ethics aspects. The approach adopted aims to detect potential risk signals and prevention and/or mitigation measures
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implemented by the companies assessed. The KPIs taken into consideration concern the following aspects of the perimeter of the companies assessed:

- structure and breakdown of the governing bodies;
- sanctions and disputes;
- management policies and systems;
- transparency standard.

Through this implementation, the periodic assessment will be integrated with an analysis of the impact of these factors related to the G (Governance) component and the S (social) component on liquidity risk.

The potential impacts related to climate change are assessed by the Group also in terms of **operational risk** in relation to the consequences arising from adverse events related to the climate and the environment (floods, landslides, fires, droughts, weather phenomena, etc.) that could cause an increase in operational risks, with a focus - in addition to the effects on business continuity and on the damage to the real estate and artistic assets of the banking Group, also on the potential losses directly or indirectly caused by legal actions (i.e., for greenwashing linked to the sale of banking/financial products or to legal action and complaints by stakeholders due to environmental non-compliance of products issued/placed or for the Bank exposures in controversial sectors).

In particular, the objective is to assess the potential exposure of the Group to operational ESG risk factors, both through the historic reporting of the events and through the forward-looking analyses carried out, including the results of in-depth analyses.

The application of risk self-assessment analytical scenarios allowed for an assessment of potential exposures related to physical risk and the associated conduct risk, the outcome of which showed limited impacts even in terms of unexpected losses. These impacts were considered in determining second-pillar risks in the periodic capital adequacy assessment exercises (ICAAP).

For both transmission channels, the Bank estimates unexpected loss scenarios in the Risk Self-Assessment process whose purpose is to intercept vulnerabilities of the bank systems and processes, also returning a materiality in terms of potential economic loss.

The Group continuously implements further methodological developments, also in line with the relevant regulatory developments. In this context, for example, the refinement of the operational risk taxonomy is noteworthy, as it aims to include the categorisation of climate events, thereby further enhancing the granularity of operational risk databases.

ESG risk factors have also been integrated into the measurement models of the other types of **Pillar 2 Risk**⁴².

With reference to **reputational risk**, Banco BPM has defined a methodology to quantify estimates of economic capital in order to include the possible deterioration

⁴² Reputational, Strategic, Equity and Real Estate

of the Group's image, perceived by its various stakeholders, as a result of the potential emergence of specific ESG risk factors. The reputational risk assessment model includes the Corporate Social Responsibility area and the ESG area, which consist of indicators that allow the Group's reputational positioning in these areas to be monitored over time. In particular, the ESG area consists of 3 web sentiment indicators (one for each area E, S and G) to assess the news on the Web that pairs the Group's image to these three areas.

The "Environmental web sentiment" indicator evaluates news relating to the Group that is appropriately classified in this area through cataloguers developed with artificial intelligence techniques. In addition to an aggregate assessment, the score is broken down to evaluate the marginal contribution of the various climate and environmental risk factors to the overall measure of economic capital needed to deal with this particular type of risk. In particular, four different risk sub-categories are considered (transition risk, physical risk, conduct risk and "other") in which the news is further classified. Finally, the news is associated, where possible, with the business cases contained in the ECB Climate Stress Test.

The "Social web sentiment" and "Governance web sentiment" indicators also offer an aggregate score with respect to the Group's positioning in these areas. In particular, the Social indicator is then broken down into sub-areas of risk relating to issues such as culture, education, dignity, peace, health, inclusion and territory.

Lastly, with a view to stress testing and sensitivity analysis, the scores of the indicators of the two areas mentioned previously are appropriately stressed by considering pejorative scoring on the basis of the probability distributions assigned by the machine learning engines.

Banco BPM has also defined a framework for continuous monitoring and for the preventive mitigation of the reputational risk of borrower counterparties.

This framework is based on analyses deriving from instruments of the commercial network, from credit policy processes, from activities of the Rating Desk on the credit rating of counterparties and, lastly, envisages second-level controls conducted by the Risk Function, both for purposes of monitoring, and ex-ante.

The tools available in the commercial network make it possible to analyse companies by collecting a wide range of information, including elements useful for identifying potential reputational risk factors.

The fundamental drivers of the credit policy framework include the ESG score of counterparties. This score is directly impacted by the results of the ESG questionnaire which covers, in particular in the qualitative section, elements of potential reputational risk for ESG aspects, and a specific question is also envisaged to be completed by the manager on the reputational aspects known to them not already covered by the questions in the questionnaire. There are also two "fatal" questions on social and governance areas that can nullify the mitigation effect of the ESG questionnaire.

The activities carried out by the Rating Desk envisage the option to override the credit rating of counterparties, in a negative sense, in the presence of potential

	reputational risks of an ESG nature. These risks are identified by reviewing the news of the main newspapers as well as the information acquired from the Notes to the Financial Statements, the Report on Operations and, above all, the Independent Auditors' Report. If these events are considered material, an override/attribution is triggered with the appropriate ESG motive. In order to carry out these assessments, the structure also makes use of the information provided by the manager, the decision maker or of the indications available in the ESG questionnaire. Its intervention may, in the most serious cases, lead the counterparty to be included on the watchlist. Lastly, the Risk Function manages the analysis of the reputational risk of counterparties, both as part of ex-ante assessments, and in periodic monitoring with reference to the second level controls. With regard to strategic risk, in December 2024, the Group completed a review of the main methodological assumptions to further strengthen assessments of short-term commercial objectives with the Business Plan targets, more oriented to a medium and long-term horizon, at the same time strengthening the strategic controls relating to the impacts of ESG factors and the overall evolution of digitalisation processes. In particular, to calculate the economic capital measure related to this risk, the quantitative KPIs underlying the pillars of the Group Strategic Plan are considered in order to provide the contribution of ESG issues to the overall measure of economic capital, as well as to carry out what-if and sensitivity assessments to assess changes in terms of capital absorption. At the end of 2024, Banco BPM also refined the property risk model by including the physical risk and transition risk components in the estimation methodologies. In particular, in the measurements of economic capital used to assess the Group's capital adequacy, the impacts deriving from the potential occurrence of physical risk were also considered, according to scenarios published by the Network for Greening the Financial System (NGFS), or used in the context of specific climate stress test exercises. Using these scenarios, the historical series of prices underlying the geographical clusters in which the properties owned by the Group are located are projected on a three-year basis in order to assess the increase in the relative volatility that then impacts, for the same real estate portfolio, the economic capital measure. In addition, with regard to equity risk, with reference to economic capital measures, similar assessments were carried out by the Group in order to include the impact of the climate component, again with respect to the scenarios mentioned above, taking advantage of the overlaps with the credit, banking and trading book input perimeter of the portfolio model. The underlying logic is the determination of an impairment loss (fair value) of the assets in the event of the occurrence of the above-mentioned risks. Specifically, climate risk assessment methods, scenarios and transmission channels are borrowed from the above for credit risk. The overall impacts of the ESG factors, with specific reference to environmental and climate-related ones, resulting from the analyses conducted on the main types of
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	material risk for Banco BPM, show a marginal exposure and materiality in consideration of the current risk score. Based on these analyses, the potential expected economic loss related to climate and environmental risks appears to be low for the Group. The outcomes of the monitoring of each type of risk, including the related ESG impacts, are periodically reported within both the respective vertical reporting and the Group's integrated reporting (Risk Appetite Monitoring - RAM).
m)	Activities, commitments and exposures contributing to mitigate environmental risks Banco BPM has been progressively integrating environmental and climate risks into lending policies and risk management frameworks aiming to ensure more favourable access to capital for companies investing in green activities or wishing to undertake a transition process and, conversely, adopting exclusion policies and a selective approach towards sectors with high environmental risk. With regard to credit policies, the assessment of ESG factors has become increasingly important in the credit granting and monitoring process; the credit policy framework, in particular, has been enriched with specific components, such as: transition risk, physical risk and the ESG questionnaire. For more information, please refer to letter a) of this section. In this context, with the 2024-2027 Strategic Plan, Banco BPM has planned a target of new medium/long-term Low-Carbon disbursements⁴³ of at least 7 billion euro for 2027. Ordinary loans granted to specific sectors classified as "green" or with low exposure to climate-related risk factors as well as green lending products are included in the scope. For more information on the offer of "green" loan products of Banco BPM, please refer to letter a) of this section. The focus on ESG factors is also integrated into the management of the Bank's proprietary portfolio. This focus was formalised by a policy on the investments of the proprietary portfolio ("Guidelines for the integration of sustainability factors in the investment strategies of the proprietary portfolio") which contains ○ Exclusion criteria, aimed at avoiding investments in issuers whose activities or sectors could worsen the Group's ESG profile; ○ Inclusion criteria through which the bank undertakes to encourage investments in companies that are most active in the field of environmental responsibility and respect for human and minority rights, as well as investments in bonds aimed at financing environmental and social projects as well as projects for improving the issuer's governance. These criteria make specific reference to the NZBA sectors. In fact, a core part of this vision is joining the NZBA, which commits the bank to aligning our credit and investment portfolio to achieving net zero emissions by 2050. To this end, in August 2024 Banco BPM published the decarbonisation targets to 2030 for the 5 most emissive sectors present in its Loans and Securities portfolios and

⁴³ New loans to households, companies and businesses with a maturity of more than 18 months

	in May 2025, the NZBA Transition Plans were published, which outline the short-term actions already in place and any medium/long-term actions to be implemented to achieve targets. The Group's strategic objectives are then also translated into the monitoring of the overall Risk Management Framework with particular reference to the RAF. For more information on integration of ESG into the RAF, please refer to letter q) of this section.
n)	Implementation of tools for identification, measurement and management of environmental risks The Group defines and uses baseline and alternative macroeconomic scenarios as part of capital adequacy (regulatory and management) and liquidity assessments that allow to project/simulate the evolution of the economic and capital ratios and their underlying risk measures. In recent years, it has become necessary to integrate the effects of ESG components into the forward-looking scenarios adopted for capital and liquidity projections in order to assess their impact on the Bank's overall business. More specifically, with reference to ESG issues, particularly environmental and climate-related issues, the need to conduct specific forward-looking assessments is becoming increasingly important in estimating the impacts of these factors not only over a short-term time horizon, but also, and above all, from a medium- and long-term perspective. With regard to the more purely social and governance issues, these are considered through the reference macroeconomic scenario (e.g. inflationary impacts on nominal interest rates and prices and geopolitical tensions) considered in the scenario analyses. This area includes monitoring the impacts of climate change and environmental degradation on the business environment of the Group, in the short, medium and long-term, with regard to specific macroeconomic variables and in reference to its particular competitive context. Therefore, the monitoring described is conducted with a twofold purpose: i) to allow the Group to select, update and analyse the different forecast climate scenarios available, with the aim of verifying their impacts on the reference context. To this end the Bank makes use of the climate scenarios developed periodically at institutional level, in particular those produced by the NGFS, a group of Central Banks and Supervisory Authorities committed to sharing best market practices, to contributing to the development of climate and environmental risk management in the financial sector, and to mobilising traditional finance to support the transition to a sustainable economy; and ii) to assess the impact of transition and physical risks which impact on the overall business carried out by the Group, with direct consequences on the financial choices/needs of customers, as well as on the type and quality of services and products offered by the intermediary. Over time, the NGFS has prepared a set of scenarios that incorporate the effects of climate change on the global economy and individual countries under different climate shock assumptions. The scenarios periodically updated by the NGFS are becoming more in-depth, broader and richer in terms of tools, models, results, risk coverage and with an increasingly analytical geographical extension.

In particular, the NGFS climate scenarios can be grouped into four types: "Orderly", "Disorderly", "Hot house world" and "Too little - too late", developed over a time horizon up to the year 2100, and which differ according to the goal of the efforts made by national governments to counter the effects of global warming further detailed in sub-scenarios.

The economic impact of the different scenarios is measured through the indication of the variance of the cumulative GDP with respect to a base assumption over different time horizons: by 2030, 2050 and 2100 for both Italian and global GDP.

From the assessment relating to Italy, the NGFS data confirm a limited growth spread between the different scenario assumptions with a differential that significantly widens over the years.

In particular, it should be noted that Banco BPM assesses its own capital adequacy, also in light of the financial KPIs generated by the information contained in the new NGFS scenarios, by adopting specific sector/territorial analyses, as well as by implementing increasingly advanced and accurate approaches.

The choice of climate scenario based on the NGFS provision was made following a materiality analysis conducted on the prospective Probability of Default (PD) under the most representative scenarios in the categories "Orderly Transition," "Disorderly Transition," and "Hot House World", with short-term (2023-2026), medium-term (2030), and long-term (2050) horizons, in line with the guidelines set forth in the "Thematic Review – Climate-related and Environmental Risk Strategies".

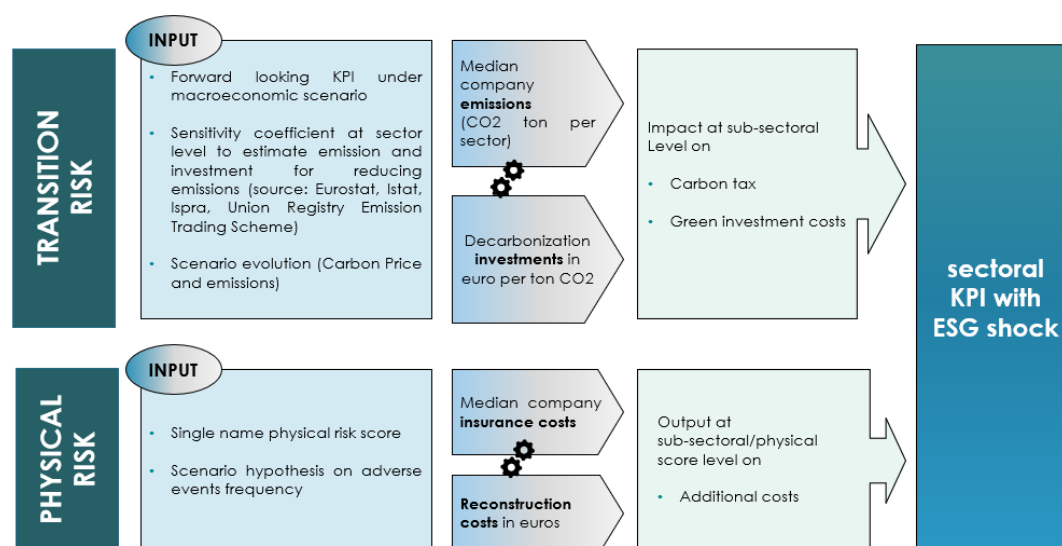
"Orderly Transition" assumes that environmental policies are quickly introduced and gradually become more stringent, based on the "NGFS Net-Zero 2050" scenario. This scenario envisages a +1.5°C cap on global warming and achieving net-zero emissions by 2050 through stringent climate policies, including the immediate introduction of a carbon tax. This tax compels companies to make significant initial efforts to cover both the costs associated with the emissions tax and those relative to the investments required for technological adjustments. Although this scenario entails higher initial costs, it is expected to yield better long-term outcomes in terms of containment of global warming, with the consequent containment of the negative impacts of physical risk.

The "NGFS Delayed Transition scenario" of **"Disorderly Transition"** assumes that environmental policies will only be introduced starting in 2030, aiming to limit global warming to +2°C by 2050. The delayed start of restrictive emission policies would necessitate stronger measures, resulting in higher carbon prices and investment costs, albeit postponed until after 2030. Additionally, the delay in implementing ecological transition policies would lead to greater global warming compared to the "Orderly" scenario, with a more material incidence of extreme climate events.

The **"Hot House World"** "NGFS Current Policies scenario" assumes, instead, that no specific environmental policies will be enacted and that the continuation of current measures will be insufficient to curb global warming. Despite a gradual reduction in emissions in Europe, global temperatures are expected to rise by +3°C by 2080, significantly increasing physical risk due to an almost non-existent transition and

negligible costs for emissions containment.

Based on the NGFS scenarios, the impact of climate shocks on PD has been quantified by applying the financial module of internal rating models to projected financial statements of corporate clients, aligned with key indicators of climate policy. Specifically, the impact on PD is assessed through sector-specific financial indicators shocked for the additional costs that companies incur due to transition and physical risks. As summarised in the image below, the impacts of a potential carbon tax are considered, introduced to discourage greenhouse gas emissions, alongside the costs of increased debt incurred by companies to fund investments aimed at the decarbonisation of production processes. Furthermore, long-term projections also account for rising insurance costs associated with addressing physical risk impacts.



The methodology underlying the scenario analysis is based on the use of satellite models as detailed in the section “*Risk measurement and management*”, illustrated in letter I) of the section dedicated to environmental risk.

The variations in financial factors shocked for climate drivers observed in the projected financial statements across the scenarios described, were aggregated at the sector level and across macro-clusters to determine the prospective PD through the aforementioned financial module.

At the aggregate level, across the entire credit portfolio, the following observations are made:

- In the **short- and medium-term**, the three scenarios analysed lead to an increase in PDs. This increase is much more pronounced in the “Orderly” scenario due to the immediate implementation of greenhouse gases emissions reduction measures, resulting in increased costs and investments for the transition. In contrast, the other two scenarios show a more modest increase, as it is assumed that no specific emission reduction policies are implemented in the initial years of projection.
- In the **long-term**, a contrasting trend is observed: the highest PD values are reached in the “Hot House World” scenario due to the great costs incurred

	to address the increase in adverse climate events, as a consequence of not having adequately reduced emissions. Therefore, the analysis highlights the impacts of different scenarios on the creditworthiness of the Bank's clients, delving into the effects of both transition risk (comparing the "Orderly" and "Disorderly" scenarios) and physical risk, captured in the "Hot House World" scenario and the long-term implications also in the "Disorderly" scenario. In conclusion, distinguishing the impacts on PD in the short, medium (2030), and long-term (2050), it can be seen that in the short-term, the "Orderly" scenario is the most conservative and, therefore, the most suitable to be used in projection exercises characterised in particular by an impact on a three-year time horizon. Lastly, it should be noted that in May 2025, the NGFS released, for the first time, short-term scenarios with a time horizon up to 2030, providing information on the immediate implications of climate change. The scenarios provide a detailed analysis at regional and sector level as well as a broad coverage of financial risk and macro variables that could influence economies and financial systems until 2030. In light of the indications issued by the NGFS, the Bank is carrying out a scenario analysis and an assessment of the models in order to evaluate the possible impacts on macro variables, as well as focus on both transition and physical risks. For details on the identification, measurement and monitoring processes, please refer to letter I) of this section.
o)	Results and outcome of the risk tools implemented and the estimated impact of environmental risk on capital and liquidity risk profile The management and mitigation of climate and environmental risk factors (C&E) represents an essential preliminary phase for the assessment of the Group's capital and liquidity adequacy, both from a current and forward-looking perspective. These assessments are incorporated into the ICAAP (Internal Capital Adequacy Assessment Process) and ILAAP (Internal Liquidity Adequacy Assessment Process), which constitute the backbone of the risk management framework. As part of the 2025 ICAAP exercise, in line with 2024, the Banco BPM Group conducted a forward-looking analysis of the impacts of the main drivers of climate risk on credit risk. In particular, both satellite models were applied to the ICAAP exercise with a reference date of 31 December 2024, using the "Orderly" NGFS (Net-Zero 2050) scenario, integrated with the flood scenario of the Climate Stress Test conducted by the ECB in 2022, which impacts the price indices of the property used as collateral. From an ICAAP perspective, the methodology developed for credit risk was also extended to the calculation of economic capital for the equity portfolio, and the banking and trading books. The impact of the climate shock on the first prospective year, measured on the entire credit portfolio, including the equity, banking and trading components, was quantified as an increase of +3% of the total economic capital for the ICAAP 2025 financial year. Lastly, it should be noted that the risk

factors linked to the Climate component are integrated within the ILAAP framework through materiality and sensitivity analyses.

The ILAAP framework contains a description of the methodological approach adopted in the Materiality Assessment of climate and environmental risks on the main aggregates: investment portfolio, funding mix and credit lines, on a half-yearly basis. The materiality analysis is based on the exposure of the main aggregates assessed on the basis of specific synthetic scores.

	Potential Impact	Risk Type
Securities portfolio	- Decrease in the value of liquidity reserves as a result of difficulties in sustaining the transition path and/or due to acute physical events impacting the issuer and the value of related assets. - Decrease in the value of High Quality Liquid Assets (HQLA) resulting in increased financial risk.	ESG
		Transition
Funding mix	- Withdrawal of sums deposited with the Group to cope with the consequences of the manifestation of acute and/or chronic physical events, and difficulties in bearing the burden of investments to continue the transition to net-zero.	Physical (Chronic/Acute)
		Transition
Lines of Credit	- Increased unexpected drawdowns of credit lines due to physical events, acute and/or chronic, and to bear the costs/make the investments to adapt to the transition to net-zero	Physical (Chronic/Acute)
		Transition

In particular, with reference to physical risks, the internally developed score was used, which summarises the exposure of the province of residence to acute physical events (landslides, fires, floods, etc.). For transition risk, the exposure to these risk factors of the individual production sectors (ATECO) was assessed, while for the investment portfolio an additional score was also used (primary international data provider source) that measures exposure to ESG risks of the economic value of the instrument issuer in the portfolio.

In addition, again within the ILAAP framework, an analysis was carried out on the impact on liquidity risk based on the occurrence of acute physical climate events in Italy from 2017 to 2024.

In particular, the assessment made it possible to identify and quantify the impact on expected liquidity run-offs upon the occurrence of the extreme event. This analysis concerned a limited cluster of customers present in the branches of Banco BPM located in geographical areas affected by extreme weather events. As a result of the assessment activities, a slightly higher incidence of expected run-offs in the geographical areas affected by the climate event was noted, compared to the average of the national areas not affected by the events.

p) **Data availability, quality and accuracy, and efforts to improve these aspects**

To allow proactive governance of ESG risk factors, it is necessary to have a suitable IT infrastructure in place to ensure that the Group can collect, log and process all detailed information/data useful for developing and guaranteeing adequate and effective internal assessment and reporting.

The importance of ESG factors, in fact, is the subject of increasing attention by national/international institutions and, within the banking sector, there is a growing awareness of the need to integrate these analysis dimensions into strategies, processes and Market disclosures.

	In particular, data availability represents one of the main commitments of Banco BPM in order to expand the data base and to effectively measure and assess the exposure of their portfolios to ESG risk drivers. These data include: • quantitative metrics (such as customer carbon emissions); • qualitative information on their organisational structure and activities (i.e. the presence of teams focused on ESG risks and policies in place, plans to eliminate net greenhouse gas emissions, procurement practices); • broader macroeconomic, social and environmental data (e.g. shared social-economic scenarios). As part of this, the IT function has equipped the Bank with a centralised repository (ESG Data Warehouse or ESG DWH) with the aim of collecting, processing and storing the ESG information needs, thus enriching the existing databases. Specifically, data are collected from sources both inside and outside the Group. Data from internal sources are mainly acquired through: • ESG questionnaires, submitted to the Bank's borrower customers to gather all the information useful for assessing the ESG objectives of the individual counterparties and, at the same time, enhancing the impact metrics relating to loans to the Third Sector; for further details on the development of the ESG questionnaire structure, please refer to the paragraph "Credit policies" in letter a) of the section on environmental risks. • FFS (Financial Forecast Studio) platform for simulating forward-looking financial statements in order to include ESG assessments, generate stressed scenarios (including climate) and carry out sustainability-oriented evaluations. The data from external sources are mostly obtained through suitable and qualified external info-providers in order to: • gather information necessary for carrying out appropriate detailed analyses; • have forward-looking climate scenarios to define and implement robust stress tests also aimed at projecting physical and transition risk scores over different time horizons. During 2025, the IT function focused on utilising ESG data within banking processes by industrialising models/engines to support the calculation of ESG metrics, for both reporting purposes (internal/external) and to enhance the bank's core business. In particular, the implementations of the Data Warehouse (DWH) focused on the following activities: • integration of future physical risks (conditional scores for physical climate scenarios RCP 4.5 and RCP 8.5, with a time horizon from actual to 2050 and 5-year steps); • standardisation of physical risks under the same physical climate scenario RCP 4.5 2030;
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	• integration of the physical and transition risk assessment for foreign companies; • activities aimed at enriching new social and governance summary indicators of customer companies and the underlying risks under development with an external data provider. The database is updated half-yearly with logging in the DWH. In addition, to ensure constant updating of risk data, an online exchange channel was opened to acquire score data on new counterparties in real time. In addition, project threads have been launched to improve the acquisition in DWH of the alignment data with the EU Taxonomy and the value of emissions fed into the ESG platform and acquired by the info-providers. Furthermore, the interventions also regarded the revision of the ESG questionnaires with the following developments made with a view to: • improving the assessment of counterparties operating in the social economy for Third Sector customers; • reviewing the model for determining the weights assigned to individual questions, with the consequent recalculation of the score for credit policy purposes, refining the management of ESG questionnaires on the consolidated ATECO code, extending and differentiating the questionnaires for Small Businesses/Sole Proprietorships in order to issue a new structure of ESG Questionnaires for business customers. Following the entry into force of the Corporate Sustainability Reporting Directive (CSRD), in 2025 the Group prepared the first Sustainability Reporting for 2024. The reporting exercise involved the DWH ESG as contributor of the information regarding, among other things, the calculation of the Green Asset Ratio (GAR) and the Financed Emissions (calculated according to the PCAF - Partnership for Carbon Accounting Financials methodology) of the counterparties in the portfolio. In this specific regulatory innovation context, the Group's IT function is proactively collaborating, on an ongoing basis, with the various business functions to identify gaps in the data and in the reporting tools in order to adapt and develop the overall infrastructure. The information processed is therefore necessarily subject to potential IT adjustments, also in relation to the methodological refinements gradually introduced. Like the IT architecture, the definition of an adequate Data Governance framework for ESG issues is an enabling factor in having reliable and correctly rebuildable information. During the first half of 2025, in the Data Management area, the overall framework was extended to cover: • the main quantitative contributions of the 2024 Sustainability Reporting (Energy management, ESG Strategy and Reporting data, Human Resources), through the collection and processing of the relevant concepts, the formulas applied, including any manual actions carried out, the controls performed by the data owners involved, and the data lineage;
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	- the information on ESG risks within the Pillar 3 Disclosure (Pillar 3 ESG), through the census of business concepts starting from the table structure of the templates envisaged by the EBA Data Point Model, as well as, as in the CSRD area, of the other deliverables envisaged by the Data Management process (formulas, manual actions, controls already carried out and data lineage). In the Data Quality area, the extension of the framework with a view to strengthening the monitoring of data quality concerned: - the scope of the ESG platform, for which, with reference to data quality and accuracy, the control system was further strengthened, through the activation of additional controls regarding the PAIs (Principal Adverse Impacts) of the Portfolio and the definition of 1st level controls on the input data of the Platform; - the scope of the ESG DWH - physical and transition risk, for which the control system was strengthened also as regards environmental risks, and the definition of new controls on General Government counterparties and other counterparties for which the framework has been extended⁴⁴, and on water stress risk scores and circular economy risk scores, for which implementation is underway; - the scope of Pillar 3 ESG, on which a set of controls has been implemented that verify the data present in the GAR (Green Asset Ratio) templates and on which the analysis for the remainder is currently being defined. Lastly, it is worth mentioning activities aimed at strengthening the Data Governance standards relating to the RAF Indicators connected to the Strategic Plan targets "new medium/long-term Low-Carbon disbursements" and "Green, Social & Sustainability bond issues". In particular: - in the Data Management area, through the collection and processing of the relevant concepts, the formulas applied including any manual actions carried out, the controls carried out by the data owners involved, the data lineage; - in the area of Data Quality, through the implementation of First Level, Second Instance Controls to monitor the quality of the relevant data with the support of the data owners. With regard to data controls, it should also be noted that, in line with the Data Governance framework and with the evolutionary projects, second-level audits were progressively carried out. This assessment process is carried out independently by the Risk Control - Data Quality & Aggregation (CRO area) function, envisaging both the assessment of the adequacy of first level controls and the execution of specific controls to identify any aspects for improvement, with regard to the various ESG areas. The audits concerned both data managed within the ESG DWH, and data present in other information sources. More specifically: - As regards the ESG DWH, data referring to physical and transition risks were assessed half-yearly, in line with the frequency of the flows from the data
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⁴⁴ Reference is made to counterparties with legal status not registered with the centralised "Economic-Administrative Information Register" held by the Chamber of Commerce

	provider in accordance with the methods defined by Banco BPM. The controls focus on aspects not covered by the first level such as, for example, the reperforming of proxies. The last reference date is June 2025; • Furthermore, the evolution of controls on ESG data was also followed, aimed at the integration of the flows referring to liquidity risk; • A second-level assessment of the Data Governance framework is underway relating to the strategic indicators, which measure Banco BPM's ambition in the Strategic Plan and with respect to the NZBA targets and all the managerial indicators that comprise them (including the "new medium/long-term Low-Carbon disbursements" indicator), completion date December 2025. The following activities, on the other hand, were carried out with the last reference date of December 2024: • In relation to the RAF operational indicator "new medium/long-term Low-Carbon disbursements", the verification activities that started in 2024 were completed. They had regarded assessing the adequacy of the disbursements included in the indicator (for which the relative independent reperforming was also performed) and the correspondence of the calculation procedure with the requirements declared in the methodological manual. These activities led to the opening of 5 findings aimed at correcting the problems and anomalies encountered; • With regard to the Pillar 3 ESG templates, in March the specific controls on template 7 were re-performed (focused on verifying the correctness of the input data and the application of the rules for completing the template). Some anomalies in the DWH tables that feed the templates were found, and are currently being resolved (they will be tested on the June 2025 data)⁴⁵; • As regards ESG questionnaires, periodic checks are conducted on the same to assess the quality of the responses to Environmental and General questions, and the consistency of these responses with the data extrapolated from sustainability reporting and acquired through external providers; • Lastly, with regard to the GSS Bonds Framework, the resolution of the findings addressed, following audits carried out in 2024 on the correctness of the scope of green disbursements, in terms of the eligibility of loans for this purpose. The activity carried out in the areas indicated above made it possible to identify aspects for improvement, in particular with regard to the data quality controls implemented, which were addressed to the respective Data Owners. Lastly, with regard to the ESG - Wealth Management Platform, activities were aimed in particular at supporting the extension of the Data Governance Framework. A specific assessment is being finalised on this area.
q)	Description of limits to environmental risks (as drivers of prudential risks) that are set, and triggering escalation and exclusion in the case of breaching these limits

⁴⁵ It should be noted that, in consideration of recent regulatory changes (suspension of the publication of GAR templates by the EBA from 30/6/2025 until 31/12/26), lower priority has been assigned to the performance of 2nd level controls on the ESG Pillar 3 templates (DWH environment), which will therefore be conducted ex post

	During the first quarter of 2025, the Board of Directors of the Parent Company Banco BPM approved the Risk Appetite Framework (hereinafter also "RAF") for the material risk areas, which the Group and the individual Legal Entities, relevant for RAF purposes, (including Insurance Companies) are or could be exposed to. Through this instrument, the Body with Strategic Supervision Functions approves the level of risk that the Group is willing to assume in pursuing its strategic objectives. The framework comprises the following basic elements: • governance, which defines the roles and responsibilities of the parties involved and the information flows between them, including the escalation process if the thresholds are exceeded; • the system of metrics, which summarises risk exposure; • the system of thresholds, through which the risk appetite is defined; • the instruments and procedures, which support the representation and operational management of the RAF, including "Most Significant Transactions (MST)". The RAF is the tool that makes it possible to establish, formalise, communicate, approve and monitor the risk objectives that the Group and the individual relevant Legal Entities intend to assume. To this end, it is divided into thresholds and risk areas that make it possible to identify in advance the levels and types of risk that the Group intends to assume, stating the roles and responsibilities of the Corporate Bodies and Functions involved in the process of managing these risks. The RAF indicators are structured by risk area and make use of the risk identification process, taking into account regulatory indications regarding Risk Governance. All significant risks identified during the process are considered when defining the Risk Appetite Framework, and specific indicators are identified for monitoring purposes. The Group's RAF perimeter made it possible to identify a set of indicators divided into the main risk areas: Capital adequacy, Credit/asset quality & structure, Liquidity/funding & IRRBB, Profitability, Operational/conduct/ICT, cyber, ESG-specific and Other relevant topics. With regard to the risk areas, in 2025 the "ESG Specific" area was introduced, referring to ESG indicators linked to the Strategic Plan guidelines and NZBA targets. The additional RAF indicators related to ESG issues (called KSI - Key Sustainability Indicators) for which the Group has not defined specific objectives in the Plan, are included in the risk areas referring to them. The indicators that summarise the Group's risk profile for the above risk areas are divided into three levels, as shown below: • Strategic Indicators: a limited and comprehensive number of metrics, which express the risk appetite approved by the Board of Directors and represent the summary performance of the overall risk profile. These indicators, which include most of the indicators used to define the RAF Guidelines, are functional to the definition of the Budget and Strategic Plan objectives; • Operational Indicators: metrics that integrate, breaking down the strategic indicators and anticipating the evolution of the risk profile. These metrics
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	enable specific aspects of the main business processes to be encompassed and are usually monitored with greater frequency with respect to the strategic indicators, in line with their task of anticipating critical situations; • Early Warning Indicators: metrics used for the implementation of strategies and/or predicting signs of deterioration of the strategic and operational indicators. The system of thresholds is structured as follows: • Target: the level of risk (overall and by type) to which the Group is willing to be exposed to pursue its strategic medium and long-term objectives, in line with the Group Strategic Plan; • Trigger: a threshold which, if exceeded by the strategic and operational indicators, triggers the various escalation processes envisaged by the Framework. The trigger is also determined with stress tests. The system of limits used for operational purposes is defined in accordance with the Trigger values ("Risk Limits"); • Tolerance (tolerance threshold): is the maximum permitted deviation from the Risk Appetite. The tolerance threshold is set in such a way as to in any event guarantee the Group sufficient margins to be able to operate, also in stress conditions, within the maximum risk it can assume; • Capacity (maximum risk that can be assumed): this is the maximum level of risk that the Group is able to assume without infringing regulatory requirements or other restrictions imposed by the shareholders or by the Supervisory Authority; • Alert: this is the threshold defined for the Early Warning indicators, in order to anticipate the dynamics of higher level indicators and/or intercept potential critical issue. In the event that the monitoring activity shows that the Trigger and Tolerance thresholds are exceeded or further deviated with respect to the last available figure, assisted by the structures under their responsibility, the Chief Risk Officer starts the escalation process with the preparation of an information note that illustrates the causes of the indicator dynamics and the potential intervention levers, to be sent to the pertinent Corporate Bodies and Committees (Chief Executive Officer or Board of Directors, supported by the internal Committees). This framework is extended to the relevant Group companies⁴⁶, including the Group's insurance companies, with specific indicators referring to their respective risk areas. If the thresholds relating to these companies are exceeded, in addition to the process described above, a report is made to the respective Bodies and Committees of the Parent Company. In addition, all preparatory activities were carried out with the aim of formalising and defining an adequate RAF, a guiding tool for collecting and constantly monitoring the objectives set by Top Management, contextualised through suitable
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⁴⁶ A Legal Entity relevant for RAF purposes is defined as a Group Company that meets defined qualitative and quantitative criteria, and for which a system of metrics and limits consistent with the company's business model is established. The materiality criterion used to define the RAF scope applies to both the prudential banking and insurance scopes

KPIs with dimensions closely linked to the specific company business in order to continuously pursue a path of environmental and social sustainability that supports the traditional economic sustainability of the Bank.

The following table illustrates the indicators relating to the "ESG Specific" risk area, defined in the 2025 RAF in line with the objectives defined in the 2024-2027 Strategic Plan.

2025 RAF - ESG Specific

RAF level	Indicator	Objective ⁴⁷
STRATEGIC	Synthetic ESG Indicator	To summarise the ESG profile and ambition of Banco BPM (excluding NZBA), consisting of 5 sustainability indicators (KSI) envisaged by the 2024-2027 Strategic Plan, included among the operational indicators of the 2025 RAF, including all the main objectives in the Environment, Social and Governance dimensions (ESG)
	Synthetic NZBA Indicator	To summarise Banco BPM's commitment over a medium/long-term horizon (2030), in accordance with that communicated to the market, in order to support the decarbonisation of the production processes of the Corporate counterparties present in the loans and securities portfolios of the Banking Book ("carbon footprint")
MANAGEMENT	GSS Bond (MM) issues	To monitor the amount of Green and Social Bond funding instruments issued by the Bank, finalised in the year
	ESG Bond – % Share of Corporate Banking Book	To monitor the proportion of investments in ESG-oriented Corporate and Financial bonds held in the proprietary portfolio, compared to the total nominal value of the non-government bond (Corporate and Financial) portfolio within the scope of the proprietary Banking Book
	New medium/long-term Low-Carbon disbursements (MM)	To monitor the total amount of new medium/long-term loans (maturity > 18 months) disbursed to finance projects and operations characterised by a positive contribution to climate transition or a low impact in terms of CO2 emissions
	New loans to the Third Sector (MM)	To monitor the amount of new medium/long-term "Social" loans (maturity > 12 months) disbursed to counterparties operating in non-profit activities, identified on the basis of the relevant business segmentation

⁴⁷ Where not specified, the scope refers to the highest level of consolidation

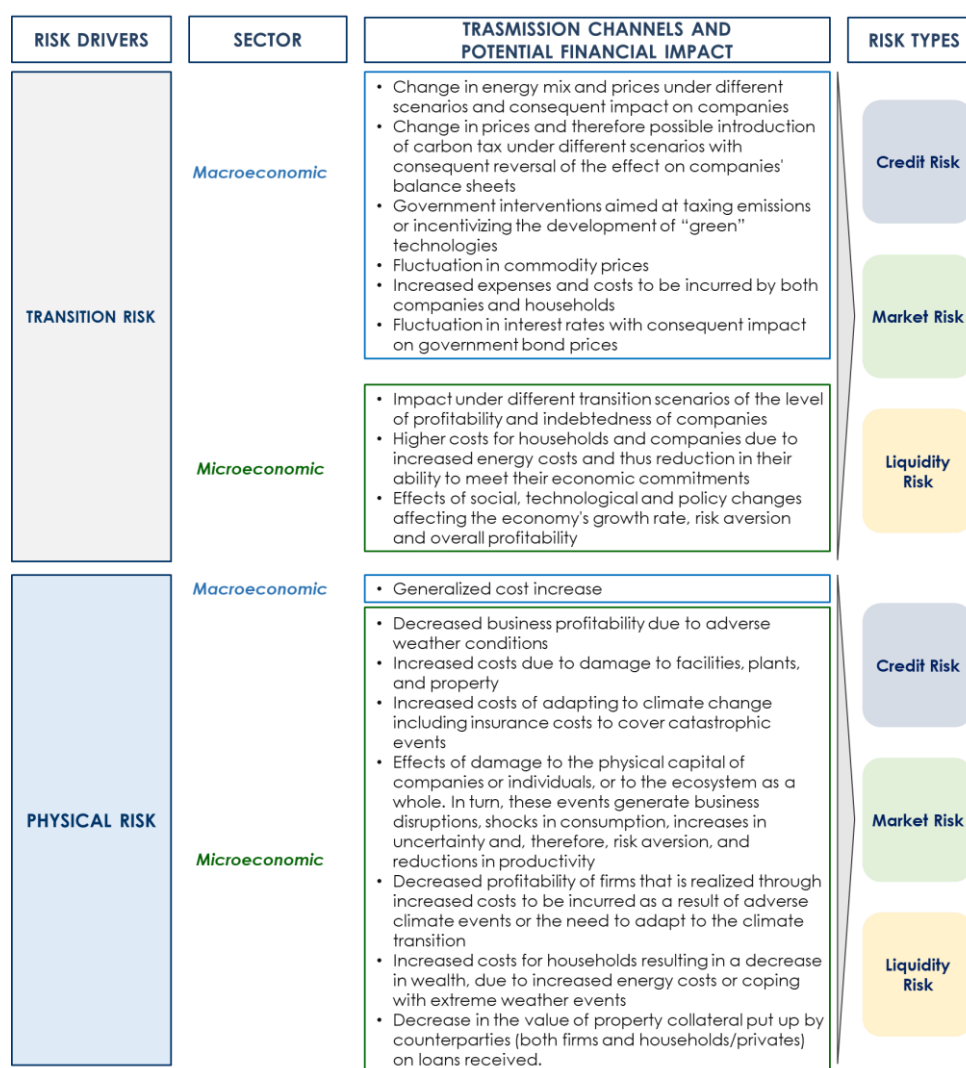
		Gender equality in managerial roles (%)	To monitor the number of women with responsibilities out of the total number of Managers, in order to monitor the progressive achievement of the Strategic Plan objectives
		NZBA – Automotive, Cement, Oil & Gas, Power Generation (31/12/2030 =100)	To monitor Banco BPM's medium/long-term commitment, in accordance with that communicated to the market, in order to support the decarbonisation of the production processes of the Corporate counterparties present in the loans and securities portfolios of the Banking Book ("carbon footprint") relating to the NZBA Automotive, Cement, Oil & Gas and Power Generation sectors
	EARLY WARNING	Employee training on ESG issues (thousands of hours)	To monitor the hours of ESG training received during the year by Group staff, in order to monitor the progressive achievement of the Strategic Plan objectives
		ESG Factory company training (hours)	To monitor the training hours dedicated to creating ESG awareness for corporate customers to accompany their sustainable transition
		BBPM Scope 1 & 2 Market-based emissions (tCO2e)	To monitor all forms of energy consumption and climate-altering gases at Group level in terms of CO2 equivalent emissions
		BBPM contributions to social and environmental projects (MM)	To monitor the implementation of economic support initiatives that benefit local communities, aimed at creating positive and lasting value for the Group, as well as supporting the progress and well-being of the territories in which the Group operates
	r) Description of the link (transmission channels) between environmental risks and credit risk, liquidity and funding risk, market risk, operational risk and reputational risk in the risk management framework		
	With regard to the impact that ESG risks can have on financial risks, starting from the EBA categorisation, the main transmission channels and types of risk (Credit, Market and Liquidity) that could be impacted have been identified. In particular, physical and transition risks represent two distinct components of climate risk, each one characterised by its own risk drivers and by specific causal chains for transmission to financial risk factors. Specifically, a mapping of the events that could occur due to climate and environmental risks was carried out, with consequent integration into the risk management system and identification of the financial risks potentially impacted.		

In relation to the aforementioned types of risk, two types of transmission channels have been identified:

- 1) macroeconomic;
- 2) microeconomic.

With regard to the macroeconomic channel, both physical and transitional climate risk factors have an impact on the overall economy and on individual countries, as well as on the various economic variables. The microeconomic channel, on the other hand, can transfer climate and environmental risk factors to the financial risks of banks mainly through counterparties or financial assets.

The diagram summarises the economic variables that are most affected by climate risks through the two transmission channels.



Through the aforementioned transmission channels, there may be impacts on credit, market (in its interest rate, credit spread, equity and forex risk components), and liquidity and funding risk profiles.

Lastly, the transmission channels of climate factors (in particular those linked to physical risk events) to operational risk are represented by the same tangible assets owned or used by the Group (branches, service centres but also the same artistic

	heritage), which may be directly affected by acute or chronic natural disasters (e.g. floods, landslides, rise in sea levels, etc.). Directly or indirectly affecting the Group's production sites, these same events can lead to interruptions in business continuity and system failure.
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Table 2 - Qualitative information on Social risk

in accordance with Article 449a CRR

Row number	Qualitative information - Free format
	Business strategy and processes
a)	Adjustment of the institution's business strategy to integrate social factors and risks, taking into account the impact of social risk on the institution's business environment, business model, strategy and financial planning The Group's ESG vision is defined in the 2023-2026 Strategic Plan approved by the Board of Directors of Banco BPM in December 2023 and was reconfirmed on 12 February 2025 with the approval and presentation to the Market of the 2024-2027 Strategic Plan, which extended targets to 2027. Expanding the Group's strategic ambition to all sustainability areas, the Plan is based on solid pillars to support customers and the community, aiming for sustainable growth in governance and business models, as well as the creation of value for all stakeholders. For more information on the "social" objectives of the Plan, please refer to the section dedicated to social risks in letter b). With specific reference to issues relating to social risks, the Group pays great attention to listening to the various stakeholders, not only when defining its strategic decisions, but also in the daily performance of its operating activities. In this perspective, internal regulations, specifically the Code of Ethics, define the principles and values that the Group aspires to when conducting its business in compliance with the law, guaranteeing the protection of occupational health and safety and combating any form of social discrimination⁴⁸. It is also important to remember that, in December 2021, Banco BPM formally joined the United Nations' voluntary "Global Compact" initiative aimed at promoting a sustainable global economy, and also declared its specific commitment to implement, disseminate and promote within the scope of its activities, the ten universal principles relating to Human Rights, Labour, the Environment and the Fight against Corruption. In addition, the "Guidelines on respect and protection of human rights" adopted by the Group, attach particular importance to respect for human dignity, equality, inclusiveness and valuing diversity, combating all forms of discrimination and harassment, as well as protecting personal data. With specific reference to operations in the defence sector and in particular with respect to counterparties operating in the weapons materials and systems sector, the Group has defined specific guidelines - "Guidelines regarding operations in the weapons materials and systems industry" - envisaging an enhanced authorisation procedure with a view to sustainability, in order to assess the potential ESG impacts of the individual transactions subject to approval. The Board of Directors is responsible for authorising transactions to grant credit, subject to the non-binding

⁴⁸ Respecting and valuing differences in terms of gender, age, ethnicity, nationality, religion, language, different abilities, sexual orientation and identity, political and trade union membership

	opinion of the ESG Committee⁴⁹ and for defining the list of countries - in particular, non-NATO and non-EU countries - with which it is possible to operate. As already noted in the previous section referring to environmental risks, Banco BPM is aware of the central role attributed to financial intermediaries in guiding the transition of customer companies, is actively committed to progressively integrating ESG factors into its credit policies, as well as developing and proposing specific lending solutions. In particular, as illustrated in letter a) of the section on environmental risks, within the overall framework of credit policies, the use of the ESG questionnaire is of great importance as a tool useful for assessing/guiding customers. In fact, through this tool, the Group is able to collect and analyse important data and information necessary for the correct and accurate profiling of financed counterparties and also relating to their responsibility/reputation in the social and governance spheres. With reference to "fatal" questions, the "social" question included within the credit policies framework is aimed at intercepting/verifying any situations of litigation and/or pending lawsuits by the individual counterparties examined. Furthermore, the "social" section focuses on issues related to employee health and safety, respect for human rights, and the adequacy and protection of company data and information systems. With regard to specific financing solutions, Banco BPM is able to offer a wide range of products and services aimed at meeting the different needs of customers, including the "Unsecured Sustainable Business Loan", which allows corporate customers to access resources without restrictions on the allocation of funds, rewarding companies that tangibly improve their performance in the ESG area (KSI) through the reduction of the interest rate applied. By way of example, the Key Sustainability Indicators (KSI) relating to Social issues are: - Share of new hires under 36; - Increase in investments directed to the communities in question. In order to guarantee widespread cost-effective development and combat potential situations of difficulty, the Group offers adequate social tools and facilities, with a view to permitting its customers access to credit and to have suitable financial resources that can support specific projects and/or overcome difficult situations. With regard to young people, the following initiatives are of note: i) "<i>Mutuo You Giovani Green</i>" [Green Mortgage Loan for Young People] for those under 36 for the purchase of their first home. This product offers the opportunity to obtain up to 100% of the property value, thanks to the First Home Guarantee Fund and offers specific conditions; ii) "<i>Finanziamento a giovani studenti con Garanzia CONSAP</i>" [Loan to young students with CONSAP Guarantee] which allows deserving young people, who do not have sufficient financial resources, to undertake a course of study or to
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⁴⁹ The ESG Committee has the right to authorise transactions that do not envisage the use of any credit lines, referring to names of foreign countries authorised by the Board of Directors, pursuant to Italian Law no. 185 of 1990

	complete their training thanks to the guarantee of the Young people credit fund. In support of women and equal opportunities, Banco BPM has also joined the protocol that the Italian Banking Association (ABI) and the sectoral Trade Unions signed in 2019. Under this protocol, the Bank agrees to suspend payment of the principal of mortgages and loans, with corresponding extension of the repayment plan for a maximum period of 18 months, for women who are victims of violence and included in protection programmes, and who are in situations of economic difficulty. In November 2023, this protocol was extended to 25 November 2025. Over the last year, the Group has also confirmed its commitment to supporting families and businesses damaged by natural disasters by suspending the payment of mortgage and loan instalments. In addition, Banco BPM has collaborated for several years with the main anti-usury foundations, established for the purpose of combating this specific criminal phenomenon and acting on behalf of parties in economic difficulty, with assistance and provision of guarantees with banks. These foundations guarantee usury victims coverage of up to 100% of the amount of loans granted. The specific disbursements are intended to counteract the possible use of illegal credit channels by parties in difficulty. It should also be noted that Banco BPM has signed an agreement with Cassa del Microcredito, whose objective is to put our customers in touch with a Microcredit Operator that can directly disburse funds under the relevant regulations. With regard to the proprietary portfolio, Banco BPM has developed specific guidelines ("Guidelines for the integration of sustainability factors in the investment strategies of the proprietary portfolio") which envisage: • Exclusion criteria, aimed at avoiding investments in issuers whose activities or sectors could worsen the Group's ESG profile; • Inclusion criteria through which the bank undertakes to encourage investments in companies that are most active in the field of environmental responsibility and respect for human and minority rights, as well as investments in bonds aimed at financing environmental and social projects as well as projects for improving the issuer's governance. Banco BPM therefore assesses the issuing companies and their governance also from an ESG perspective, using all information available for this purpose. With specific reference to the Group's non-government proprietary portfolio, as at 30 June 2025, the ESG Bonds included in the scope amounted to 2.6 billion euro, of which around 400 million euro represented by Social Bonds. In general terms, in order to align company activities with net-zero commitments, Banco BPM has integrated climate risks within the Strategic Plan, the RAF and the framework for defining credit policies, as well as, more generally, in the overall risk management framework.
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As further confirmation of the extent to which social sustainability issues are integrated into the Group's Company strategy, it should be noted that in the first quarter of 2025 a Senior Preferred Social Bond was issued, for a nominal value of 500 million euro to refinance a portfolio of loans disbursed to SMEs located in economically disadvantaged areas, and a Social Covered Bond for a nominal value of 750 million euro to refinance a portfolio of mortgage loans addressed to disadvantaged households for the purchase of a home.

With the proceeds collected through the issue of social bonds, the categories of assets that can be financed according to the eligibility criteria of the Framework, are as follows:

- Loans to SMEs:
 - located in provinces with GDP per capita below the national average and/or areas impacted by natural disasters;
 - Backed by a Covid guarantee;
- Loans to Public or Third Sector Bodies;
- Loans to the healthcare sector;
- SLLs provided to SMEs to support sustainable transition;
- Residential mortgages to disadvantaged parties.

All activities with potentially negative or controversial environmental or social impacts are not considered - and are therefore excluded. Specifically, any kind of investment related to the use of fossil fuels, the armaments sector or the tobacco and gambling sectors. Investments in nuclear energy production are also excluded.

Based on data updated as at 30 June 2025, the Group's eligible portfolio, under the GSS Bonds Framework, was approximately 9.7 billion euro, of which 4.1 billion euro represented by "eligible social loans".

As regards the supply chain, the Group pays great attention to the **supplier** selection process and to relations with the same. In this regard, the application of suppliers takes place through the registration of suppliers who work with the Group, in a specific Register, thus having a tool that allows the development of a constant dialogue between the parties and which helps to create a direct and structured relationship.

Since 2023, the Supplier Register has been improved by adding a sustainability section, essential in the qualification process. In fact, suppliers are periodically asked to fill in specific questionnaires, both during the initial registration and ongoing thereafter. From the information collected, in addition to actually checking the goods and services provided, the Bank is able to assess the individual counterparties in detail.

This allows the Group to evaluate its suppliers also from a sustainability perspective and to assign them an internal ethical rating useful for certifying the social responsibility profile of the party examined.

In particular, thanks to the cooperation with the ABC Consortium (mainly consisting of banks and insurance companies and focused on the provision of services for Purchasing functions), a questionnaire was implemented, calibrated to the EU

	classification of the company (micro/small/medium/large) and developed based on the UNI ISO 26000:2010 guidelines for the Social Responsibility of organisations. Since September 2024, an updated version of the ESG questionnaire has been released, the result of the periodic updating of the working group, making the methodology no longer unique but differentiated for suppliers based on their type, size and social form. Therefore, the ESG questionnaire differs in the following types: 1. Capital companies; 2. Partnerships - associations - foundations - associated firms; 3. Self-employed workers - self-employed professionals - sole proprietorships Each type has a specific set of questions and a list of information and documents required when completing the ESG questionnaire has been integrated into the latest version of the questionnaire. The overall rating assigned to individual suppliers is represented by a quantitative score - ESG Rating - attributed to increasing classes of coverage of the best practices identified: ESG0, ESG+, ESG++ and ESG+++. In addition, starting from January 2024, a vendor management technology platform for ESG Rating and detection has been in place. This allows suppliers to enter and keep their information constantly updated, in a secure and confidential manner. Almost all suppliers are based in Italy. This choice enables, on one hand, value to be returned to the regions, and on the other, to minimise the geopolitical risks arising from a delocalisation of the supply chain. Verification of the documentation collected at the qualification stage and a series of controls distributed over time allow the Group to mitigate or preserve itself from possible economic, reputational and legal risks related to the supply chain. The Bank does not have any relationship with persons involved in illegal activities or who, directly or indirectly, violate human rights - whose protection is a value expressed in the Group Code of Ethics.
b)	Objectives, targets and limits to assess and address social risk in short-term, medium-term and long-term, and performance assessment against these objectives, targets and limits, including forward-looking information in the design of business strategy and processes In addition to that specified in the incipit of letter a) of this section regarding the ESG vision defined in the new 2024-2027 Strategic Plan, with reference to the social component, the Group intends to continue with its efforts to strengthen the Group's "People Strategy" which is specifically based on three key pillars: i) valorisation of female employees, ii) generational turnover (with particular attention to cybersecurity skills), and iii) focus on the work-life balance. As a demonstration of the strong commitment to spreading a corporate culture based on diversity and inclusion, the Group will further accelerate the virtuous path of female staff empowerment, increasing by the end of 2027 the incidence of women in managerial positions to 36%, more than 5 percentage points higher than in 2024.

	From this point of view, it should be noted that the representation of women in managerial roles has increased over time at almost all levels, both at headquarters and in the commercial network, reflecting the Group's huge commitment to creating a correct balance between both genders. In the processes of identification and validation of candidates for managerial roles, the presence of an adequate number of female profiles is always guaranteed. In order to renew its workforce and contribute to the development of the new skills required to support business growth - by acquiring, in particular, new IT tech and cybersecurity skills - the Group aims to hire 800 people on permanent contracts and 100 people on a fixed-term basis by 2027, in addition to the personnel hired in 2024 (133 people). In addition, in order to bring in-house key skills to improve and strengthen the tech innovation, lean banking and cybersecurity sectors, it is envisaged that 15% of new IT tech specialists⁵⁰ hired will have specific cybersecurity skills. As a result of a detailed discussion, which involved all stakeholders in dedicated trade union round tables, the Group signed specific agreements for access to the extraordinary benefits of the Solidarity Fund. The reaching of these agreements allowed the launch of the new recruitment plan, leveraging the acceptance of voluntary redundancy applications which, together with the leavers relating to the early retirement plan, will make it possible encourage 1,600 people into retirement. The Strategic Plan also focuses on flexible work, aimed at guaranteeing the development of smart working, as a lever for the effective improvement of work-life balance, as well as a useful tool to attract/retain talents (in particular in the IT Tech area), as well as allowing a reduction in Scope 3 emission deriving from commuting. With this in mind, the smart working hours of head office staff will reach 40% of the total by the end of 2027. Banco BPM values the relationship with its employees as an element of its business strategy. The centrality of people, with their uniqueness, is one of our Group's value pillars. Therefore, professional development initiatives were launched, with a view to empowering young people and key employees standing out for their characteristics, commitment and growth aspirations. The programmes are designed to guide individuals on a journey of initiatives and experiences which, at the same time, develop their skills and grow their talents. The main development programmes involved: • young people to hire them, involve them and enable them to grow professionally in their first years of experience in the company, also strengthening their soft skills;
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⁵⁰ Specifically, IT tech specialists are the figures hired in the CIO Structure or STEM graduates (specifically, Mathematics, Statistics, IT, etc.). For the calculation of the percentage of IT tech specialists with specific cybersecurity skills, the resources hired in the Data Governance and the Logical and Physical Security Structures are considered out of the total resources hired within the CIO Structure

- talents, placed in specialist and commercial roles, to accompany them on a path to strengthen their skills and consolidate their professional profile also through on-the-job experiences, in view of the recruitment of future managerial positions;
- women, to strengthen their self-confidence by working on personal effectiveness, on the power of influence and on individual affirmation;
- managers with different levels of responsibility, with the aim of strengthening the management team by consolidating their sustainable and inclusive leadership style in line with corporate values and training for the skills required when taking on management roles.

The Group is aware of how **training** is a key enabling factor for the growth of human capital, to effectively address future business challenges, and at the same time fully integrate ESG factors.

Specifically, a specific "Academy" has been set up, dedicated to training, in order to support/implement the standards envisaged for the development and acquisition of skills, which will enable it both to generate value in professional growth paths and to implement suitable reskilling initiatives.

In order to disseminate and promote a sound and robust ESG risk culture, the Group has launched a training course on ESG issues (dissemination of the RAF, credit policies and credit assessment integrated with ESG factors) for commercial network managers and managers of central structures.

Specific risk induction sessions were also carried out for the Board of Directors relating to ESG strategies (with a specific focus on climate and environmental risks and on the Double Materiality Assessment in relation to the CSRD).

Defined in the context of the 2023-2026 Strategic Plan and confirmed in the 2024-2027 update, the annual target stands at 200,000 hours of ESG training per year in 2027, compared to 61,000 hours in the first half of 2025, and breaks down into the following initiatives:

- training for the inclusion and professional growth of young people in the company;
- management training programmes aimed at spreading a leadership style based on trust, respect and collaboration;
- organisation of training by business segment to increase customisation and effectiveness, with particular attention to digitalisation;
- support for all internal initiatives in the field of ESG and Digital, Privacy & Cybersecurity.

The Bank has also reconfirmed its commitment to supporting and promoting a policy of inclusion of all forms of diversity – disability, ethnicity, age, gender, sexual orientation, religion and socio-economic status, nationality and language - through the development of initiatives to promote the dissemination of a culture of respect and inclusion. In line with the provisions of the Code of Ethics, the workplace health and safety guidelines and international standards on which they are based, the protection of people's health and safety, and well-being in the workplace are values that guide the Group's choices.

Furthermore, in continuity with the previous Strategic Plan, the Group confirmed and renewed its commitment to the **Community** by offering its support to the territories in which it operates and to their communities, through training initiatives and disclosure of ESG culture (financial education, ESG awareness, gender parity in the STEM educational area) and the disbursement of **grants for the development of social and environmental projects** that reached 1.4 billion euro in the first half of 2025.

Commitment to their Communities is evident through the activities carried out by:

- Local Committees, which regularly assess local needs and actively contribute to ESG materiality analyses;
- the seven Foundations envisaged in the Articles of Association, located in the areas in which we historically operate, to respond to social and environmental needs in a comprehensive manner.

Aware of the importance of the role that **the Third Sector** plays in promoting sustainable, cohesive and resilient communities, Banco BPM continuously supports the activities and initiatives of the parties operating in this sector through adequate assistance products and services dedicated to them. During the first half of 2025, total loans to this type of customers amounted to approximately 88.3 million euro⁵¹ while at the end of 2027 the target is to reach over 250 million euro (up by more than 25% compared to 2024).

In order to achieve the ambitious goals of the Strategic Plan, the Bank considers the relationship based on constructive dialogue with the Group's main stakeholders, in particular its customers, to be a priority. This relationship is conducted, on an ongoing basis, through specific surveys to detect the degree of overall satisfaction with the Group and to collect useful feedback on the services/products offered, as well as on any new methods for their use.

The surveys described involve all customer segments of Banco BPM, both corporate and private, with the aim of understanding and addressing the specific and different financial needs.

With specific reference to borrower companies, one of the main points emerging from the analyses is the need for the Group to define and develop suitable approaches to ESG issues, differentiated according to the different business size of the counterparties supported.

In this context, the **"ESG Factory" project** is worth mentioning, which transforms the Bank into a meeting and training place for companies, thanks also to the contribution and support of qualified partners, and which has provided approximately 430 hours of ESG training to customer companies in the first half of 2025. This initiative aims to explore all issues related to sustainability and assess the potential paths that companies could take with regard to this specific context, providing them with adequate information to cope with change.

In addition, it should be noted that some **ESG Finance** targets described in letter b)

⁵¹ Normalised figure

	of the section dedicated to environmental risks transversally cover all areas of sustainability, including Social. Specifically, reference is made to the objectives of the Strategic Plan relating to the placement of green, social and sustainable bonds, the share of ESG bonds that the Group intends to maintain in its owned portfolios, as well as the issues of ESG bonds as Joint Bookrunner/Lead Manager. The following table summarises the main indicators of the 2024-2027 Strategic Plan related to the S (social) component, with an indication of the respective values reached as at 30 June 2025. <table><tr><th colspan="3">SOCIAL</th></tr><tr><th></th><th>TARGET</th><th>Status 1H 2025</th></tr><tr><td>• Women in managerial positions ⁵²</td><td>36% YE 2027</td><td>31,4%</td></tr><tr><td>• New hiring for generational change ⁵³</td><td>#800 2025-26</td><td>#294</td></tr><tr><td>• Smart-Working for Employees(%) ⁵⁴</td><td>40% YE 2027</td><td>34,5%</td></tr><tr><td>• ESG Training hours for Employees</td><td>#200k nel 2027</td><td>#61K</td></tr><tr><td>• New lending to third sector</td><td>€255m in 2027</td><td>€88,3m</td></tr></table>	SOCIAL				TARGET	Status 1H 2025	• Women in managerial positions ⁵²	36% YE 2027	31,4%	• New hiring for generational change ⁵³	#800 2025-26	#294	• Smart-Working for Employees(%) ⁵⁴	40% YE 2027	34,5%	• ESG Training hours for Employees	#200k nel 2027	#61K	• New lending to third sector	€255m in 2027	€88,3m
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c)	Policies and procedures relating to direct and indirect engagement with new or existing counterparties on their strategies to mitigate and reduce socially harmful activities In order to support customers and companies in their paths towards a sustainable economy, ensuring that their strategies are aligned with the objectives, Banco BPM has launched and is developing a series of projects aimed at sharing experiences and information with customers and other financial institutions, as well as through the promotion and participation in webinars, events and round tables and the creation of partnerships. As part of Banco BPM's projects for customers, the sharing of knowledge and resources dedicated to ESG awareness with the business world is also conveyed through the ESG Factory project (see also what is specified in letter b) of this table), which envisages the organisation of meetings, conferences and initiatives, in collaboration with Universities, Entities, Institutions and qualified partners and the involvement of Group colleagues. ESG Factory aims to provide concrete support to companies that wish to embark on a sustainable transition path through the disbursement of free ESG training. Among the future projects, the integration of specialised modules is envisaged, with a view to the greater involvement of																					

⁵² Share of total managerial positions

⁵³ New hires aimed at generational turnover; fixed-term contracts are not included

⁵⁴ Limited to head offices

	customers in issues relating to climate transition, with a focus on NZBA Transition Plans (e.g. through webinars). For customers who wish to embark on or accelerate their paths towards a sustainable transition, Banco BPM can make qualified partners available to them, to provide advisory and assistance services on sustainability issues, among which Finservice, which specifically offers an in-depth “check -up” in the ESG area, in order to embark on a structured path towards a sustainable transition, and a set of ESG services modulated according to different needs. Lastly, as already described in letter a) of the environmental disclosure, to which reference should be made for more information, the impacts of potential risks linked to climate change on the economic and financial prospects of customer companies are assessed as part of credit policies. The ESG assessment entails the customer filling out a questionnaire differentiated by customer sector, which seeks to understand how the counterparty manages ESG risks and what strategic actions it has taken in the medium/long-term. This objective is achieved by obtaining both qualitative data (strategies/policies/plans aimed at mitigating ESG risks) and quantitative data in order to objectively measure ESG risk (e.g. % of women out of total employees) and assess the reduction plans over time. Banco BPM is aware that in order to provide more effective support to customers in defining strategies to mitigate and reduce environmental risks, the other stakeholders need to be informed and involved, in particular other financial institutions, as well as governments and the public sector. To this end, the Group has consolidated and perfected engagement activities with its stakeholders, including territorial committees, financial market operators, universities, employees, consulting companies, on one hand, through the periodic distribution of an online questionnaire to be completed, and on the other hand, by participating in ESG banking conferences and meetings with investors and credit rating agencies on ESG issues (e.g. active participation in the ICMA Principles). As part of the dialogue with governments and the public sector, Banco BPM participated in the “High Level Forum for Sustainable Building Renovation”, organised by the European Commission, and coordinated the Italian roundtable of the Energy Efficient Mortgages Initiative of the European Mortgages Federation (EMF). In addition, the Bank will assess the further involvement of public sector stakeholders in the form of dialogue with government executives and leaders, feedback on the consultation processes of regulators and legislators, as well as the publication of research and reports.
	Governance
d)	Responsibilities of the management body for setting the risk framework, supervising and managing the implementation of the objectives, strategy and policies in the context of social risk management covering counterparties' approaches to: i) Activities towards the community and society ii) Employee relationships and labour standards iii) Customer protection and product responsibility iv) Human rights
e)	Integration of measures to manage social factors and risks in internal governance arrangements, including the role of committees, the allocation of tasks and

	responsibilities, and the feedback loop from risk management to the management body With regard to the roles and responsibilities of the Board of Directors, the internal board and management Committees of the Bank (including internal control) in making decisions concerning the management and mitigation of social risks and in approving public disclosure documents and internal regulations, please refer to the content of letters e) and g) of the section on environmental risks. In particular, the Board of Directors approves the Group's overall Risk Appetite Framework, which is also characterised by a set of indicators relating to ESG issues and which are monitored on a quarterly basis by the Board of Directors as part of its periodic Risk Appetite Framework Monitoring, after detailed analysis by the ICRC and disclosure to the Sustainability Committee through its Chairperson. The pursuit of the Group objectives defined in the 2023-2026 Strategic Plan, then updated to 2027, was subject to careful monitoring through a reporting dashboard, presented quarterly to the Management bodies. In addition, with particular reference to the Code of Ethics, it should be noted that this document integrates several explicit references to sustainability. It provides a detailed outline of the values that guide the Group in the areas of human rights protection, climate change mitigation, anti-corruption efforts, fairness and transparency. By virtue of the central role attributed by Banco BPM to stakeholder relations, the document is structured by describing the individual values related to each specific stakeholder relevant to the Group. Furthermore, within the framework of its spending and social responsibility policies, and subject to resolution by the Shareholders' Meeting, the Board of Directors allocates a portion of the year's profit to the Group's Territorial Departments and Foundations for charitable initiatives aimed at supporting the needs of the reference communities. To this end, on an annual basis, also after informing the Sustainability Committee, it approves the directives and guidelines on spending and social responsibility policies pursuant to Article 5.4. of the Articles of Association, receiving periodic reports on its activities. The ongoing engagement with individual stakeholders, as well as the alignment of interests and objectives with the same, enable the Bank to identify fresh opportunities to refine its business model. In this context, since 2021, the Bank has adopted the "Regulation governing the management of dialogue with shareholders" aimed at ensuring constructive and ongoing dialogue with major institutional investors and other players in the financial community. To this end, also considering the size and organisational complexity of the Group, it was deemed necessary to assign to structures, specialised and equipped with adequate resources and professionalism, relations (i) with institutional investors and relations with financial analysts/rating companies; (ii) with retail shareholders. Since May 2023, Banco BPM has adopted specific "Guidelines on respect and
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	protection of human rights", a document valid for all Group companies that is inspired by the main international treaties and addresses related issues, with a specific focus on the areas of greatest materiality for the Group: anti-discrimination, diversity and inclusion, health and safety. Attention is also paid to consumer protection and over-indebtedness through targeted credit guidelines, strengthening regulations and proactively managing complaints. Through the adoption in November 2023 of the "Guidelines regarding operations in the weapons materials and systems industry" (revised in 2025), Banco BPM has also updated the internal operations followed in relation to the specific defence sector, strengthening the authorisation process with a view to sustainability and in accordance with the reference legislation. The specific attention paid to the social principles of diversity and inclusion is also important to note. To this end, suitable management incentive systems have been defined, which include a selected number of KPIs referring to these particular areas of assessment. The monthly monitoring of the objectives achievement level allows the precise calibration of the management actions to achieve the targets that the Group has set itself. The target associated with the share of female staff in leadership positions is not only an equality target, but a strategic element that aims to enhance diversity within the organisation. This decision reflects the Bank's commitment to creating a more inclusive environment and to encourage a company culture that recognises and enhances all forms of talent. It should also be noted that Banco BPM's Remuneration Committee has (i) promoted and endorsed the adoption of appropriate measures in the area of diversity and aimed at increasing the number of female managerial positions, in line with the target defined in the 2023-2026 Strategic Plan and confirmed with the 2027 Plan, and (ii) reiterated its recommendation to close the gender pay gap progressively and as quickly as possible. The Remuneration Committee discusses this matter with the Sustainability Committee, through its Chairperson. The Remuneration Committee, in agreement with the Group's other internal Committees, also pointed out the need to consider, among the sustainability objectives, the promotion of social initiatives, corporate volunteering and the development of ESG awareness and culture among customers. Since 2020, Banco BPM has adopted specific "Workplace health and safety guidelines" and from 2025 "Guidelines on training and welfare", documents valid for all Group companies, which, in line with that defined by the Code of Ethics, outline the principles that ensure the Bank's commitment to guaranteeing a working environment compliant with legal standards and a constant enhancement of people.
f)	Lines of reporting and frequency of reporting relating to social risk As already described in letters d) and e) of this section, the Corporate Bodies of Banco BPM, in line with the roles and responsibilities defined, are recipients of

	specific disclosures regarding social risks. Below is a summary of the main periodic disclosures addressed to the Corporate Bodies: - as part of the Group's overall RAF, characterised by a set of indicators referring to ESG dimensions (KSI), the indicators are monitored quarterly with the periodic examination of the Risk Appetite Framework Risk Monitoring (RAM). In the event that the monitoring activity shows that the Trigger and Tolerance thresholds are exceeded or further deviated with respect to the last available figure, assisted by the structures under their responsibility, the Chief Risk Officer starts the escalation process with the preparation of an information note that illustrates the causes of the indicator dynamics and the potential intervention levers, to be sent to the pertinent Corporate Bodies and Committees (Chief Executive Officer or Board of Directors, supported by the internal Committees). - with reference to the Group Strategic Plan, which includes objectives related to social aspects, the level of achievement of the pre-set targets is subject to specific quarterly monitoring. In particular, the KPI performance is compared with the respective Plan objectives and the interim period targets. The KPIs have a synthetic "status flag" to highlight any alert levels, based on a predefined grid (with 3 levels: green, yellow, red) and consistent with the thresholds defined in the RAF. With reference to the process of any escalation for high critical issue status flags - in cases where the RAM monitoring process has not already been activated - the following steps are taken: <i>yellow status or first red flag</i>: in light of the misalignment from the targets, after verifying that it is a non-temporary misalignment, a communication is initiated with the Chief Executive Officer and with Top management to define the "remedial actions" to be taken (e.g. initiatives and processes aimed at recovering any gaps/delays that may arise) <i>second or subsequent red flag</i>: the Chief Executive Officer activates a disclosure to the BoD to assess the remedial actions implemented and envisaged and, as a last resort, the opportunity to revise the Strategic Plan targets⁵⁵. - with regard to the implementation of Group credit policies, a periodic report is prepared, which provides updates on customer engagement initiatives to acquire information also relating to the ESG profile of the same; - the activity carried out by Foundations, Territorial Departments and by the Bank's functions, in compliance with the directives and guidelines on spending and social responsibility policies approved by the Board of Directors, is the subject of a specific half-yearly report;
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⁵⁵ For a complete representation of the update of the Strategic Plan defined by the Group, please refer to the presentation of the results for 2024 and the update of the Group's strategic plan: https://gruppo.bancobpm.it/media/dlm_uploads/250212-Banco-BPM-Group-FY-2024-Results-and-Strategic-Plan-Update-1.pdf

	with reference to the Group's remuneration and incentive policies, which include ESG performance targets (see letter i) of the section on environmental risks), a specific disclosure is envisaged concerning verifying the achievement of the pre-set targets. During the first half of 2025, the Board of Directors examined different ESG issues at 8 meetings out of a total of 10 meetings, more often than on a monthly basis.
g)	Alignment of the remuneration policy in line with institution's social risk-related objectives With regard to the general principles relating to the correlation between variable remuneration of staff and ESG factors, please refer to that described in the section on environmental risks in letter i). The implementation of projects in this area and the annual definition of the ESG objectives of the Strategic Plan are encouraged through specific KPIs included in both the short-term and long-term incentive plans. The Short-Term Incentive plan⁵⁶ envisages quantifiable ESG indicators, defined to align with the annual ESG objectives in the Strategic Plan, by way of example, but not limited to such, People Strategy goals, completion of the annual control plan or specific project initiatives also related to new regulatory requirements. In the Long-Term Incentive plan, the performance objectives include ESG metrics related to the main objectives of the 2023-2026 Strategic Plan, also with reference to the areas of People Strategy. For example, in order to empower female talent, the 2024-2026 Long-Term Incentive plan envisages a KPI related to the increase in the percentage incidence of female staff in managerial roles out of the total of managerial roles as at 31 December 2026 (compared to the figure recorded as at 31 December 2023). The monthly monitoring of the objectives achievement level allows the precise calibration of the management actions to achieve the targets that the Group has set itself in a more than excellent way⁵⁷.
	Risk management
h)	Definitions, methodologies and international standards on which the social risk management framework is based In line with the "EBA Report on management and supervision of ESG risks for credit institutions and investment firms", the Group defines social risk as the potential risk of financial losses that the Institution may incur as a result of the current and/or prospective negative impact of social factors relating to the borrower counterparties or the assets in which Banco BPM has invested.
i)	Processes to identify, measure and monitor activities and exposures (and collateral where applicable) sensitive to social risk, covering relevant transmission channels For information on the processes to identify, measure and monitor assets and exposures sensitive to ESG risks, please refer to the content of letter l) of the section on environmental risks.
j)	Activities, commitments and assets contributing to mitigate social risk Banco BPM has been active for years in progressively integrating ESG factors into credit policies, in order to guarantee a broader and easier access to capital for

⁵⁶ For the functioning of the non-financial adjustment factor "ECAP Reputational Risk", please refer to paragraph 1, letter i)

⁵⁷ For more ESG-related information and updates in the Remuneration Policy, please refer to the document available at gruppo.bancobpm.it > Corporate Governance > Remuneration Policies > Remuneration Policy (section I)

	virtuous companies and, on the contrary, to adopt exclusion policies and a selective approach towards sectors and counterparties that are particularly exposed to ESG risks. In particular, as illustrated in letter a) of the section on environmental risks, within the overall framework of credit policies, the use of the ESG questionnaire is of great importance as a tool useful for assessing/guiding customers. In fact, through this tool, the Group is able to collect and analyse important data and information necessary for the correct and accurate profiling of financed counterparties and also relating to their responsibility/reputation in the social and governance spheres. Banco BPM also governs operations in the defence sector, and in particular with respect to counterparties operating in the weapons materials and systems sector, setting out a more rigid authorisation process with a view to sustainability. Banco BPM has also developed a range of products and services to support the initiatives and activities of Third Sector operators, as well as facilitate access to credit to support specific projects or address times of difficulty. For more information, please refer to letter a) of this section. In this context, note the objective defined by the 2024-2027 Strategic Plan to exceed 250 million euro in lending to Third Sector operators in 2027 (up by more than +25% compared to 2024).
k)	Implementation of tools for identification and management of social risk During 2024, in compliance with the provisions of the European CSRD Directive, Banco BPM carried out the Double Materiality Assessment (DMA) to identify the material sustainability topics for the Group and along its value chain and whose process and related outcomes have been included in the 2024 Sustainability Report. The process was developed through an approach consistent with the dictates of the EFRAG Guidelines for the enforcement of the Standards on materiality analysis ("Implementation Guidance EFRAG IG 1 Materiality Assessment" of 31 May 2024). For more information on the DMA process, please refer to the content of letter l) in the section on environmental risks. For a complete and detailed description of the process and its outcomes, please refer to the Group's 2024 Sustainability Reporting. With specific reference to customers/investments⁵⁸, it should be noted that, as part of the DMA process, the social risk factors identified (and therefore assessed) as material are attributable to the Bank's reputational risk. The results of Financial Materiality highlight the absence of material risks to which the bank is exposed along the entire value chain. It should be noted that the risk assessment was carried out through an expert-based approach, leveraging the results of internal processes and tools available and governed by the Risk Management function of the Parent Company, including the

⁵⁸ Downstream value chain: the following were analysed: equity investments held, investments in securities and loans disbursed

	results of the risk identification analysis (illustrated in letter l) in the section on environmental risks). In particular, for the purposes of assessing the risks to which the Group is exposed in the short, medium or long-term, each risk was associated with a scoring that derives from the product of the scores associated with the assessment of the Magnitude and Probability of occurrence of the risk. With reference to opportunities, the following findings are reported: - the implementation of levers to attract young talents to pursue generational turnover; - the increase in loans to the Third Sector, improving brand reputation and competitive positioning; - commercial development through omnichannel, remote sales, new digital, smart and digital lending solutions; - the improvement of the Group's reputation thanks to the digital transformation that guarantees sound privacy and IT security management. Lastly, it should be noted that in the first half of 2025, the process of updating the double materiality analysis for 2025 Sustainability Reporting was launched and will be completed in the second part of the year. In line with the findings of the double materiality assessment, Banco BPM has identified a series of social objectives within the Strategic Plan. For more information on the targets and the actions implemented to achieve them, please refer to letter b) of this section. The Banco BPM Group has integrated analyses aimed at measuring the impact of ESG risk factors on all "traditional" risk categories of both first pillar (credit, market, liquidity and operational risk) and second pillar (such as reputational risk), through a solid approach aimed at their management and mitigation in the short, medium and long-term. For all the details on the management of risks, also with reference to social risks, please refer to the relevant paragraphs on risk management in the section on environmental risks. In addition, the Bank pays great attention to those "controversial" sectors that, despite dealing with operations that are lawful in terms of regulations, may present critical social and environmental issues. Specifically, the Group conducts all adequate assessments, also with the aid of suitable organisational controls, when evaluating prospective financing for counterparties involved in the weapons materials and systems sector.
l)	Description of setting limits to social risk and cases to trigger escalation and exclusion in the case of breaching these limits Specific social indicators are integrated into the Group's Risk Appetite Framework (RAF). For details on the process and indicators, please refer to letter q) of the section on environmental risks.

m)	Description of the link (transmission channels) between social risks and credit risk, liquidity and funding risk, market risk, operational risk and reputational risk in the risk management framework For information on the transmission channels identified by Banco BPM between ESG risks and “traditional” risk categories, please refer to letter r) of the section on environmental risks.
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Table 3 - Qualitative information on Governance risk

in accordance with Article 449a CRR

Row number	Qualitative information - Free format
	Governance
a)	Institution's integration in their governance arrangements of the governance performance of the counterparty, including committees of the highest governance body, committees responsible for decision-making on economic, environmental, and social topics
b)	Institution's accounting of the counterparty's highest governance body's role in non-financial reporting
c)	Institution's integration in governance arrangements of the governance performance of their counterparties including:
i)	Ethical considerations
ii)	Strategy and risk management
iii)	Inclusiveness
iv)	Transparency
v)	Management of conflict of interest
vi)	Internal communication on critical concerns
	With regard to the roles and responsibilities of the Board of Directors, the internal board and management Committees of the Bank (including internal control) in making decisions concerning the management and mitigation of ESG risks and in approving public disclosure documents and Internal regulations, please refer to the content of letters e) and g) of the qualitative section on environmental risks. In particular, the Board of Directors approves the Group's overall Risk Appetite Framework, which is also characterised by a set of indicators relating to ESG aspects and which are monitored on a quarterly basis by the Board of Directors as part of its periodic Risk Appetite Framework Monitoring, after detailed analysis by the ICRC and disclosure to the Sustainability Committee through its Chairperson. In the event that the monitoring activity shows that the Trigger and Tolerance thresholds are exceeded or further deviated with respect to the last available figure, assisted by the structures under their responsibility, the Chief Risk Officer starts the escalation process with the preparation of an information note that illustrates the causes of the indicator dynamics and the potential intervention levers, to be sent to the pertinent Corporate Bodies and Committees (Chief Executive Officer or Board of Directors, supported by the internal Committees). The pursuit of the Group objectives defined in the 2023-2026 Strategic Plan, as updated to 2027, was subject to careful monitoring through a reporting dashboard, presented quarterly to the Management bodies. In particular, the KPI performance is compared with the respective Plan objectives and the interim period targets. The KPIs have a synthetic "status flag" to highlight any alert levels, based on a predefined grid (with 3 levels: green, yellow, red) and consistent with the thresholds defined in the RAF.

	With reference to the process of any escalation for high critical issue status flags - in cases where the RAM monitoring process has not already been activated - the following steps are taken: • <i>yellow status or first red flag</i>: in light of the misalignment from the targets, after verifying that it is a non-temporary misalignment, a communication is initiated with the Chief Executive Officer and with Top management to define the "remedial actions" to be taken (e.g. initiatives and processes aimed at recovering any gaps/delays that may arise) • <i>second or subsequent red flag</i>: the Chief Executive Officer activates a disclosure to the BoD to assess the remedial actions implemented and envisaged and, as a last resort, the opportunity to revise the Strategic Plan targets⁵⁹. Note that, in line with the objectives defined by the Group in the Strategic Plan, the Board of Directors of Banco BPM, with the contribution of its internal board Committees, introduced: • lending policies that integrate NZBA membership and ESG assessment commitments into internal processes as well as enhance relationships with customers that have undertaken or invest in sustainability projects (also in terms of appropriate governance); • internal measures and processes to foster the provision of sustainable investment products and services. For the purpose of specifically preventing and combating corruption and money laundering, the Group is aware of its important responsibilities as a systemically important institution in the Italian financial sector. Indeed, it acts with determination in countering and combating these illegal phenomena, which damage the economic development of communities and violate people's human rights, limiting the growth of the entire social and productive fabric. To this end, other than strict compliance with regulations currently in force, in the exercise of its specific activities, it complies with strict rules of conduct, such as the definition of regulations on anti-corruption (both active and passive) and extension of the application of anti-money laundering regulations not only to all Group companies but also to individual relations with counterparties not directly subject to the obligations under Italian Legislative Decree no. 231/2007. Banco BPM has also adopted company regulations governing the internal system for reporting violations (Whistleblowing) and an Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001.
	Risk management
d)	Institution's integration in risk management arrangements of the governance performance of their counterparties considering:
i)	Ethical considerations

⁵⁹ For a complete representation of the update of the Strategic Plan defined by the Group, please refer to the presentation of the results for 2024 and the update of the Group's strategic plan: https://gruppo.bancobpm.it/media/dlm_uploads/250212-Banco-BPM-Group-FY-2024-Results-and-Strategic-Plan-Update-1.pdf

ii)	Strategy and risk management
iii)	Inclusiveness
iv)	Transparency
v)	Management of conflict of interest
vi)	Internal communication on critical concerns
	The Group defines governance risk (as a specific type), in line with the EBA Report on management and supervision of ESG risks for credit institutions and investment firms, as the potential risk of financial losses that the Group may incur as a result of the current and/or prospective negative impact of governance factors relating to the borrower counterparties or the assets in which the Bank has invested. During 2024, in compliance with the provisions of the European CSRD Directive, Banco BPM carried out the Double Materiality Assessment (DMA) to identify the material sustainability topics for the Group and along its value chain and whose process and related outcomes have been included in the 2024 Sustainability Report. The process was developed through an approach consistent with the dictates of the EFRAG Guidelines for the enforcement of the Standards on materiality analysis ("Implementation Guidance EFRAG IG 1 Materiality Assessment" of 31 May 2024). For more information on the DMA process, please refer to the content of letter I) in the section on environmental risks. For a complete and detailed description of the process and its outcomes, please refer to the Group's 2024 sustainability reporting. With specific reference to customers/investments⁶⁰, it should be noted that, as part of the DMA process, the governance risk factors identified (and therefore assessed) as material are attributable to the Bank's reputational risk. With specific reference to the governance issues subject to assessment ("business conduct"), the Financial Materiality results highlight the absence of material risks and opportunities. It should be noted that the risk assessment was carried out through an expert-based approach, leveraging the results of internal processes and tools available and governed by the Risk Management function of the Parent Company, including the results of the risk identification analysis (illustrated in letter I) in the section on environmental risks). In particular, for the purposes of assessing the risks to which the Group is exposed in the short, medium or long-term, each risk was associated with a scoring that derives from the product of the scores associated with the assessment of the Magnitude and Probability of occurrence of the risk. Lastly, it should be noted that in the first half of 2025, the process of updating the double materiality analysis for 2025 Sustainability Reporting was launched and will be concluded in the first few months of the second half of the year.

⁶⁰ Downstream value chain: the following were analysed: equity investments held, investments in securities and loans disbursed

	The Group has integrated the analyses aimed at measuring the ESG risk factors in all “traditional” categories of both first pillar (credit, market, liquidity and operational risk) and second pillar (such as reputational risk), through a solid approach aimed at their management and mitigation in the short, medium and long-term. For all the details on the management of risks, also with reference to governance risks, please refer to the letters related to risk management in the section on environmental risks.
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Quantitative ESG disclosure

The detailed information contained in the templates illustrated below derives mainly from operational data (internal and external sources) and accounting data. To manage this data, the Group uses a specific centralised repository (Risks DWH).

Template 1: Banking book - Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity

Template 1 shows the breakdown of the gross carrying amount of exposures to non-financial corporations, including loans and advances, debt securities and equity instruments, classified in the accounting portfolios of the banking book, with the exclusion of financial assets held for trading or available for sale.

The exposures are reported by specific sector of economic activity, using the NACE codes, on the basis of the core business of the counterparty. The objective of the template is to provide details of the Group's overall portfolio with regard to companies operating in carbon-intensive sectors⁶¹.

In addition, further information is provided regarding the quality of these exposures, including the status of non-performing exposure, any classification at stage 2, the related value adjustments, as well as the maturity categories and the weighted average maturity.

More specifically, column b) shows the gross carrying amount relating to exposures to all counterparties excluded from the EU Paris-aligned Benchmarks. The business sectors in which these companies operate were identified on the basis of the provisions of Article 12, paragraphs 1 and 2, letters d) to g) of Regulation (EU) 2020/1818.

The methodology adopted by Banco BPM to complete this column was based on identification of the total amount of exposures relating to counterparties associated with the NACE/ATECO⁶² codes, which make it possible to identify companies to be excluded as they are not aligned with the Paris Agreement.

However, companies that are "Green" according to the internal classification defined by the Group were not included in this scope.

Column c) which shows the amount relating to the exposures of non-financial corporations that are aligned with the taxonomy, with specific reference to the mitigation objective (CCM) was not completed in line with the indications provided by the EBA in the document "Opinion of the European Banking Authority on the application of the provisions relating to disclosures on ESG risks" of 5 August 2025.

As required by the regulation, columns i, j, k, relating to the financed emissions of borrower counterparties (scopes 1, 2, 3) will be completed as of June 2024. The Group adopts the PCAF methodology, which identifies seven asset classes for reporting financed emissions, each with a specific definition and methodology. The current limited availability of reported and certified information directly from counterparties on GHG emissions is emphasised, necessitating estimation

⁶¹ In accordance with Commission Delegated Regulation (EU) 2020/1818 supplementing Regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks - "Climate Benchmark Standards Regulation - Recital 6": Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006

⁶² The list of ATECO codes considered was further extended following refinement of the methodology adopted

approaches, consistent with the PCAF methodology, based mainly on the characteristic emissions of sectors with respect to the production activities carried out.

Template 1: Banking book - Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity

Sector/sub-sector		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Gross carrying amount (Mln EUR)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)		GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)		GHG emissions (column l): gross carrying amount percentage of the portfolio derived from company-specific reporting	≤ 5 years	> 5 years ≤ 10 years	> 10 years ≤ 20 years	> 20 years	Average weighted maturity	
		Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures	Of which stage 2 exposures	Of which non-performing exposures	Of which Scope 3 financed emissions									
1	Exposures towards sectors that highly contribute to climate change ⁶³	48,942	1,826	-	6,597	2,123	(1,250)	(249)	(951)	38,060,799	35,290,300	15.53%	26,217	9,680	2,935	10,109	3.69
2	A - Agriculture, forestry and fishing	1,656	-	-	157	58	(30)	(9)	(19)	602,455	437,887	0.47%	638	373	410	234	6.71
3	B - Mining and quarrying	185	84	-	14	18	(7)	(0)	(6)	124,800	105,174	0.00%	137	13	1	34	4.06
4	B.05 - Mining of coal and lignite	-	-	-	-	-	-	-	-	-	-	0.00%	-	-	-	-	0.00
5	B.06 - Extraction of crude petroleum and natural gas	77	75	-	0	-	(0)	(0)	-	27,071	22,071	0.00%	77	-	-	0	1.95
6	B.07 - Mining of metal ores	-	-	-	-	-	-	-	-	-	-	0.00%	-	-	-	-	0.00
7	B.08 - Other mining and quarrying	99	0	-	11	17	(6)	(0)	(6)	92,686	78,696	0.00%	54	11	1	32	5.80
8	B.09 - Mining support service activities	9	9	-	3	1	(1)	(0)	(1)	5,043	4,406	0.00%	6	2	-	1	2.87
9	C - Manufacturing	20,566	406	-	2,592	793	(432)	(61)	(357)	23,257,558	21,757,502	17.35%	12,401	2,932	497	4,737	2.82
10	C.10 - Manufacture of food products	2,807	-	-	352	69	(47)	(7)	(38)	3,916,175	3,733,413	19.17%	1,691	457	48	611	2.71
11	C.11 - Manufacture of beverages	565	-	-	29	5	(4)	(1)	(3)	354,805	333,690	29.22%	379	103	24	59	3.33
12	C.12 - Manufacture of tobacco products	31	-	-	30	-	(1)	(1)	-	16,087	15,448	0.00%	12	17	-	2	4.49
13	C.13 - Manufacture of textiles	523	-	-	69	37	(22)	(3)	(19)	298,046	275,813	1.54%	280	47	19	176	2.35
14	C.14 - Manufacture of wearing apparel	649	-	-	136	44	(25)	(3)	(21)	284,549	268,558	14.70%	340	167	1	141	3.06
15	C.15 - Manufacture of leather and related products	476	-	-	78	52	(28)	(2)	(26)	266,738	248,506	12.00%	303	58	4	110	2.75
16	C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	317	-	-	17	12	(6)	(0)	(6)	189,466	177,986	0.24%	184	37	12	85	3.14
17	C.17 - Manufacture of paper and paper products	623	-	-	77	6	(4)	(1)	(3)	583,175	506,120	18.47%	308	99	90	126	3.98
18	C.18 - Printing and reproduction of recorded media	217	-	-	27	10	(5)	(1)	(4)	120,245	104,405	0.83%	119	28	5	66	2.78
19	C.19 - Manufacture of coke and refined petroleum products	272	272	-	24	0	(1)	(1)	(0)	1,473,601	1,290,178	47.45%	121	58	2	92	3.05

⁶³ In accordance with Commission Delegated Regulation (EU) 2020/1818 supplementing Regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks - Climate Benchmark Standards Regulation - Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006

Sector/sub-sector		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Gross carrying amount (Mln EUR)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)			GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)		GHG emissions (column l): gross carrying amount percentage of the portfolio derived from company-specific reporting	≤ 5 years	> 5 years ≤ 10 years	> 10 years ≤ 20 years	> 20 years	Average weighted maturity
		Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures	Of which stage 2 exposures	Of which non-performing exposures	Of which Scope 3 financed emissions									
20	C.20 - Manufacture of chemicals and chemical products	1,318	134	-	147	44	(25)	(3)	(21)	1,806,260	1,629,843	27.52%	758	246	98	216	3.60
21	C.21 - Manufacture of basic pharmaceutical products and pharmaceutical preparations	859	-	-	36	10	(5)	(1)	(3)	254,447	235,668	49.41%	562	98	11	187	2.73
22	C.22 - Manufacture of rubber products	1,258	-	-	179	45	(20)	(7)	(12)	1,396,197	1,341,071	6.90%	787	132	19	319	2.58
23	C.23 - Manufacture of other non-metallic mineral products	848	-	-	89	33	(15)	(2)	(13)	753,453	547,715	23.96%	530	136	9	173	3.03
24	C.24 - Manufacture of basic metals	1,420	-	-	132	93	(47)	(2)	(44)	3,465,083	3,177,065	28.50%	796	149	38	437	2.35
25	C.25 - Manufacture of fabricated metal products, except machinery and equipment	2,618	-	-	412	124	(60)	(11)	(47)	2,304,068	2,242,696	2.12%	1,458	305	49	806	2.58
26	C.26 - Manufacture of computer, electronic and optical products	532	-	-	107	12	(7)	(1)	(6)	205,740	196,596	20.84%	339	93	13	86	3.47
27	C.27 - Manufacture of electrical equipment	616	-	-	94	11	(8)	(1)	(6)	491,895	473,327	9.83%	403	57	12	144	2.61

Sectors/Sub-sectors		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Gross carrying amount (Mln EUR)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)		GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	≤ 5 years	> 5 years ≤ 10 years	> 10 years ≤ 20 years	> 20 years	Average weighted maturity	
		Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures	Of which stage 2 exposures											Of which non-performing exposures
28	C.28 - Manufacture of machinery and equipment n.e.c.	2,324	-	-	306	82	(48)	(6)	(40)	2,198,349	2,151,347	9.98%	1,573	251	24	476	2.67
29	C.29 - Manufacture of motor vehicles, trailers and semi-trailers	479	-	-	85	17	(10)	(2)	(8)	283,709	264,594	2.30%	269	120	1	88	3.23
30	C.30 - Manufacture of other transport equipment	563	-	-	35	6	(8)	(2)	(5)	1,805,824	1,777,874	63.86%	345	151	0	67	2.80
31	C.31 - Manufacture of furniture	386	-	-	66	20	(11)	(1)	(9)	251,714	245,305	0.00%	247	37	3	98	2.22
32	C.32 - Other manufacturing	414	-	-	30	49	(22)	(1)	(21)	245,743	236,796	11.50%	285	41	6	82	2.66
33	C.33 - Repair and installation of machinery and equipment	451	-	-	36	8	(5)	(1)	(4)	292,192	283,488	21.81%	311	45	7	88	2.72
34	D - Electricity, gas, steam and air conditioning supply	1,916	743	-	151	11	(14)	(4)	(7)	2,082,371	1,945,468	46.75%	1,161	489	68	198	0.00
35	D35.1 - Electric power generation, transmission and distribution	1,462	323	-	141	5	(8)	(4)	(2)	1,675,053	1,559,675	41.71%	796	427	68	171	4.41
36	D35.11 - Production of electricity	839	323	-	118	1	(6)	(3)	(0)	228,008	135,806	33.92%	404	345	54	36	5.29
37	D35.2 - Manufacture of gas; distribution of gaseous fuels through mains	432	420	-	10	7	(6)	(1)	(5)	390,464	380,088	66.22%	355	50	-	27	2.04
38	D35.3 - Steam and air conditioning supply	22	-	-	0	-	(0)	(0)	-	16,854	5,705	0.00%	10	12	-	0	6.50
39	E - Water supply; sewerage, waste management and remediation activities	937	10	-	136	22	(19)	(6)	(13)	1,650,082	1,404,143	32.25%	495	230	109	103	4.44
40	F - Construction	4,945	-	-	965	318	(251)	(73)	(168)	1,439,676	1,328,753	4.21%	2,497	1,118	362	969	0.00
41	F.41 - Construction of buildings	3,009	-	-	753	244	(196)	(63)	(126)	589,902	557,943	1.87%	1,418	807	304	481	5.97
42	F.42 - Civil engineering	750	-	-	35	21	(15)	(1)	(12)	243,243	196,333	17.71%	369	172	29	180	3.25
43	F.43 - Specialised construction activities	1,186	-	-	176	53	(40)	(9)	(30)	606,531	574,477	1.62%	710	139	30	308	2.74
44	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	8,937	461	-	1,027	390	(248)	(25)	(215)	6,937,314	6,705,940	7.75%	4,797	857	123	3,160	2.13
45	H - Transportation and storage	2,534	122	-	289	46	(37)	(9)	(24)	1,443,177	1,121,332	23.64%	1,175	754	212	393	0.00
46	H.49 - Land transport and transport via pipelines	1,057	78	-	99	28	(17)	(3)	(13)	543,197	380,969	15.77%	634	187	33	202	3.33
47	H.50 - Water transport	221	-	-	14	3	(3)	(0)	(3)	345,263	279,673	22.97%	82	61	76	2	6.41
48	H.51 - Air transport	70	-	-	22	0	(0)	(0)	(0)	54,554	12,019	0.00%	32	38	-	0	5.19
49	H.52 - Warehousing and support activities for transportation	1,110	44	-	149	14	(16)	(5)	(9)	488,470	437,847	28.10%	409	419	104	178	4.94
50	H.53 - Postal and courier activities	76	-	-	5	0	(0)	(0)	(0)	11,693	10,823	91.90%	17	48	0	10	5.70
51	I - Accommodation and food service activities	2,239	-	-	458	72	(47)	(20)	(25)	390,442	367,956	3.03%	992	833	328	85	5.97
52	L - Real estate activities	5,026	-	-	807	395	(165)	(41)	(117)	132,924	116,145	1.77%	1,925	2,080	824	197	6.33
53	Exposures towards sectors other than those that highly	10,326	1	-	943	192	(147)	(36)	(93)				6,859	2,038	311	1,120	3.72

Sectors/Sub-sectors	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Gross carrying amount (Mln EUR)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)			GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	≤ 5 years	> 5 years ≤ 10 years	> 10 years ≤ 20 years	> 20 years	Average weighted maturity
		Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions						
contribute to climate change ⁶⁴																
54 K - Financial and insurance activities	401	-	-	22	0	(6)	(5)	(0)				245	124	23	9	4.66
55 Exposures to other sectors (NACE codes J, M - U)	9,925	1	-	922	192	(141)	(31)	(93)				6,613	1,914	287	1,111	3.68
56 TOTAL	59,268	1,828	-	7,540	2,315	(1,396)	(285)	(1,044)	38,060,799	35,290,300	13.49%	33,076	11,718	3,245	11,229	3.70

⁶⁴ In accordance with Commission Delegated Regulation (EU) 2020/1818 supplementing Regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks - Climate Benchmark Standards Regulation - Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006

Template 2: Banking book - Indicators of potential climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral

Template 2 provides information on the energy efficiency of property used as collateral. In particular, the scope refers to loans secured by commercial and residential property and repossessed real estate collaterals, divided into EU area and Non-EU area.

Columns b) to g) show the values based on the Energy Performance score in terms of estimated and actual kWh/m², while columns h) to n) show the values exclusively on the basis of the actual Energy Performance Certificate (EPC) label. The energy efficiency class is defined as actual when the Bank has this information as provided directly by the borrower; the estimated energy efficiency component was instead obtained through qualified external info providers. Columns o) and p) of the table respectively show:

- the value for which the energy efficiency level of the property in terms of EPC label is not present or is estimated;
- the percentage of the share estimated with respect to the total (estimated and missing) of column o).

During the year, the refinement of the data set available to the Group allowed for an improvement in both the collection of information on energy labels and the quantification of goods without this certification.

Lines 2, 3 and 4 (EU area) and lines 7, 8 and 9 (Non-EU area) of the template show the distinction between loans guaranteed by residential, commercial and foreclosed real estate; lines 5 and 10 indicate the share of data estimated and not based on precise data.

Counterparty sector		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Total gross carrying amount (Mln EUR)															
		Level of energy efficiency (EP score in kWh/m² of collateral)							Level of energy efficiency (EPC label of collateral)							Without EPC label of collateral	
		0; ≤ 100	> 100; ≤ 200	> 200; ≤ 300	> 300; ≤ 400	> 400; ≤ 500	> 500		A	B	C	D	E	F	G		Of which level of energy efficiency (EP score in kWh/m² of collateral) estimated
1	Total EU area	37,945	5,652	10,084	5,595	3,043	793	430	2,669	859	991	1,765	2,387	2,805	3,056	23,412	47.26%
2	Of which Loans collateralised by commercial immovable property	10,143	246	346	1,015	1,286	254	58	136	125	126	105	60	54	59	9,477	26.79%
3	Of which Loans collateralised by residential immovable property	27,478	5,405	9,738	4,580	1,757	540	372	2,534	734	865	1,660	2,326	2,751	2,997	13,611	62.64%
4	Of which Collateral obtained by taking possession: residential and commercial immovable properties	324	-	-	-	-	-	-	-	-	-	-	-	-	-	324	0.00%
5	Of which level of energy efficiency (EP score in kWh/m² of collateral) estimated	11,065	1,311	4,601	2,664	1,956	407	126								11,065	100.00%
6	Total Non-EU area	84	11	33	12	4	4	1	8	1	3	21	5	9	4	32	40.84%
7	Of which Loans collateralised by commercial immovable property	1	-	-	-	-	-	-	-	-	-	-	-	-	-	1	0.00%
8	Of which Loans collateralised by residential immovable property	83	11	33	12	4	4	1	8	1	3	21	5	9	4	31	42.20%
9	Of which Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%
10	Of which level of energy efficiency (EP score in kWh/m² of collateral) estimated	13	3	3	3	2	1	1								13	100.00%

Template 3: Banking book - Indicators of potential climate change transition risk: Alignment metrics

Template 3 provides, for a selected number of sectors, the consistency of the decarbonisation targets defined by the Bank (expressed against specific physical metrics specific to economic activities) with the goal of Net Zero Emissions by 2050.

Included in the non-exhaustive list of sectors proposed by EBA are the five most emissive sectors (Automotive, Cement, Coal, Oil & Gas, Power generation) for which the Bank published targets in August 2024. The reference year coincides with the starting point (2022) for setting the Net Zero intermediate targets.

The scope of exposure includes non-financial corporations in line with template 1 and differs from the NZBA scope of application, which considers only Large Corporate and Corporate (internal segmentation) and provides for the reclassification of the Group's holding companies and financial corporations.

The EBA requires publication of the distance from the Year of reference to reach the 2030 target of the NZE 2050 (IEA) scenario: $[(\text{metric at reference date}) - (\text{IEA scenario metric in 2030})]/(\text{IEA scenario metric in 2030}) * 100$. For the Automotive sector, considering the particular composition of the Banco BPM Group's portfolio, the distance to the adjusted IEA target was measured in line with what was done for NZBA.

Column g (interim target +3Y) is not populated, as the Group, in line with its commitment to the NZBA, has only set interim targets for 2030.

In compliance with the Targets communicated to the market, the bank chose to represent the distance from the IEA targets by aggregating by macro-sector, considering the breakdown by individual NACE to be insignificant.

a		b	c	d	e	f	g
Sector		NACE sectors (as a minimum)	Portfolio gross carrying amount (Mln EUR)	Alignment metric **	Year of reference	Distance to IEA NZE2050 in % ***	Target (year of reference + 3 years)
1	Power	D35.11	839	tCO ₂ e/MWh	2022	(8.57)	-
2	Fossil fuel combustion	B06, B08.92, B08.99, B09.1, B09.9, C19.2, C20.14.00, C20.14.09, D35.2, G46.12, G46.71, G47.3, H49.50	1,314	gCO ₂ e/Mj	2022	15.53	-
3	Automotive	C29.1, C29.2, C30.91	93	MtCO ₂ /bpkm	2022	90.59	-
4	Aviation	-	-	-	-	-	-
5	Maritime transport	-	-	-	-	-	-
6	Cement, clinker and lime production	B08.11, C23.5, C23.6	176	tCO ₂ e/tonnes	2022	11.67	-
7	Iron and steel, coke, and metal ore production	-	-	-	-	-	-
8	Chemicals	-	-	-	-	-	-
9	... potential additions relevant to the business model of the institution	-	-	-	-	-	-

*** PiT distance to 2030 NZE2050 scenario in % (for each metric)

Template 4: Banking book - Indicators of potential climate change transition risk: Exposures to top 20 carbon-intensive firms

Template 4 shows the aggregate exposures that the Group has towards the 20 most polluting companies in the world, the incidence of the latter with respect to the total portfolio exposures, as well as the weighted average maturity of these exposures. The scope of analysis is the same as required for template 1.

Column c) of the Template relating to exposures aligned with the taxonomy (Climate Change Mitigation) was not completed in line with the indications provided by the EBA in the document "Opinion of the European Banking Authority on the application of the provisions relating to disclosures on ESG risks "of 5 August 2025.

Prudentially, and in line with that specified in the EBA Q&A 2022_6536, in providing the required disclosure, Banco BPM considered the listing of the Top 20 most polluting companies in the world on the basis of the economic and legal group to which the individual counterparties examined belonged. In order to identify the correct scope of analysis, on which to verify any presence of companies financed by the Group, the pertinent regulation requires the use of reliable, accurate and publicly accessible data sources. These include in particular:

- Carbon Majors Database: (CDP Carbon Majors Report 2017);
- Climate Accountability Institute: (CAI-PressRelease-Dec20.pdf);
- Thomson Reuters.

The Bank has decided to use, in particular, the first two data sources shown above in order to define the overall list of counterparties to be assessed. The Group has also chosen to conduct its audits on a broader scope obtained by combining the lists provided by the various info-providers. As can be seen from the following template, the aggregate exposure to the 20 most polluting counterparties in the world can be considered negligible as it accounts for 0.15% of the Group's overall exposure to non-financial corporations (debt securities, equity instruments, loans and advances).

a	b	c	d	e
Gross carrying amount (aggregate)	Gross carrying amount towards the counterparties compared to total gross carrying amount (aggregate)*	Of which environmentally sustainable (CCM)	Average weighted maturity	Number of top 20 polluting firms included
88	0.15%	-	0.45	3

* For counterparties among the top 20 carbon emitting companies in the world

Template 5: Banking book - Indicators of potential climate change physical risk: Exposures subject to physical risk

Template 5 provides information on banking book exposures, including loans and advances, debt securities and equity instruments not held for trading and for sale, to non-financial corporations, on loans secured by real estate assets and on repossessed real estate collaterals, exposed to potential chronic and acute physical risks (or both) linked to climate, with a breakdown by sector of economic activity (NACE classification) and by geographic location of the counterparty's business or collaterals.

In addition, additional reporting information is provided relating to exposures sensitive to physical events related to climate change, such as the gross carrying amount of stage 2 and non-performing exposures, adjustments and provisions, as well as the maturity categories and the weighted average maturity.

With regard to physical risk, the methodology developed⁶⁵ by Banco BPM - already starting from 2022 - directly and/or indirectly considers all the acute and chronic risk hazards linked to the climate and mapped by the Regulation on the "EU Taxonomy"⁶⁶. During the year, the overall physical risk assessment approach was aligned with the management methodology internally adopted by the Group in line with the materiality analyses on the loan portfolio.

It should be noted, however, that the specific evaluation methodology appears to be constantly evolving, also thanks to ever greater accuracy and better quality of the information available. In fact, note that during the year, in particular, the physical risk summary scores were refined.

The materiality of the exposures to physical risk is assessed by the Group both with regard to the real estate guarantees received and with respect to the production assets of borrower non-financial corporations.

For the purpose of compiling this table, the Banco BPM Group considers only exposures with a "High" or "Very High" risk score to be subject to significant physical risk (acute and/or chronic).

The template published provides three distinct views: consolidated, Italy and Rest of the World.

⁶⁵ This methodology was defined with the support of a qualified and approved external data provider. The assessment of physical risk drivers is constantly refined and updated to take into account the increasing availability of high quality public data sets (e.g. satellite data from Copernicus), in particular in this case by updating both the methodology (greater precision in the spatial resolution used) and the estimate of the impact of some acute climate hazards (e.g. heat wave phenomena)

⁶⁶ The reference is the list of 28 risks included in Regulation 2020/852, where those most relevant to Italy are measured directly (for example, flood or drought risks as acute risks, or soil erosion risk as chronic risks). However, since the different types of hazards are highly correlated (for example, flood and heavy rainfall risks), all of them can be measured at least indirectly, thus guaranteeing complete mapping in terms of scores

Template 5: Banking book - Indicators of potential climate change physical risk: Exposures subject to physical risk

a		b	c	d	e	f	g	h	i	j	k	l	m	n	o
Total exposures			Gross carrying amount (Min EUR)												
			of which exposures sensitive to impact from climate change physical events												
			Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
			≤ 5 years	> 5 years ≤ 10 years	> 10 years ≤ 20 years	> 20 years	Average weighted maturity							Of which stage 2 exposures	Of which non-performing exposures
1	A - Agriculture, forestry and fishing	1,656	320	173	182	102	6.49	3	770	5	81	28	(11)	(4)	(7)
2	B - Mining and quarrying	185	56	3	1	3	1.29	0	62	-	2	1	(1)	(0)	(1)
3	C - Manufacturing	20,566	2,022	547	80	965	2.73	107	3,207	301	502	126	(82)	(10)	(69)
4	D - Electricity, gas, steam and air conditioning supply	1,916	91	27	9	7	4.15	3	115	16	10	5	(4)	(1)	(3)
5	E - Water supply; sewerage, waste management and remediation activities	937	111	55	11	23	4.02	28	170	3	12	2	(1)	(0)	(1)
6	F - Construction	4,945	746	209	54	210	3.45	29	1,152	37	201	53	(44)	(12)	(30)
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	8,937	685	149	15	465	2.11	67	1,149	98	176	55	(36)	(5)	(30)
8	H - Transportation and storage	2,534	154	94	13	96	3.48	36	284	37	50	8	(7)	(2)	(5)
9	L - Real estate activities	5,026	244	220	111	43	6.37	30	552	35	94	14	(11)	(4)	(6)
10	Loans collateralised by residential immovable property	27,561	161	507	2,087	2,082	18.40	229	4,315	293	195	64	(27)	(9)	(17)
11	Loans collateralised by commercial immovable property	10,144	686	867	442	22	7.17	124	1,695	197	503	91	(71)	(28)	(40)
12	Reposessed collaterals	324	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Other relevant sectors (breakdown below where relevant)	12,565	782	621	226	146	5.28	111	1,454	210	236	32	(30)	(14)	(14)

a		b	c	d	e	f	g	h	i	j	k	l	m	n	o
of which to Italian entities			Gross carrying amount (Mln EUR)												
			of which exposures sensitive to impact from climate change physical events												
			Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
			≤ 5 years	> 5 years ≤ 10 years	> 10 years ≤ 20 years	> 20 years	Average weighted maturity							Of which stage 2 exposures	Of which non-performing exposures
1	A - Agriculture, forestry and fishing	1,656	320	173	182	102	6.49	3	770	5	81	28	(11)	(4)	(7)
2	B - Mining and quarrying	154	56	3	1	3	1.29	0	62	-	2	1	(1)	(0)	(1)
3	C - Manufacturing	19,730	1,999	547	80	965	2.73	107	3,183	301	502	126	(82)	(10)	(69)
4	D - Electricity, gas, steam and air conditioning supply	1,735	88	22	9	7	4.05	3	107	16	10	5	(4)	(1)	(3)
5	E - Water supply; sewerage, waste management and remediation activities	918	111	55	11	23	4.02	28	170	3	12	2	(1)	(0)	(1)
6	F - Construction	4,918	746	209	54	210	3.45	29	1,152	37	201	53	(44)	(12)	(30)
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	8,830	674	149	15	465	2.13	67	1,138	97	176	55	(36)	(5)	(30)
8	H - Transportation and storage	2,292	145	94	13	96	3.49	36	275	37	50	8	(7)	(2)	(5)
9	L - Real estate activities	5,002	244	220	111	43	6.37	30	552	35	94	14	(11)	(4)	(6)
10	Loans collateralised by residential immovable property	27,464	158	505	2,074	2,078	18.41	229	4,298	288	192	64	(27)	(9)	(17)
11	Loans collateralised by commercial immovable property	10,123	686	867	442	22	7.17	124	1,695	197	503	91	(71)	(28)	(40)
12	Reposessed collaterals	324	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Other relevant sectors (breakdown below where relevant)	12,005	782	621	226	146	5.28	111	1,454	210	236	32	(30)	(14)	(14)

a		b	c	d	e	f	g	h	i	j	k	l	m	n	o
of which non-Italian entities (Rest of the world)			Gross carrying amount (Mln EUR)												
			of which exposures sensitive to impact from climate change physical events												
			Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
													≤ 5 years	> 5 years ≤ 10 years	> 10 years ≤ 20 years
1	A - Agriculture, forestry and fishing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	B - Mining and quarrying	31	-	-	-	-	-	-	-	-	-	-	-	-	-
3	C - Manufacturing	836	23	-	-	0	3.31	-	23	-	-	-	(0)	-	-
4	D - Electricity, gas, steam and air conditioning supply	181	3	5	-	-	5.62	-	8	-	-	-	(0)	-	-
5	E - Water supply; sewerage, waste management and remediation activities	19	-	-	-	-	-	-	-	-	-	-	-	-	-
6	F - Construction	28	-	-	-	-	-	-	-	-	-	-	-	-	-
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	108	11	-	-	0	0.27	-	12	0	-	-	(0)	-	-
8	H - Transportation and storage	242	9	-	-	0	2.94	-	9	-	-	-	(0)	-	-
9	L - Real estate activities	24	-	-	-	0	-	-	0	-	0	-	(0)	(0)	-
10	Loans collateralised by residential immovable property	97	2	2	13	4	15.46	0	16	5	3	-	(0)	(0)	-
11	Loans collateralised by commercial immovable property	21	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Reposessed collaterals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Other relevant sectors (breakdown below where relevant)	560	-	-	-	0	-	-	0	-	-	-	(0)	-	-

Declaration of the Chief Risk Officer

The undersigned Edoardo Faletti, in his capacity as Chief Risk Officer of the Parent Company Banco BPM spa, hereby declares that the Public Disclosure (Pillar 3) as at 30/06/2025 has been prepared in accordance with the reference regulations (EU Regulation no. 575/2013 and subsequent amendments), the formal policy and internal processes, systems and controls, as expressly envisaged by art. 431 of the CRR.

Milan, 30 September 2025

Chief Risk Officer
Edoardo Faletti



Declaration of the Financial Reporting Manager

The undersigned, Gianpietro Val, in his capacity as Financial Reporting Manager of Banco BPM S.p.A, hereby declares, in compliance with the provisions of Article 154-bis, paragraph 2 of Italian Legislative Decree no. 58 of 24 February 1998, that the accounting information contained in this document is consistent with the corporate documents, books and accounting records.

Milan, 30 September 2025


Il Dirigente Preposto alla redazione dei documenti
contabili societari
Gianpietro Val