BANCO BPM

Consolidated interim financial report

as at 30 June 2026

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This document is a courtesy 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.

Banco BPM S.p.A.

Registered office: Piazza F. Meda, 4 - 20121 Milan, Italy
Administrative headquarters: Piazza Nogara, 2 - 37121 Verona, Italy
Fully paid-up share capital as at 30 June 2026: € 7,100,000,000.00
Tax Code and Milan Companies' Register Enrolment no.: 09722490969
A company representing Banco BPM VAT Group, VAT no. 10537050964
Member of the Interbank Deposit Guarantee Fund and the National Guarantee Fund
Parent Company of Banco BPM Banking Group
Enrolled in the Bank of Italy Register of Banks and the Register of Banking Groups

OFFICERS, DIRECTORS AND INDEPENDENT AUDITORS AS AT 30 JUNE 2026

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Deputy Chairman	Eugenio Rossetti
Chief Executive Officer	Giuseppe Castagna
Directors	Frédéric Marie de Courtois d'Arcollières
	Alessio Foletti
	Rossella Leidi
	Marina Mantelli
	Giampiero Massolo
	Francesco Renato Mele
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	Domenico Giovanni Siniscalco
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Standing Auditors	Maurizio Lauri
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	Ambrogio Virgilio
Alternate Auditors	Silvia Rachela
	Donata Paola Patrini
	Mario Tagliaferri
	General Management
Co-General Manager	Domenico De Angelis
Co-General Manager	Edoardo Maria Ginevra
	Manager responsible for preparing the Company's financial reports
	Gianpietro Val
	Independent Auditors
	Deloitte & Touche S.p.A.

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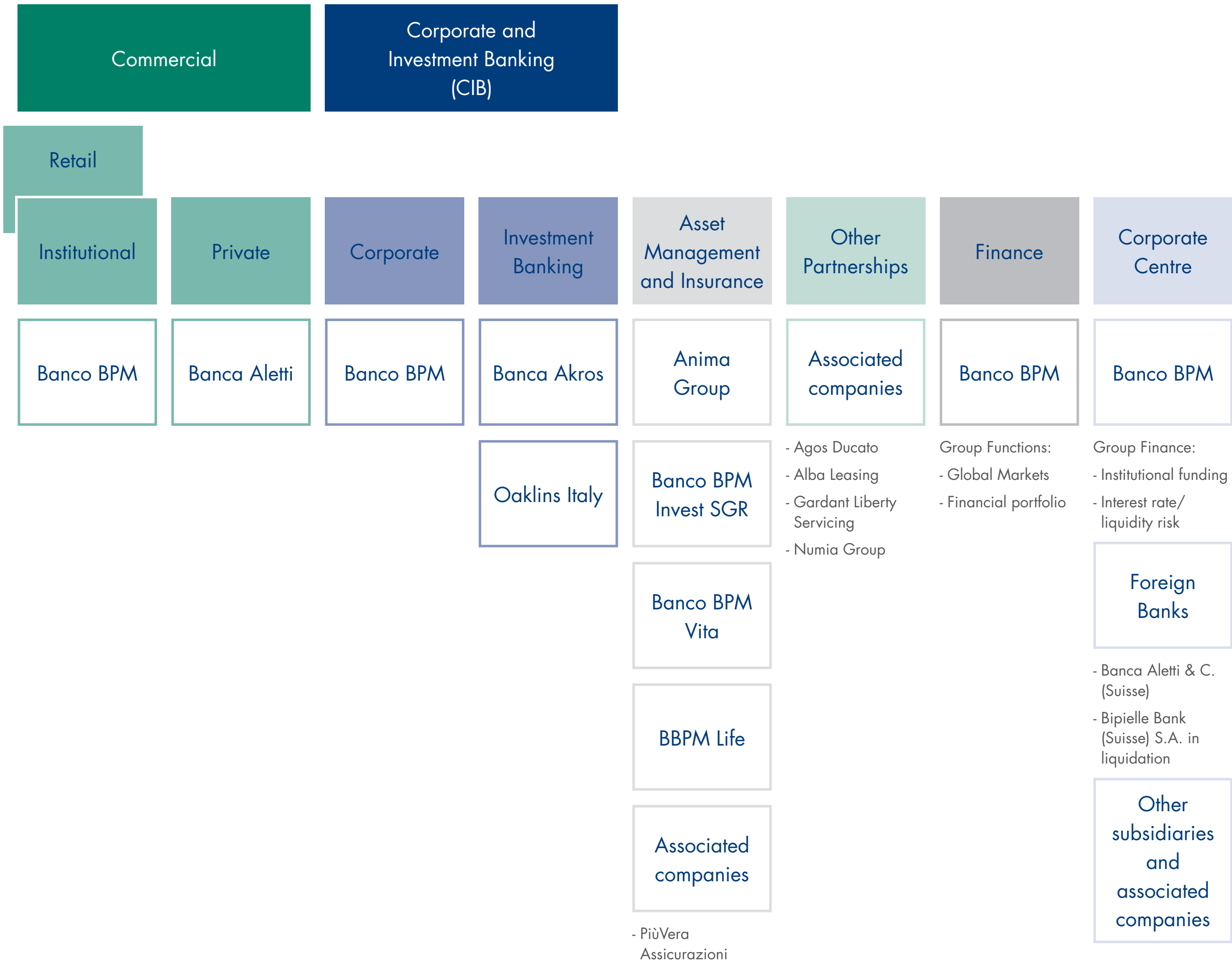
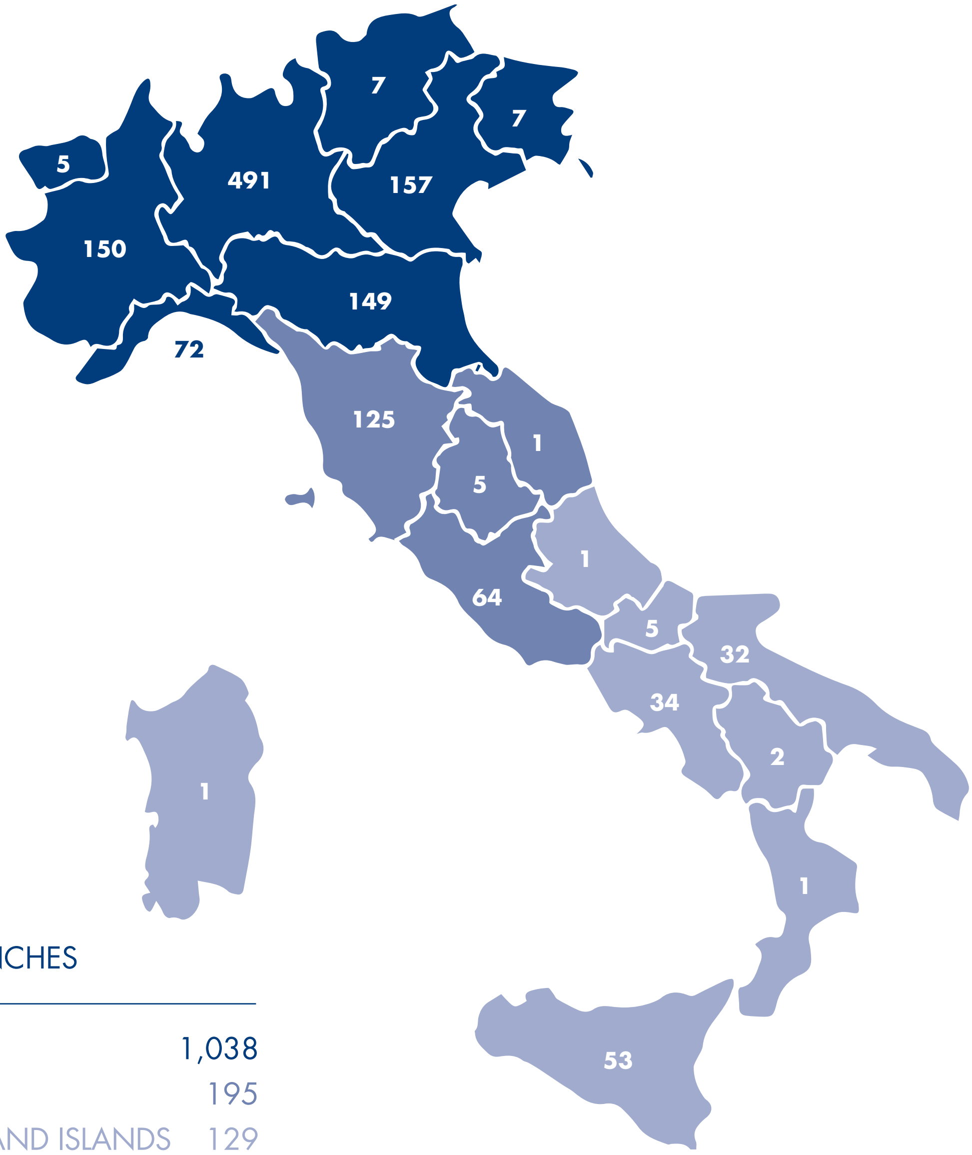
BANCO BPM GROUP BUSINESS LINES



GROUP TERRITORIAL NETWORK



N° BRANCHES

NORTH	1,038
CENTRE	195
SOUTH AND ISLANDS	129
TOTAL	1,362

Banco BPM Group Branches in Italy	Numero
Banco BPM	1,308
Banca Aletti	53
Banca Akros	1
Total	**1,362**

Presence abroad

The Group's foreign operations include the subsidiary companies BBPM Life (Ireland) and Banca Aletti Suisse (Switzerland), as well as Representative Offices in China (Hong Kong) and India (Mumbai).

GROUP FINANCIAL HIGHLIGHTS AND ECONOMIC RATIOS

Highlights

The tables below provide the income statement and balance sheet highlights of the Group, calculated based on the reclassified financial statements. The underlying calculations for these are illustrated in the "Results" section of this Report.
Some economic and financial ratios are also provided, based on accounting data, corresponding to those used by the Company Management to analyse performance and consistent with the most widespread practices in the banking sector.
The definitions of the ratios and of the main balance sheet and income statement items commented on in this Report are illustrated in the following section "Results", to which reference should be made for further details.
The attachments to the consolidated condensed interim financial statements provide a statement of reconciliation between the reclassified financial statements and those prepared on the basis of Circular no. 262.

(millions of euro)	**I half 2026**	**I half 2025 (*)**	**% Change**
Income statement figures			
Net interest income	1,537.0	1,602.1	(4.1%)
Net fee and commission income	1,420.5	1,247.8	13.8%
Core income	3,096.2	2,993.1	3.4%
Operating income	3,196.2	3,024.0	5.7%
Operating expenses	(1,368.2)	(1,347.4)	1.5%
Profit (loss) from operations	1,828.1	1,676.6	9.0%
Profit (loss) before tax from continuing operations	1,664.4	1,513.9	9.9%
Profit (loss) after tax from continuing operations	1,109.4	1,068.2	3.9%
Parent Company's profit (loss) for the period	1,060.3	1,214.5	(12.7%)

(*) The figures relating to the previous period have been restated to guarantee a like-for-like comparison. For more details on data comparability, please refer to the "Results" section of this Report.

(millions of euro)	**30/06/2026**	**31/12/2025**	**% Change**
Balance sheet figures			
Total assets	210,879.6	205,896.3	2.4%
Loans to customers (net)	101,158.1	99,713.6	1.4%
Financial assets and hedging derivatives	69,586.7	62,747.3	10.9%
Group shareholders' equity	15,623.1	15,504.7	0.8%
Customers' financial assets			
Direct bank funding	140,051.8	132,387.5	5.8%
Direct funding with protected capital certificates	*144,119.9*	*137,174.2*	*5.1%*
Indirect funding	288,097.4	285,959.9	0.7%
- Assets under management	226,714.5	227,974.0	(0.6%)
- Administered assets	61,382.9	57,985.9	5.9%

	30/06/2026	**31/12/2025**	**Absolute change**
Information on the organisation			
Average number of employees and other staff (*)	18,089	18,327	(238)
Number of bank branches	1,362	1,363	(1)

(*) Weighted average of staff calculated on a monthly basis in terms of full-time equivalent resources. Does not include the Directors and Statutory Auditors of Group Companies.

Financial and economic ratios and other Group figures

	30/06/2026	**31/12/2025**
Profitability ratios (%)		
Net interest income/Operating income	48.09%	52.52%
Net fee and commission income/Operating income	44.44%	41.90%
Operating expenses/Operating income (cost/income ratio)	42.81%	45.99%
Operational productivity figures (thousands of euro)		
Loans to customers (net) per employee (1)	5,592.2	5,440.8
Annualised operating income per employee (**) (1)	353.4	324.9
Annualised operating expense per employee (**) (1)	151.3	149.4
Credit risk ratios (%)		
Net bad loans/Loans to customers (net)	0.32%	0.36%
Net unlikely to pay/Loans to customers (net)	0.69%	0.82%
Net bad loans/Shareholders' equity	2.09%	2.29%
Texas ratio	8.28%	9.73%
Other ratios		
Financial assets and hedging derivatives/Total assets	33.00%	30.48%
Total derivatives/Total assets	1.41%	1.28%
- trading derivatives/total assets	1.07%	0.88%
- hedging derivatives/total assets	0.34%	0.41%
Net trading derivatives/Total assets	0.25%	0.26%
Loan to deposit ratio (net loans/direct deposits including certificates)	70.19%	72.69%
Regulatory capitalisation and liquidity ratios		
Common equity tier 1 ratio (CET1 capital ratio) (2)	14.40%	13.58%
Tier 1 capital ratio (2)	16.42%	15.71%
Total capital ratio (2)	19.20%	19.12%
Liquidity Coverage Ratio (LCR)	143%	147%
Leverage ratio	5.11%	5.03%
Banco BPM stock		
Number of outstanding shares	1,515,182,126	1,515,182,126
Official closing prices of the stock		
- Final	15.110	13.020
- Maximum	15.830	13.475
- Minimum	11.245	7.694
- Average	12.857	10.688

(*) The figures relating to the previous period have been restated to guarantee a like-for-like comparison. For more details on data comparability, please refer to the "Results" section of this Report.

(**) The annualised result does not represent a forecast of profits for the year.

(1) Weighted average of employees calculated on a monthly basis in terms of full-time equivalent resources, as shown in the previous table. Does not include the Directors and Statutory Auditors of Group Companies.

(2) The capital ratios as at 30 June 2026 were calculated by including the economic result in progress during the first half of 2026 net of the portion that is expected to be distributed as a dividend based on the specific applicable legislation. In this regard, it should be noted that an application will be submitted to include the aforementioned profit in the calculation of own funds in accordance with the provisions of Article 26, paragraph 2, of Regulation (EU) No 575/2013. It should be noted that, from 1 January 2026, the transitional provisions applicable to the calculation of capital ratios are no longer in force; these ratios are therefore, by definition, to be regarded as "fully phased". To ensure a like-for-like comparison, the figures as at 31 December 2025 were consequently restated.

Interim report on operations

ECONOMIC SCENARIO

The international scenario

During the first half of 2026, the global economy continued to show moderate resilience, albeit in a context characterised by growing commercial fragmentation and a marked deterioration in the geopolitical scenario. On the international trade front, on 20 February the US Supreme Court ruled that the tariffs introduced in April 2025 by the Trump Administration under the IEEPA were unlawful, finding that the legislation did not give the President the power to impose tariffs. In response, the US Administration introduced a temporary surcharge on imports under Section 122 of the 1974 Trade Act, with high uncertainty thus persisting over the future configuration of US trade policy. In mid-June, the European Union ratified the trade agreement reached with the United States in July 2025, which provides for a maximum rate of 15% on most European exports.

However, the conflict that has pitted Israel and the United States against Iran since the end of February has profoundly altered the economic outlook and has progressively involved other countries in the area. The resulting closure of the Strait of Hormuz led to a sharp reduction in trade flows from the Persian Gulf, exerting pressure on energy prices, transport costs and the prices of other raw materials, including fertilisers. These dynamics interrupted the disinflation process and have led to a tightening of financial conditions. The shock therefore weakened growth prospects, especially for economies most dependent on energy imports, and increased the risk of a wider transmission of inflationary pressures to production costs and, subsequently, to final prices.

Among the advanced economies, the United States continued to represent one of the main drivers of global demand, although showing a growing divergence between the resilience of production and the weakening of households' economic conditions. The activity was supported by significant investments in artificial intelligence sectors. During the first quarter of 2026, GDP grew by 0.5% compared to the previous period, or 2.1% in annualised terms.

The main fragility concerned private consumption, hampered by the loss of purchasing power. Real disposable income began to decline, as nominal wage growth did not offset the acceleration in prices. Inflation has once again become the main critical element, reaching 4.2% YoY in May, and then falling back to 3.5% in June, due to both higher import prices and the increase in energy prices linked to tensions in the Strait of Hormuz. For the second quarter, preliminary estimates indicate growth of 0.4% QoQ (1.5% in annualised terms). This trend, supported by a robust increase in consumption and investments, albeit with the latter decelerating compared to the previous quarter, reflects the reduction in public spending, the deceleration of exports and the acceleration of imports. The labour market remained resilient overall, but showed signs of weakening during the year: in June, non-agricultural employment increased by 57 thousand units, well below expectations, while the data relating to the previous two months were revised downwards. The unemployment rate fell to 4.2%, although this reflects a reduction in the labour force participation rate, which fell to 61.5%, the lowest level since March 2021.

Current forecasts indicate GDP growth of 2.2% for the whole of 2026. The possible slowdown in household demand, the greater caution of investments not linked to artificial intelligence and the negative contribution of the trade balance weigh on the annual profile.

In the Asian context, Japan started 2026 with sustained growth: during the first quarter, GDP increased by 0.5% compared to the previous period, thanks to the recovery in exports and the resilience of consumption and investments. Domestic demand benefited from the solidity of company profits and wage growth. The government, through subsidies and recourse to national reserves, has managed to partially mitigate the country's vulnerabilities linked to its heavy dependence on oil from the Middle East. The Bank of Japan gradually continued with monetary normalisation, bringing the reference rate to 1% in June, after the increase to 0.75% in December 2025.

During the first half of 2026, the Chinese economy maintained sustained growth, albeit with certain signs of fragility. The new 2026-2030 Five-Year Plan has overshadowed the objectives in terms of GDP growth and focuses on "high-quality development", innovation, sustainability, resilience and the relaunch of consumption, with a central role envisaged for research and development. GDP in the first half of the year grew by approximately 4.7% YoY, supported by industry and services, while foreign trade recorded strong increases in exports and imports. The main critical issues concern fixed investments, which are falling, mainly due to the property market crisis. Inflation remained low at around 1%, but export prices rose, interrupting the phase of exported deflation.

The growth of the Indian economy remained robust in the first quarter, at 7.8% YoY, albeit slowing down compared to the previous period. Activities were supported by public infrastructure investments. Manufacturing also showed solidity, benefiting from policies to support production and the transfer of segments of global value chains to the country. Private consumption continued to fuel growth, although the most recent indicators point to a slowdown, linked to the loss of household purchasing power and the weakening of the labour market.

The closure of the Strait of Hormuz was an event of primary importance for the commodity market, resulting in strong volatility. Brent futures, after having remained at around USD 67 per barrel in the first two months of the year, recorded a sharp acceleration following the outbreak of the conflict in the Gulf area. Between March and May, the average price exceeded USD 100 per barrel, with peaks close to USD 118, levels similar to those reached during the escalation of the Russian-Ukrainian conflict. Since June, with the first signs of the easing of tensions and the partial recovery of flows, the price has decreased, settling on average at around USD 84. European natural gas prices also rose sharply, rising from an average level of around 33 EUR/MWh in the first two months of the year, to values that fluctuated between 40 and 60 EUR/MWh in the rest of the half-year.
The prices of industrial metals have generally increased, supported by fears of interruptions in logistics chains and rising production costs. The rally in precious metals, which began in 2025, culminated in January with a price jump of around 20% for gold and 60% for silver, followed by a significant downsizing in the following months.

The Eurozone

In a context of marked geopolitical tensions, exacerbated by the opening of hostilities between the USA and Iran and the increase in energy prices, the Eurozone showed overall resilient growth during the first quarter of the year. While the overall figure shows a decrease of 0.2% on a quarterly basis (Eurostat estimate in June, revised to 0.0% in July), net of the strong contraction in Irish GDP (-12.1%), economic activity grew by 0.3% QoQ, down slightly compared to the previous period (+0.4% excluding Ireland). Growth stood at 0.3% YoY. The increase in private and public consumption showed a slowdown, while investments contracted. Net exports had a negative impact on the aggregate data, which is positive if Ireland's volatile trade flows are omitted.
However, the aggregate trend hides different dynamics at the level of the individual Member States. Among the major economies, during the first quarter of 2026, Spain grew by 0.6% QoQ, supported by the solidity of private consumption, reconfirming an ongoing trend since the post-pandemic period. Germany and Italy also showed appreciable growth rates, with GDP in both cases recording +0.3% QoQ. In fact, Germany benefited from an increase in net foreign demand and, at the same time, from public spending which, among other things, favoured and supported industrial production. On the other hand, the relative stagnation of the French economy (-0.1%) weighed on the Eurozone economy as a whole.
The industrial sector of the Eurozone, in particular ICT and defence, benefited from an increase in public spending and partly from the accumulation of stocks. On the other hand, the trend in foreign trade was less favourable: total exports in the Eurozone, excluding Ireland, increased by 0.7% in the first quarter of 2026. This increase is the result of substantial stability in exports of goods (+0.1% QoQ) and solid growth in exports of services (+2.7% QoQ). Confidence indicators showed a somewhat mixed picture. The manufacturing PMI rose over the period, moving into expansionary territory as early as February and remaining at 51.4 at the end of the half-year, whilst the services PMI has been on a downward trend since its relative peak in February. Consumer expectations, too, were significantly revised downwards: consumer confidence, already subdued in the first few months of the year, fell sharply in the months following the US-Iran conflict.
In fact, one of the greatest concerns for consumer households is the trend in consumer prices. While for the months of January and February, inflation was lower than the 2025 average, at +1.7% and +1.9% respectively, the hike in energy prices has generated strong upward pressure since March. In May, the harmonised index of consumer prices showed an annual change of 3.2%, which subsequently fell to 2.8% in June thanks to a temporary drop in energy prices, which nevertheless remain 8.5% higher than in June 2025.
In this complex scenario, amidst resilience and profound uncertainty, the labour market proved solid: the unemployment rate showed a relatively stationary trend, standing at 6.3% in June, a value close to an all-time low; at the same time, the number of employees increased in the first quarter of the year, albeit at a slower rate: +0.6% YoY compared to +0.7% in the last period of 2025.
As regards public finances, the development and implementation of major spending plans, particularly in the defence sector, such as the SAFE (Security Actions for Europe) programme, together with the finalisation of spending from the Next Generation EU funds, will lead to an increase in net indebtedness. Overall, for the Eurozone, the deficit-to-GDP ratio stood at 3.1% in the first quarter, and is expected to rise from 2.9% in 2025 to 3.3% in 2026 YoY[1].
Preliminary estimates for the second quarter indicate a significant recovery in the Eurozone, of +0.4% QoQ and 1.0% YoY. Among the main economies, Spain was particularly dynamic (+0.7% QoQ) while France, Germany and Italy showed signs of solidity, all three growing by 0.2% QoQ. In light of recent developments, current forecasts indicate growth of 0.6% for the whole of 2026.

[1] *Spring Economic Forecast* 2026, European Commission.

The Italian economy

Despite the uncertain international context, the economic data relating to the first quarter, which incorporates only the first month of hostilities (i.e. March), confirm an appreciable growth trend in the Italian economy, with an expansion in activity of 0.3% QoQ, in line with the previous quarter, and +0.8% YoY. Gross fixed investments (+0.7% QoQ) and household consumption (+0.5% QoQ) contributed the most to GDP growth. The positive performance of net foreign demand was offset by a contraction in inventories. At sector level, the value added in services grew by 0.4% QoQ, while a decline was observed in agriculture (-0.5% QoQ), with industry remaining stable. For the second quarter, preliminary estimates indicate growth of 0.2% QoQ, 1.0% YoY, exceeding the expectations of stagnation that had been prevalent prior to publication. The GDP trend was supported by domestic demand and penalised by foreign demand. This sign of economic strength has brought the growth achieved for 2026 to 0.8%. Overall, current forecasts indicate growth for the whole of 2026 of the order of 0.7%.
Despite the uncertainty, the data on industrial production were quite positive in the half-year: the decline in January was followed by three consecutive months of growth, while May recorded a QoQ fall of 0.3%. Meanwhile, on the foreign trade front, in the first quarter of the year, compared with the final quarter of 2025, the value of Italian exports rose by 4.0%, whilst imports rose by 2.3%. Trade with the USA remained stable: during the first quarter of 2026, the total value of goods exported to the country grew by 1.3% compared to the same period in 2025.
The positive indicators of industrial production and foreign trade are partly reflected by reasonably positive business confidence indices. The PMI index for manufacturing has been on an upward trend since January and stood at 52.2 in June, above the expansion threshold. The PMI for services, on the other hand, fell until March, only returning to the 50 threshold in June 2026 (50.2). Consumer confidence, on the other hand, remains rather depressed, primarily due to the inflationary shock linked to energy goods. In fact, the overall consumer price index (NIC), which stood at +1.7% YoY in March, rose sharply, bringing inflation to +3.0% YoY in June, down slightly compared to the May figure, thanks to the relatively rapid drop in energy prices following the signing of the memorandum of understanding between Iran and the United States. Net of the most volatile components (food and energy), the pass-through to prices is slower, with core inflation at 1.6% in June.
With regard to the labour market, the consolidation observed in previous years continues. The employment rate remained at historically high levels, standing at 62.9% in June. In the second quarter, compared to the previous one, in fact, the number of employees increased by 0.5%. The unemployment rate in June rose slightly compared to May, from 5.3% to 5.7%, while remaining below the Eurozone average (6.3%).
The resilience of the real economy and the strength of the labour market were accompanied by a relatively stable financial environment, with the BTP-Bund spread standing at around 72 basis points towards the end of the half-year, despite the spread having shown marked volatility in March and April due to a climate of intense geopolitical tension and uncertainty regarding the economic and financial repercussions of the energy crisis. The deficit-to-GDP ratio stood at 7.8% in the first quarter of the year, down from 8.4% in the first quarter of 2025, and, according to the European Commission's most recent estimates, is expected to reach 2.9% for 2026 as a whole, although the use of public measures to mitigate the rise in energy prices could worsen net indebtedness.

Monetary policy and the financial markets

In the framework described above, fears of a recovery in inflation in the main advanced economies have led the main central banks to maintain a prudent approach.
In the United States, the Federal Reserve adopted a restrictive approach throughout the first half of the year, leaving the Fed Funds corridor unchanged at 3.50-3.75%. In January, the decision was motivated by inflation still higher than the target, despite some signs of weakening of the labour market; in March, in the face of the supply shock linked to the conflict in Iran, the FOMC confirmed the pause, recalling the risks of new inflationary pressures. Market expectations, which had initially been geared towards at least two rate cuts during the year, have therefore gradually been scaled back to the point where they now factor in the possibility of a 25-basis-point rise by the end of the financial year, helping to strengthen the dollar. In mid-May, Kevin Warsh took over from Jerome Powell at the helm of the Fed, giving a first change of emphasis: less emphasis on forward guidance and backward-looking macroeconomic indicators; more focus on structural factors of the economy. Also at the June meeting, rates remained unchanged, with a unanimous vote, confirming the priority ascribed to price stability and in partial contrast to the expectations of a more expansionary line after the appointment of the candidate supported by President Trump.
In the Eurozone, expectations of stable official rates prevailed at the beginning of the year, in a context characterised by the weakness of the German economy and trade tensions, but also by low unemployment, sound private finances

and inflation close to the target. After leaving rates unchanged in its first meeting, in March the ECB highlighted that the increase in energy prices entailed both upside risks for inflation and downside risks for growth.
In June, the Governing Council raised the three reference rates by 25 basis points, bringing the deposit rate to 2.25%, the main refinancing rate to 2.40% and the marginal lending rate to 2.65%. The decision was motivated by the need to counter the re-emergence of inflationary pressures linked above all to the increase in energy prices resulting from the conflict in the Middle East and the risk that such increases might be transmitted, with indirect and secondary effects, to the prices of food, goods and services.
The financial markets were affected by the evolution of monetary policy expectations and geopolitical tensions.
On the bond market, the rise in inflation expectations and the revision of interest rate forecasts have generated volatility in government bond yields. The 10-year US Treasury closed June with a yield of 4.40%, after a high of around 4.70%, while the German Bund stood at 2.80% after reaching 3.20%. The ten-year BTP, after fluctuations between returns of 3.20% and 4%, ended the half-year at 3.60%; the BTP-Bund spread, initially down towards the 60 basis points area, widened beyond 90 points in the phases of greatest tension, before stabilising in the 70-80 basis points range.
Equity markets, despite the climate of geopolitical uncertainty, recorded a favourable trend, especially in the second quarter. After the correction between March and April, following the outbreak of the Middle East conflict, international indices recovered ground thanks to the resilience of the US economy and the prospects for the development of technologies linked to artificial intelligence, closing the half-year with widespread progress and, in several cases, recording new all-time highs in prices.
In the United States, at the end of June, the S&P 500 was up by 9.6%, the Nasdaq Composite by 12.8% and the Dow Jones Industrial Average by around 9%, marking the best start to the year since 2021. The performance of the US stock markets was supported above all by investments in artificial intelligence, digitalisation and advanced IT infrastructures, which boosted technology shares and the semiconductor sector, which grew particularly markedly. The demand for processing capacity, cloud services and semiconductors underpinned the expected profits of major technology companies, helping to justify high share valuations and driving the outperformance of indices most exposed to these sectors. However, as the months went by, the increase gradually extended to other sectors, highlighting an expansion of market participation.
In the Eurozone, the Eurostoxx 50 grew by 9.3%, supported in particular by the technology, energy and financial sectors. However, performances differed: the Ftse Mib rose by 15.0% and the Ibex 35 by 12.5%, while the Dax and the Cac 40 recorded more limited progress, of 2.1% and 3.1% respectively. Outside the Eurozone, the Tokyo Nikkei stood out, up by 39.2% in the half-year.

Domestic banking activity

The scenario described in the previous paragraphs shows how the banking sector is moving in a complex macroeconomic context, characterised by rising inflation and evolving interest rate expectations, whilst economic activity remains resilient, despite rising energy prices. Overall, the half-year showed resilient European banking profitability. In this context, the Italian banking system faces the tensions following the outbreak of the conflict from an overall solid position and with profitability that remains high.
Overall, during the first half of 2026, the performance of brokerage activities in the Italian banking system was up. Based on the initial SI-ABI estimates published in July 2026, total loans to residents in Italy in June 2026 stood at 1,696.5 billion, with an annual trend change of +3.0%. Loans to the private sector alone equalled 1,464 billion in the same month, up by 3.0% compared to a year earlier. Loans to households and non-financial companies were equal to 1,318 billion, up by 3.3% YoY.
In detail, in May 2026, the latest figure available, the rate of change of loans to non-financial companies was +3.5% YoY. The recovery in demand can be explained by the gradual reduction in rates and a greater need for liquidity by companies. However, growth remains moderate due to risk factors, given the persistence of a situation of geopolitical uncertainty and still prudent demand.
Loans to households in the same month increased by 2.6% YoY, with an increase for both home purchase loans (+3.3%) and consumer credit (4.6%); the recovery in demand after the rate hike, which had put particular pressure on mortgages, and the growth in consumer credit, favoured by the improvement in confidence and consumption, contributed to this trend.
In terms of funding, in June 2026 bank deposits from customers were positive: both deposits and bonds were up. The stock of total direct funding (deposits from resident customers and bonds) is equal to 2,166 billion, up by 3.6% compared to the previous year.
Specifically, deposits from resident customers in June 2026 amounted to 1,883 billion and increased by 3.2% YoY. Medium- and long-term funding, through bonds, rose by 6.2% compared to a year earlier, totalling 283 billion.

The amount of current account deposits recorded an increase of 3.8% between April 2026 (1,401 billion) and April 2025 (1,349 billion), while deposits with a pre-established duration recorded almost zero growth of 0.1% YoY. Deposits with advance notice were up, with a YoY change of 2.5%, while repurchase agreements (excluding central counterparties) recorded a decrease of -7.3%.

The trend in interest rates was influenced by the ECB's policy, which followed a complex trajectory: following a period of cuts that began in June 2024 and continued until mid-2025, rates stabilised between the end of 2025 and the early months of 2026.

The average rate on bank deposits from customers stood at 0.94% in June 2026 (0.93% in June 2025). More specifically, the average rate on deposits in euro applied to households and non-financial companies stood at 0.67% (unchanged compared to June 2025) and that on bonds at 2.83% (2.84% in June 2025). On the other hand, with regard to loans, the average rate in the same month rose to 4.08% from 3.97% at the beginning of the year and from 4.02% in June 2025.

In June 2026, the mark-up (calculated as the difference between the average rate on loans and average 3-month Euribor rate) was 1.74% (2.04% in June 2025), while the mark-down (calculated as the difference between the average rate on deposits and the average 3-month Euribor rate) stood at 1.67% (1.31% in June 2025). The banking spread, equal to 3.14% in June 2026 (compared to 3.09% in June 2025), shows a widening of net interest and other banking income.

In terms of credit quality, the impact of non-performing loans on total loans, significantly reduced over the last few years, fell further and the loan default rate remained at low levels. In particular, in May 2026, the amount of net non-performing loans was equal to 26.7 billion, from 27.7 billion in December 2025, and represents 1.28% of total loans, while at the end of 2025 this ratio was 1.32% (1.51% in December 2024).

As regards the assets under management of Italian households, it should be noted that in May 2026, the assets of Italian and foreign open-end funds stood at around 1,304 billion, a YoY increase of 7.2%. The significant imbalance towards foreign funds, which account for 75.9% of the total, remains.

SIGNIFICANT EVENTS DURING THE PERIOD

The first half of 2026 was characterised by a situation of high geopolitical and macroeconomic uncertainty. In addition to the ongoing conflicts between Russia and Ukraine and between Israel and Palestine, war broke out on 28 February 2026 involving the United States, Israel and Iran, resulting in a significant deterioration of the international scenario, with impacts on the prices of energy commodities, consequent inflationary pressures and repercussions on monetary policies and growth prospects, in a context of increased volatility of the financial markets.
In this context, the Group's operations focused on the areas described below.

Proposal to Banca Monte dei Paschi di Siena to discuss and agree on a possible aggregation

On 7 June 2026, the Board of Directors of Banco BPM unanimously resolved to send Banca Monte dei Paschi di Siena S.p.A. ("MPS") a communication in which Banco BPM expressed its interest in starting dialogue aimed at discussing and agreeing on a potential business combination between the two institutions. The Board of Directors of MPS took note of the communication at the meeting of 8 June 2026.

As illustrated in the section on significant events occurring after the end of the half-year in Part A of the Explanatory Notes, on 31 July 2026, the Board of Directors of Banco BPM met to review the status of the potential merger between the Bank and MPS.
At that meeting, the Board, whilst reaffirming the strong strategic and industrial rationale behind the proposal put forward to MPS, which could have led to the creation of a new leading banking and financial group in Italy, generating significant value creation for both banks, considered that, as that point in time, the conditions for reaching a mutual agreement between the parties had not been met.

Consequently, and with a view to ensuring the utmost transparency towards the market and all shareholders, the Bank's Board of Directors therefore unanimously resolved to discontinue consultations regarding the potential merger, whilst simultaneously notifying MPS of this decision.

Streamlining of the Group's activities

In the early months of 2026, the process of rationalising the insurance business continued: from 1 May 2026, the merger by incorporation of Vera Vita S.p.A. into Banco BPM Vita S.p.A. took effect, following the granting of the required statutory authorisations by the supervisory authorities, with retroactive accounting and tax effects from 1 January 2026.
The transaction forms part of the strategic path of insourcing and development of the insurance business of the Banco BPM Group and pursues the objectives of streamlining the structure, simplifying the governance system, eliminating duplication of structures and skills, increasing operating efficiency, containing costs and accelerating the expansion and innovation of the product range.
The merger also contributes to strengthening Banco BPM's positioning in the Wealth segment, by expanding and consolidating the offer of insurance products for investment, savings and pension purposes, both through traditional and multi-segment policies.

Transactions on interests in associates and joint ventures

Establishment of BP Holding S.p.A. as part of the restructuring of Banca Progetto S.p.A.

As part of the systemic restructuring of Banca Progetto S.p.A., the bank's extraordinary general meeting of shareholders in March 2026 approved a capital increase of 750 million, fully subscribed by the Interbank Deposit Guarantee Fund (FITD). The transaction envisaged, among other things, the sale to BP Holding S.p.A. of 90% plus one share of the share capital of Banca Progetto, as well as the implementation of a series of interventions aimed at reducing the bank's risk profile, through the sale and securitisation of performing and impaired credit exposures.

More specifically, in addition to the FITD, the transaction involved Banco BPM and four other leading Italian banks (Banca Monte dei Paschi di Siena, BPER Banca, Intesa Sanpaolo and UniCredit). To this end, in February 2026, the five banks established BP Holding S.p.A., subscribing the initial share capital of 2.5 million in equal shares (20% each). Subsequently, in March 2026, the extraordinary shareholders' meeting of BP Holding resolved a paid capital increase for a total of 40 million, subscribed pro-rata by the participating banks. This increase was instrumental for the acquisition from the FITD of 90% plus one share of the share capital of Banca Progetto S.p.A., completed on 30 March 2026.
The transaction enabled the reconstitution of the corporate bodies and the consequent closure of the extraordinary administration of Banca Progetto on 31 March 2026.
As at 30 June 2026, the Group therefore holds a 20% stake in BP Holding S.p.A., classified under interests in associates, with a book value of 8.5 million.
With reference to the derisking of the loan portfolio of Banca Progetto, the involvement of the Banco BPM Group took the form of the subscription of units of the Finint Ananteo AIF, concerning non-performing loans, for an amount of 78.8 million, as well as notes issued as part of the securitisations of performing loans for a total of 64.0 million. These investments are secured by a complex system of guarantees issued by the FITD.
Taking into account the repayments of the securitisation notes during the period, amounting to 3.9 million, the residual investment held by the Banco BPM Group as part of the transaction amounted, as at 30 June 2026, to 147.4 million.
At the date of approval of this Half-Yearly Financial Report, no events or circumstances had arisen such as to require the recognition of charges, provisions or liabilities to be borne by the Group related to the interest held in BP Holding S.p.A. or, more generally, to the restructuring transaction as a whole.

Acquisition of 100% of the share capital of Profamily SPV S.r.l.

Following the conclusion of the securitisation transaction carried out by Profamily SPV S.r.l., in May 2026 Banco BPM acquired 100% of the company's share capital. In June of that year, the Shareholders' Meeting resolved to wind up the company early and place it into liquidation.

Acquisition of 20% of the share capital of Castello SGR S.p.A.

On 29 June 2026, Anima Holding S.p.A. completed the purchase from OCM OPPS Xb ITA Investments S. à r.l. (OCM), a company linked to Oaktree Capital Management, of the remaining 20% stake in the share capital of Castello SGR S.p.A., of which the Group already held 80%.
The transaction forms part of the agreements signed in 2023 in connection with Anima Holding's acquisition of 80% of the share capital of Castello SGR, which included a Shareholders' Agreement and a Put and Call Options Agreement relating, amongst other things, to the remaining 20% stake held by OCM.
In particular, at the request of the counterparty, the put option relating to the entire residual stake was exercised in advance with respect to the original deadline of 1 August 2026.
The early exercise of the option resulted in the setting of a fixed, final consideration, not subject to any adjustments, amounting to 19.0 million.
Following the completion of the transaction, Anima Holding holds 100% of the share capital of Castello SGR, resulting in the termination of the shareholders' agreement with the minority shareholder.
The transaction had a positive impact on the shareholders' equity pertaining to the Parent Company of 1.7 million, deriving from the combination of the negative economic effect connected to the remeasurement of the liability recognised for the acquisition of the residual interest, equal to 3.1 million, and, for the remaining amount, from the reclassification of shareholders' equity pertaining to minority interests.

Acceptance of the binding offer for the sale of 100% of Sagim S.r.l. Società Agricola

On 8 June 2026, Agriurbe S.r.l. in liquidation, a wholly owned subsidiary of Banco BPM, accepted a binding offer for the sale of 100% of the share capital of Sagim S.r.l. Società Agricola, a company wholly owned by the same, for a consideration of 11.0 million.
Following acceptance of the offer, the equity investment held in the subsidiary Sagim S.r.l. Società Agricola is classified under IFRS 5. Consequently, the investee's assets and liabilities are recognised, respectively, under the summary items "Non-current assets and disposal groups held for sale" on the assets side and "Liabilities associated with assets classified as held for sale" on the liabilities side, in the consolidated balance sheet.

Pursuant to the provisions of the aforementioned accounting standard, as the agreed consideration exceeds the carrying amount of the interest, the estimated net gain, amounting to approximately 2.3 million, was not recognised in this half-yearly financial report and will instead be accounted for upon completion of the transaction.

Other events in the period

Funding and capital transactions

With regard to funding operations, in February 2026 the Parent Company completed a new issue of Social Senior Preferred securities, reserved to institutional investors, for an amount of 500 million, with a fixed coupon of 3.0% and a maturity of 5 years.
This is the first Italian Social Bond of 2026 issued as part of the Green, Social and Sustainability Bonds Framework, bringing the total value of Banco BPM's ESG issues up to February 2026 to 8 billion.

In the same month, Banco BPM concluded the placement of a new issue of Covered Bonds reserved to institutional investors for an amount of 1 billion, with a 6-year maturity, as part of its 10 billion Covered Bond programme.
This is the first issue of European Covered Bonds (Premium) by Banco BPM in 2026 and the first 1 billion bond placed on the market by the Group.

On 30 June 2026, with settlement date at the start of July, the Parent Company completed a new Tier 2 subordinated issue reserved to institutional investors, maturing in January 2038 and with an option for early redemption in January 2033, for an amount of 500 million and carrying a fixed annual coupon of 4.125% until January 2033. This is the first Green Tier 2 Bond issued by an Italian bank.
The issue, launched under the Euro Medium-Term Notes Programme, brings the total value of Banco BPM's ESG issues, carried out up to June 2026, to 8.5 billion. The income will be used to refinance Eligible Green Loans, as defined in Banco BPM's Green, Social and Sustainability Bonds Framework.

With regard to redemption transactions, in the first half of the year Banco BPM exercised its right to early redemption of the Tier 2 subordinated security issued in December 2020 for an amount of 350 million, maturing in January 2031, which was called at par on 14 January 2026, and of the Tier 2 security issued on 29 June 2021 for an amount of 300 million with a ten-year maturity (January 2031), called at par on 29 June 2026.
Following the recall, the shares were cancelled and delisted from the Luxembourg Stock Exchange.

Lastly, as regards the Additional Tier 1 equity instruments, in January 2026 Banco BPM exercised the right of early redemption of the instrument issued in January 2021, for an amount of 400 million. More specifically, the security, placed with institutional investors, was called up at par on 19 January 2026.

Extraordinary Shareholders' Meeting

The Extraordinary Shareholders' Meeting of Banco BPM S.p.A. met on 23 February 2026 and, after obtaining the authorisations from the competent Supervisory Authorities on 17 February 2026, approved a series of amendments to the Articles of Association by a very large majority.
The amendments to the Articles of Association were approved in order to bring the Bank's governance model into line with the changes introduced by Law no. 21/2024 ("Capital Act"), with particular regard to the rules governing the list of the outgoing Board of Directors for the renewal of the administrative body, as provided for in Article 147-ter of the Consolidated Law on Finance, and the related implementing provisions introduced by Article 144-quater of the Issuers' Regulations.

Shareholders' Meeting

The Shareholders' Meeting held on 16 April 2026 resolved, inter alia, by an overwhelming majority to approve the parent company's financial statements for the year ended 31 December 2025 and the allocation of the net profit of 2,099 million.
More specifically, the Shareholders' Meeting resolved the distribution of a cash dividend per share of 0.54 euro for a total of 818.2 million, which took place on 22 April 2026 (payment date) with coupon detachment date on 20 April

2026 (ex-date) and record date on 21 April 2026, as well as the allocation of an amount of 6.0 million for aid, charity and public interest purposes as required by the Articles of Association.
The Shareholders' Meeting also appointed the members of the Board of Directors and the Board of Statutory Auditors who will remain in office for the financial years 2026-2027-2028.

The Board of Directors subsequently appointed Giuseppe Castagna as Chief Executive Officer, Eugenio Rossetti as Deputy Chairman, and the members of the Board Committees.

Inspections and proceedings of the Supervisory Authorities

During its standard business activities, the Group was subject to inspections conducted by various Supervisory Authorities. More specifically, within the European system of banking supervision (Single Supervisory Mechanism), the Group is subject to the prudential supervision and, following the acknowledgement of financial conglomerate status, to the supplementary supervision of the European Central Bank (ECB); with regard to specific matters, supervision is the direct responsibility of the Bank of Italy and CONSOB and, as regards the Group's insurance companies, of the Institute for Insurance Supervision (IVASS).
As part of its operations, the Group is also exposed to proceedings by public authorities, including the Supervisory Authorities mentioned above, the outcome of which is uncertain and which could lead to the possible imposition of sanctions, the amount of which cannot be reliably estimated, especially during the initial part of the procedures.
During the first half of 2026, the Group was not subject to any significant fines. For the sake of completeness, it should be noted that, in June 2026, CONSOB imposed administrative fines totalling 570,000 euro on Banco BPM and Banco BPM Vita, relating to breaches of Article 17 of Regulation (EU) no. 596/2014 and Article 187-quinquiesdecies of Legislative Decree 58/1998 in the context of the takeover bid for Anima Holding. The fines were paid in full.
Supervisory activities entail making ordinary and recurring inspections ("on/off-site inspection"), accompanied by "remote" inspections, conducted through structured and continuous exchanges of information, as opposed to specific requests for documentation and in-depth examination of specific areas. Most of the inspection activities have already been concluded with the release of the Final follow up letters or Final decisions, through which the ECB communicates the corrective actions required in relation to the areas for improvement identified. If the inspections regarded aspects with a potential impact on capital, the observations made as well as the information acquired during the entire process were duly considered, when relevant, within the valuation of the company's assets/liabilities. If the inspections have identified areas for improvement as regards the processes examined, the Group has prepared specific corrective action plans.

Listed below are the inspections of Banco BPM - and, where specified, those relating to its banking subsidiaries - launched in 2026, as well as and the inspections that concluded with the receipt of the decision, containing binding requirements, for which the relative remediation plans are underway.

<u>Inspections by the ECB:</u>

- on Business model and profitability with the purposes of digital transformation-strategy/business plan/budgeting: the inspection, which began on 1 October and was carried out on site, ended on 12 December 2025;
- on Internal governance and risk management with the purpose of assessing internal governance and risk management (Risk Appetite Framework): the inspection, which began on 26 February and was conducted on site, ended on 22 May 2026;
- with regard to internal governance and risk management in relation to Bancassurance: the inspection, which began on 17 February and was carried out on site, ended on 14 May 2025. On 9 February 2026, the Bank received a follow-up letter without any binding requirements;
- for the assessment of cybersecurity risk management, on 2 August 2024, the Bank received the decision containing 5 binding requirements, the relative corrective actions for which are underway;
- as regards credit and counterparty risk, with reference to the Retail - Residential Real Estate (RRE) portfolio, inspection concerning the assessment of the regulatory compliance of the framework for the implementation of accounting standard IFRS 9; the inspection, which started on 30 September 2024 and was conducted on site, ended on 13 December 2024. On 26 March 2025, the Bank received the final report, which did not identify significant shortcomings, indicating certain areas for improvement (relating to forbearance, management of guarantees and models for calculating the lump-sum write-down of non-performing loans); the corrective actions are currently underway and will be completed by September 2026;

- with regard to credit risk: the inspection, which began on 8 September 2025 and was conducted on-site, was completed on 10 December 2025 and concerned the assessment of a change in the internal models for estimating the PD, LGD, LGD in default and ELBE risk parameters, for the following exposure classes: Corporate - SME, Corporate - Specialised lending, Retail - Other SME, Retail - Secured by real estate SME, Corporate - Other;
- on interest rate risk and changes in credit spreads with reference to the Banking Book: the inspection, which began on 18 May 2026 and was conducted on site, ended on 10 July 2026.

Inspections by the Bank of Italy:

- with regard to the use of the IRB system, in particular the static pools (data and management procedures) and the operation and monitoring of the credit assessment systems within the ECAF (Eurosystem Credit Assessment Framework); the inspection, performed on site, began on 26 May 2026 and ended on 28 May 2026;
- with regard to the analysis of the active collaboration process for loans backed by public guarantees: the inspection, conducted on site, to verify the adequacy of the process, began on 3 June 2025 and was completed on 8 August 2025. On 16 December 2025, the inspection report was delivered, the conclusion of which ascertained 3 findings, 1 of which relating to compliance and 2 to management, for which corrective actions are being defined;
- in the AML area, in terms of transactional monitoring: on 13 March 2025, Banco BPM received the outcome of the inspection, which identified a single operational finding. The corrective action plan has been concluded;
- as regards consumer credit and real estate credit to consumers, verification of the adequacy of the organisational and control structures, policies and procedures on the issue of loans, for the protection of consumers in difficulty and prevention of the risk of over-indebtedness. The on-site inspection began on 21 November 2023 and ended on 2 February 2024. On 16 April 2024, Banco BPM received the result of the inspection, which identified items for improvement in terms of procedures and practice, particularly in the management of the pre-contractual phase. The corrective action plan is underway.

RESULTS

Introduction

The balance sheet and income statement shown below are presented in reclassified format, according to operating criteria, in order to promptly provide information on the general performance of the Group, based on aggregated economic-financial data that can be quickly and easily understood.
These layouts have been prepared based on the financial statement layouts indicated in the Bank of Italy's Circular no. 262/2005 as updated, applying the same aggregation and classification criteria applied when preparing the consolidated financial statements as at 31 December 2025, without prejudice to the effects of certain changes in the preparation criteria and/or the introduction of new operations, as illustrated below.

With effect from the 2026 financial year, charges incurred as part of synthetic securitisation transactions, connected to the purchase of credit risk protection on loan portfolios, are represented in the item "Other operating income/expenses", which has been renamed with respect to the previous aggregate item "Other net operating income".
Until the financial statements as at 31 December 2025, these expenses were included under the item "Net fee and commission income" in the reclassified income statement. The reclassification adopted with effect from 2026 is aimed at a more consistent representation of their nature from an operational perspective, thereby improving understanding of the trend of the aggregate commercial revenue "Core income", which includes net fee and commission income.
Figures for previous periods have thus been restated to ensure comparison on a consistent basis.

In addition, gains (losses) on commodities held for trading, recognised in the official income statement item "230. Other operating expenses/income", are recognised in the reclassified income statement item "Net financial result". The figures for previous periods have not been restated as this transaction did not take place.

Lastly, it should be noted that, to ensure a correct comparison of the comparative figures, the balance sheet and income statement balances of Anima Holding and the companies controlled by the same have been consolidated, line by line, in the Group's financial statements since 1 April 2025, the date of acquisition of control. Consequently, the financial results for the first half of 2026 are not fully comparable with those for the corresponding period of the previous financial year, in which the Anima Group's contribution for the first quarter of 2025 was included under the item "Gains (losses) on interests in associates and joint ventures carried at equity", due to the classification of the investment held (21.973%) as an interest in an associate.
In order to enable a more comprehensive assessment of the financial results for the first half of 2026, by comparison with the results for the corresponding period of the previous financial year, a reclassified income statement was drafted, appended to this Report, prepared on the assumption that the acquisition of control of Anima Holding S.p.A. had been completed on 1 January 2025 (hereinafter referred to as the "pro forma" income statement for brevity).
Consequently, any reference to pro forma figures in the comments on the main economic aggregates should be understood as referring to that statement.

Reclassified accounting statements

Reclassified consolidated balance sheet

(thousands of euro)	30/06/2026	31/12/2025	Change	
Cash and cash equivalents	2,813,532	5,606,509	(2,792,977)	(49.8%)
Loans at amortised cost	104,733,714	103,612,461	1,121,253	1.1%
- Loans to banks	3,575,565	3,898,893	(323,328)	(8.3%)
- Loans to customers	101,158,149	99,713,568	1,444,581	1.4%
Other financial assets	69,586,695	62,747,309	6,839,386	10.9%
- at fair value through profit and loss	19,895,524	14,806,816	5,088,708	34.4%
- at fair value through other comprehensive income	15,953,938	16,029,052	(75,114)	(0.5%)
- at amortised cost	33,737,233	31,911,441	1,825,792	5.7%
Financial assets pertaining to insurance companies	19,875,237	18,830,017	1,045,220	5.6%
Interests in associates and joint ventures	1,450,154	1,452,559	(2,405)	(0.2%)
Property, plant and equipment	2,396,102	2,481,158	(85,056)	(3.4%)
Intangible assets	3,187,224	3,214,115	(26,891)	(0.8%)
Tax assets	2,577,294	2,909,743	(332,449)	(11.4%)
Non-current assets and disposal groups held for sale	198,106	196,649	1,457	0.7%
Other asset items	4,061,538	4,845,787	(784,249)	(16.2%)
Total assets	**210,879,596**	**205,896,307**	**4,983,289**	**2.4%**
Direct bank funding	140,051,795	132,387,516	7,664,279	5.8%
- due to customers	118,330,095	109,264,870	9,065,225	8.3%
- securities and other financial liabilities	21,721,700	23,122,646	(1,400,946)	(6.1%)
Direct funding from insurance business	19,041,035	18,172,488	868,547	4.8%
- financial liabilities pertaining to insurance companies measured at fair value	4,372,869	4,005,177	367,692	9.2%
- insurance liabilities	14,668,166	14,167,311	500,855	3.5%
Due to banks	9,418,129	6,573,282	2,844,847	43.3%
Lease payables	645,671	670,854	(25,183)	(3.8%)
Other financial liabilities designated at fair value	18,010,680	27,160,390	(9,149,710)	(33.7%)
Other financial liabilities pertaining to insurance companies	67,840	79,398	(11,558)	(14.6%)
Liability provisions	726,057	861,065	(135,008)	(15.7%)
Tax liabilities	504,860	551,625	(46,765)	(8.5%)
Liabilities associated with assets classified as held for sale	1,225	-	1,225	n.s.
Other liability items	6,706,129	3,854,526	2,851,603	74.0%
Total liabilities	**195,173,421**	**190,311,144**	**4,862,277**	**2.6%**
Non-controlling interests	83,105	80,487	2,618	3.3%
Group shareholders' equity	15,623,070	15,504,676	118,394	0.8%
Consolidated shareholders' equity	**15,706,175**	**15,585,163**	**121,012**	**0.8%**
Total liabilities and shareholders' equity	**210,879,596**	**205,896,307**	**4,983,289**	**2.4%**

Reclassified consolidated income statement

(thousands of euro)	I half 2026	I half 2025 (*)	Change
Net interest income	1,537,044	1,602,082	(4.1%)
Gains (losses) on interests in associates and joint ventures carried at equity	51,418	63,370	(18.9%)
Net fee and commission income	1,420,529	1,247,758	13.8%
Profit (loss) on insurance business	87,180	79,844	9.2%
Core income	**3,096,171**	**2,993,054**	**3.4%**
Net financial result	143,273	87,062	64.6%
Other operating income and expenses	(43,224)	(56,104)	(23.0%)
Operating income	**3,196,220**	**3,024,012**	**5.7%**
Personnel expenses	(881,244)	(890,190)	(1.0%)
Other administrative expenses	(343,500)	(321,381)	6.9%
Net value adjustments to property, plant and equipment and intangible assets	(143,411)	(135,799)	5.6%
Operating expenses	**(1,368,155)**	**(1,347,370)**	**1.5%**
Profit (loss) from operations	**1,828,065**	**1,676,642**	**9.0%**
Cost of loans to customers	(156,818)	(164,213)	(4.5%)
Net adjustments to securities and other financial assets	(3,588)	2,280	n.s.
Fair value gains (losses) on property, plant and equipment	(11,548)	(4,250)	171.7%
Net provisions for risks and charges	8,311	3,401	144.4%
Total adjustments and provisions	**(163,643)**	**(162,782)**	**0.5%**
Profit (loss) before tax from continuing operations	**1,664,422**	**1,513,860**	**9.9%**
Taxation charge related to profit or loss from continuing operations	(555,020)	(445,625)	24.5%
Profit (loss) after tax from continuing operations	**1,109,402**	**1,068,235**	**3.9%**
Gains (losses) on interests in associates and joint ventures and other investments, net of taxes	82	887	(90.8%)
Impact of the purchase price allocation (PPA), net of taxes	(25,923)	(20,210)	28.3%
Impact of the change in own credit risk on the issue of certificates (OCR), net of taxes	1,398	2,746	(49.1%)
Charges related to business combinations and corporate restructuring, net of taxes	(8,569)	(30,699)	(72.1%)
Impact of restatement of the Anima share, net of taxes	-	201,831	n.s.
Profit (loss) attributable to non-controlling interests	(16,098)	(8,325)	93.4%
Parent Company's profit (loss) for the period	**1,060,292**	**1,214,465**	**(12.7%)**

(*) The figures relating to the previous period have been restated to provide a like-for-like comparison. For more details on data comparability, please refer to the content of the Introduction to the "Results" section of this Report.

Reclassified consolidated income statement - Quarterly changes

Reclassified income statement items *(thousands of euro)*	**2026**		**2025 (*)**			
	Q2	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Net interest income	785,659	751,385	767,466	757,943	785,148	816,934
Gains (losses) on interests in associates and joint ventures carried at equity	25,453	25,965	29,325	28,216	23,563	39,807
Net fee and commission income	712,456	708,073	686,795	641,217	653,842	593,916
Profit (loss) on insurance business	45,628	41,552	47,905	34,773	42,778	37,066
Core income	**1,569,196**	**1,526,975**	**1,531,491**	**1,462,149**	**1,505,331**	**1,487,723**
Other operating income and expenses	(20,734)	(22,490)	(8,978)	(14,720)	(29,791)	(26,313)
Net financial result	118,220	25,053	(48,525)	9,822	72,681	14,381
Operating income	**1,666,682**	**1,529,538**	**1,473,988**	**1,457,251**	**1,548,221**	**1,475,791**
Personnel expenses	(441,724)	(439,520)	(461,057)	(446,820)	(456,161)	(434,029)
Other administrative expenses	(178,853)	(164,647)	(164,304)	(171,779)	(176,808)	(144,573)
Net value adjustments to property, plant and equipment and intangible assets	(73,124)	(70,287)	(74,824)	(72,707)	(69,200)	(66,599)
Operating expenses	**(693,701)**	**(674,454)**	**(700,185)**	**(691,306)**	**(702,169)**	**(645,201)**
Profit (loss) from operations	**972,981**	**855,084**	**773,803**	**765,945**	**846,052**	**830,590**
Cost of loans to customers	(75,202)	(81,616)	(142,085)	(90,282)	(88,694)	(75,519)
Net adjustments to securities and other financial assets	(485)	(3,103)	738	391	(1,211)	3,491
Fair value gains (losses) on property, plant and equipment	(9,629)	(1,919)	(6,404)	3,363	(3,419)	(831)
Net provisions for risks and charges	(375)	8,686	(11,102)	5,154	1,504	1,897
Total adjustments and provisions	**(85,691)**	**(77,952)**	**(158,853)**	**(81,374)**	**(91,820)**	**(70,962)**
Profit (loss) before tax from continuing operations	**887,290**	**777,132**	**614,950**	**684,571**	**754,232**	**759,628**
Taxation charge related to profit or loss from continuing operations	(277,862)	(277,158)	(141,201)	(216,313)	(202,624)	(243,001)
Profit (loss) after tax from continuing operations	**609,428**	**499,974**	**473,749**	**468,258**	**551,608**	**516,627**
Gains (losses) on interests in associates and joint ventures and other investments, net of taxes	151	(69)	1,315	69	641	246
Impact of the purchase price allocation (PPA), net of taxes	(12,905)	(13,018)	(14,417)	(13,282)	(13,185)	(7,025)
Impact of the change in own credit risk on the issue of certificates (OCR), net of taxes	438	960	(1,260)	1,197	1,255	1,491
Banking industry charges, net of taxes	-	-	(9,643)	-	-	-
Charges related to business combinations and corporate restructuring, net of taxes	(6,679)	(1,890)	(20,483)	(1,081)	(30,013)	(686)
Impact of restatement of the Anima share, net of taxes	-	-	-	-	201,831	-
Impairment of client relationships, goodwill and interests in associates and joint ventures	-	-	(4,429)	-	-	-
Profit (loss) attributable to non-controlling interests	(9,833)	(6,265)	(7,582)	(4,889)	(8,327)	2
Parent Company's profit (loss) for the period	**580,600**	**479,692**	**417,250**	**450,272**	**703,810**	**510,655**

(*) The figures relating to previous periods have been restated to provide a like-for-like comparison. For more details on data comparability, please refer to the content of the Introduction to the "Results" section of this report.

Methodological Note

Information is provided below on the aggregations and main reclassifications systematically made with respect to the financial statements formats provided for in Circular no. 262/2005, in accordance with that required by CONSOB in Communication no. 6064293 of 28 July 2006:

To prepare the consolidated balance sheet, the asset items have been reclassified as follows:

- the aggregate "Loans at amortised cost" is represented by item "40. Financial assets at amortised cost" with the exclusion of debt securities, included in "Other financial assets and hedging derivatives" and of the financial assets at amortised cost pertaining to insurance companies, shown in the aggregate "Financial assets pertaining to insurance companies" of the reclassified balance sheet. Senior securities deriving from the sale of non-performing loans, shown under "Other financial assets and hedging derivatives", are also excluded;
- the aggregate "Other financial assets and hedging derivatives" is made up of items 20, 30 and 50, with the exception of financial assets pertaining to insurance companies, shown in the aggregate "Financial assets pertaining to insurance companies" of the reclassified balance sheet. This aggregate also includes the

amount of debt securities measured at amortised cost and of the senior securities deriving from the sale of non-performing loans mentioned above;
- the aggregate "Financial assets pertaining to insurance companies" includes the financial assets attributable to insurance operations (asset items: "20. Financial assets at fair value through profit and loss", "30. Financial assets measured at fair value through other comprehensive income", "40. Financial assets at amortised cost", "50. Hedging derivatives");
- the aggregate "Other asset items" consists of the residual items "60. Fair value change of financial assets in macro fair value hedge portfolios (+/-)" and "130. Other assets". Insurance assets are also included (item 80 of balance sheet assets).

The main balance sheet liability items were instead subject to the following reclassifications:
- the aggregate "Direct bank funding" is made up of items "10. b) Financial liabilities at amortised cost: due to customers", with the exclusion of lease payables due to customers (shown in the item of the same name in the reclassified balance sheet), and of amounts due to customers pertaining to insurance companies (shown in item "Direct funding from insurance business" of the reclassified balance sheet); "10. c) Financial liabilities at amortised cost: debt securities in issue" and "30. Financial liabilities designated at fair value", net of protected capital certificates, included in the aggregate "Other financial liabilities designated at fair value" and of financial liabilities pertaining to insurance companies designated at fair value, shown in item "Direct funding from insurance business";
- the aggregate "Direct funding from insurance business" includes the liabilities of the insurance companies for policies underwritten by customers. In particular, these are liability items "30. Financial liabilities designated at fair value", for unit-linked policies and "110. Insurance liabilities ", for the remaining insurance products;
- the item "Due to banks" refers to item "10.a) Financial liabilities at amortised cost: due to banks", with the exception of lease payables due to banks (shown in the item of the same name in the reclassified balance sheet) and of amounts due to banks pertaining to insurance companies (shown in item "Direct funding from insurance business" of the reclassified balance sheet);
- the item "Lease payables" includes the liabilities at amortised cost to banks and customers relating to leasing transactions, as previously described;
- the aggregate "Other financial liabilities designated at fair value" includes items "20. Financial liabilities held for trading", increased by the amount of the protected capital certificates as described above, and "40. Hedging derivatives";
- the item "Other financial liabilities pertaining to insurance companies" includes amounts due to banks and to customers of insurance companies, not related to commitments to policyholders, recognised under liability item "10. Financial liabilities at amortised cost";
- the aggregate "Liability provisions" includes items "90. Provisions for employee severance pay" and "100. Provisions for risks and charges";
- the aggregate "Other liability items" consists of the residual items "50. Fair value change of financial liabilities in macro fair value hedge portfolios (+/-)" and "80. Other liabilities";
- the aggregate "Group shareholders' equity" is represented by items "120. Valuation reserves", "140. Equity instruments", "150. Reserves", "155. Advances on dividends", "170. Share capital", "180. Own shares (-)" and "200. Profit/Loss for the year".

With regard to the main items of the reclassified income statement, the most significant aggregations and reclassifications are detailed below:
- "Net interest income" is represented by the algebraic balance of interest and similar income (item 10) and interest and similar expense (item 20), net of PPA effects, classified within the new reclassified income statement item "Impact of the purchase price allocation (PPA), net of taxes", as well as the margin attributable to insurance companies, shown in item "Profit (loss) on insurance business";
- "Gains (losses) on interests in associates and joint ventures carried at equity" shows the portion of profits (losses) pertaining to investee companies carried at equity (included in item 250);
- the item "Net fee and commission income" corresponds to the balance between fee and commission income (item 40) and expense (item 50), net of:
  - charges incurred as part of synthetic securitisation transactions, connected to the purchase of credit risk protection on loan portfolios, shown in the item "Other operating income/expenses";
  - the contribution of fee and commission income and expense pertaining to insurance companies, shown in "Profit (loss) on insurance business".

The following are also included in this item:
- upfront commissions relating to the placement of certificates through the Group's network, as well as the income components that remunerate the structuring of and risk hedging for certificates issued, placed or structured by the Group, and those arising from the sale of hedging derivatives to retail and corporate clients, recognised under item 80 of the official financial statements as "Net trading income";
- commissions relating to the placement of insurance products recognised by the Group companies in the Banco BPM distribution network, other than prepaid commissions[1]. Although they are eliminated as part of the consolidation process, their inclusion in outstanding balances makes it possible to highlight the economic contribution of the various operating segments, in line with management principles and the segment reporting requirements set out in IFRS 8. The corresponding offsetting effect is recognised under the heading "Profit (loss) on insurance business";

- the item "Profit (loss) on insurance business" comprises the items specifically attributable to the insurance business, namely "160. Profit (loss) on insurance services" and "170. Balance of revenues and costs of a financial nature relating to insurance activities", comprising interest income and expense, fee and commission income and expense[2], other income and charges and net financial result attributable to insurance companies. In accordance with the criteria for the presentation of the consolidated Contractual Service Margin, the following are excluded: personnel expenses, other administrative expenses, net value adjustments to property, plant and equipment and intangible assets, and other income and expenses from insurance activities, which are shown under their own items in the reclassified income statement. This item also excludes the effect of the PPA relating to insurance liabilities of the companies, reconciled in the reclassified income statement item "Impact of the purchase price allocation (PPA), net of taxes";
- the "Net financial income" aggregate comprises the following items: "Dividends and similar income" (item 70), "Net trading income" (item 80), "Net hedging income" (item 90), "Net income from other financial assets and liabilities measured at fair value through profit or loss" (item 110) and "gains/losses on disposal or repurchase" (item 100), net of amounts relating to commissions on the placement, structuring and hedging of risks on certificates, as well as revenues from the sale of hedging derivatives to retail and corporate customers, which is included under the item listed above, "Net commission income", to which reference should be made for further details. Also excluded from the aggregate are the effects arising from changes in the Group's own credit rating on certificate issues, recognised under the specific item in the reclassified income statement entitled "Impact of the change in own credit risk on the issue of certificates (OCR), net of taxes", in order to isolate valuation components which, from a management perspective, are not considered representative of the Group's operating profitability. Also excluded are the components of net financial result attributable to the Group's insurance companies, which are reported under the item "Profit (loss) on insurance business". Lastly, this aggregate includes gains and losses on commodities held for trading purposes, recognised under item "230. Other operating expenses/income" of the official income statement;
- the item "Other operating income and expenses" is represented by the financial statement item "230. Other operating expenses/income", net mainly of recoveries relating to indirect taxes, legal costs and other expenses, which, for reclassification purposes, are shown as a reduction in the item "Other administrative expenses", as well as gains (losses) on commodities held for trading, which are reclassified to the item "Net financial result" in the reclassified income statement, as described above. This aggregate, on the other hand, includes the charges incurred as part of synthetic securitisation transactions, connected to the purchase of credit risk protection on loan portfolios, represented under the item fee and commission expense in the official income statement;
- the item "Personnel expenses" corresponds to the financial statement item "190. a) Personnel expenses", supplemented/adjusted to include certain components functionally related to personnel that are recognised in the financial statements under the items "190. b) Other administrative expenses" and "230. Other operating expenses/income". Lastly, the aggregate under consideration includes a portion of personnel expenses relating to placement activities which, in the official statement, is excluded as it is included in the calculation of the consolidated Contractual Service Margin, which is included under the heading "Profit (loss) on insurance business" attributable to reclassified insurance operations from the item "Profit (loss) on insurance business";

[1] These are commissions that insurance companies pay to the distributor in advance of the cash flows that will subsequently be received from customers. The distributing bank recognises these commissions upfront, as the distribution service has been performed in full. For insurance companies, however, these same commissions constitute acquisition costs directly attributable to insurance contracts and are therefore spread over the coverage period, in line with the accrual principle.

[2] Please refer to the figures shown under the item "Net fee and commission income".

- "Other administrative expenses" is represented by the financial statement item 190 b), net mainly of recoveries on indirect taxes, legal fees and other expenses, included in the item "230 Other operating expenses/income", as described above. Also excluded are certain "one-off" operating expenses incurred for the performance of extraordinary transactions that have an impact on the organisational structure of the Group or which are included in the projects aimed at the integration of business combinations completed in previous years. These costs are shown, net of the related tax effect, in a separate item of the reclassified income statement entitled "Charges related to business combinations and corporate restructuring, net of taxes". Lastly, the aggregate under consideration includes a portion of other administrative expenses relating to placement activities which, in the official statement, is excluded as it is included in the calculation of the consolidated Contractual Service Margin, which is included under the item "Profit (loss) on insurance business";
- "*Net value adjustments to property, plant and equipment and intangible assets*" corresponds to the accounting items 210 and 220, net of adjustments to intangibles with a finite useful life (client relationships and value of business acquired), allocated to the reclassified income statement item "Impact of the purchase price allocation (PPA), net of taxes". The aggregate under consideration also includes value adjustments connected with placement activities which, in the official statement, is excluded as it is included in the calculation of the consolidated Contractual Service Margin, which is included under the item "Profit (loss) on insurance business";
- the "Cost of loans to customers" is formed by the income statement items "130 a). Net credit impairment losses/recoveries relating to financial assets at amortised cost" and "140. Gains (losses) from contractual modification without derecognition", limited to components relating to loans to customers. This aggregate also includes the gain arising from the disposal of loans to customers, recognised under item 100 of the official income statement;
- the item "Gains (losses) on interests in associates and joint ventures and other investments, net of taxes" comprises the items "250. Gains (losses) of associates and joint ventures and "280. Gains (losses) on disposal of investments" in the official income statement, net of the portion of gains (losses) of the investees carried at equity, recognised separately under the reclassified aggregate "Gains (losses) on interests in associates and joint ventures carried at equity". The item is shown net of the related tax effect.

Lastly, it should be noted that the reclassified income statement for the first half of the previous financial year showed, under the ad hoc item "impact of restatement of Anima share, net of taxes", the positive impact deriving from the revaluation at fair value of the shareholding held in Anima Holding before the acquisition of control, resulting from the realignment of the book value to the price of the tender offer. This impact was recognised in the accounts under the items in the official income statement entitled "Gains (losses) of associates and joint ventures" and "Taxation charge related to profit or loss from continuing operations".

The annexes to the consolidated condensed interim financial statements provide the statements of reconciliation between the reclassified financial statements and those prepared on the basis of Circular no. 262, with a detailed breakdown of the individual reclassifications.

This Report also includes information that does not fall within the accounting disclosure prepared in application of the reference accounting standards and/or the regulations governing the preparation of bank financial statements. This information, where relevant, is qualified as "management" information.

In addition to the financial information prepared on the basis of IFRS international accounting standards, this Report contains some alternative performance measures (APMs) identified in order to facilitate the understanding of the Banco BPM Group's operating performance.

The above indicators are defined and presented in accordance with the guidelines of the European Securities and Markets Authority (ESMA) dated 5 October 2015 (ESMA/2015/1415), adopted by CONSOB through Communication no. 0092543 of 3 December 2015.

In particular, it should be noted that alternative performance measures:
- are based exclusively on historical data and are not indicative of future performance;
- are not determined on the basis of the IFRS accounting standards and are not subject to audit;
- are calculated on the basis of the reclassified financial statements, unless otherwise specified, and must be read together with the financial information of the Group contained in this Report;

- since not all companies calculate APMs in the same way, the measures used by Banco BPM may not be consistent with similar parameters used by other companies;
- are calculated consistently and in the same way for the periods to which the financial information in this Report refers.

In addition to the balance sheet and income statement items shown in the reclassified financial statements, the main additional APMs contained in this Report are set out below, together with an explanation of the methodology used to determine them:

- **direct bank funding**: includes funding from customers represented by demand and term deposits and current accounts, bonds issued, certificates of deposit and other securities, debts and protected capital certificates relating to the Group's banking activities. On the other hand, funding relating to insurance companies is not included;
- **core direct funding**: funding from customers relating only to current accounts and deposits;
- **direct funding from insurance business**: includes the forms of funding classified under insurance liabilities and financial liabilities pertaining to insurance companies;
- **indirect funding**: management figure that represents the financial resources of customers under management (assets under management) or under administration (administered assets), net of funding underlying protected capital certificates, included in direct funding;
- **customer financial assets**: this aggregate comprises direct and indirect deposits, as described above;
- **net loans to customers**: aggregate represented by loans to customers measured at amortised cost net of loans to customers which, following the application of IFRS 9, must be measured at fair value. Senior securities deriving from the sale of non-performing loans, shown under financial assets, are also excluded;
- **core net performing loans/receivables**: aggregate consisting of mortgages and other loans, current accounts, credit cards and personal loans;
- **net non-performing loans**: aggregate that includes bad loans, unlikely to pay and past due and/or overdue exposures;
- **gross NPE ratio**: ratio of gross non-performing exposures to total exposures relating to the balance sheet item "Loans to customers at amortised cost";
- **net NPE ratio**: ratio of net non-performing exposures to total net exposures relating to the balance sheet item "Loans to customers at amortised cost";
- **cost of credit or cost of risk**: calculated as the ratio of net value adjustments on loans to customers (annualised data) to total on-balance sheet exposures to customers measured at amortised cost, net of value adjustments;
- **coverage ratio of non-performing loans**: calculated as the ratio of net value adjustments on non-performing loans to the gross cash exposure of non-performing loans to customers measured at amortised cost;
- **bad loans coverage ratio**: calculated as the ratio of net value adjustments on bad loans to gross bad loans;
- **unlikely to pay coverage ratio**: calculated as the ratio of net value adjustments on unlikely to pay loans to gross unlikely to pay loans;
- **coverage ratio of past due exposures**: calculated as the ratio of net value adjustments on past due exposures to gross past due exposures;
- **coverage ratio of performing exposures**: calculated as the ratio of net value adjustments on total performing exposures to total gross performing exposures;
- **net bad loans/loans to customers (net)**: calculated as the ratio of net bad loans to total cash exposures to customers measured at amortised cost, net of value adjustments;
- **net unlikely to pay/loans to customers (net)**: calculated as the ratio of net unlikely to pay loans to total net cash exposures to customers measured at amortised cost, net of value adjustments";
- **net bad loans/shareholders' equity**: calculated as the ratio of net bad loans to shareholders' equity;
- **Texas ratio**: calculated as the ratio of the net value of non-performing loans to the Group's tangible shareholders' equity (net of related tax effects);
- **tangible shareholders' equity**: the difference between shareholders' equity pertaining to the Group and intangible assets (net of the related deferred tax effects);
- **financial assets and hedging derivatives/total assets**: calculated as the ratio of aggregate "Other financial assets" inferred from the reclassified balance sheet to total assets;
- **derivative assets/total assets**: calculated as the ratio of aggregate trading and hedging derivatives shown in the balance sheet assets to total assets;

- **trading derivative assets/total assets**: calculated as the ratio of net trading derivatives shown under item 20 a) of balance sheet assets, "Financial assets at fair value through profit and loss - held for trading" to total assets;
- **hedging derivative assets/total assets**: calculated as the ratio of hedging derivatives shown in item 50 of the balance sheet assets "Hedging derivatives" to total assets;
- **net trading derivatives/total assets**: calculated as the ratio of the aggregate net trading derivatives (corresponding to the mismatch, in absolute terms, between the derivatives included under the balance sheet item 20 a) of assets, "Financial assets at fair value through profit and loss - held for trading", and item 20 of liabilities, "Financial liabilities held for trading") to total assets;
- **loan to deposit ratio** (net loans/direct funding): calculated as the ratio of "Loans to customers at amortised cost" and the aggregate of direct bank funding including certificates;
- **core revenues**: aggregate consisting of net interest income, gains (losses) on interests in associates and joint ventures carried at equity, net fee and commission income and profit (loss) on insurance business;
- **cost/income ratio (operating expenses/operating income)**: calculated as the ratio of operating expenses to operating income resulting from the reclassified income statement;
- **net interest income/operating income**: calculated as the ratio of aggregate net interest income to operating income taken from the reclassified income statement;
- **net fee and commission income/operating income**: calculated as the ratio of net fee and commission income to operating income taken from the reclassified income statement;
- **loans to customers (net) per employee**: calculated as the ratio of "Loans to customers at amortised cost" to the average number of employees;
- **operating income per employee**: calculated as the ratio of operating income (annualised figure) to the average number of employees;
- **operating expenses per employee**: calculated as the ratio of operating expenses (annualised figure) to the average number of employees;
- **adjusted result**: result net of the non-recurring items described in the following paragraph.

The regulatory capitalisation and liquidity ratios contained in this Report are calculated by applying the specific legislative and regulatory provisions.

Non-recurring components of the reclassified consolidated income statement

With Communication no. DEM/6064293 of 28 July 2006, CONSOB asked companies issuing financial instruments listed on Italian regulated markets to provide information on the impact of non-recurring events or operations.

It should be noted that the policy adopted by the Group, in line with that applied for the 2025 financial year, provides that the following items are classified as non-recurring:

- the results of the sale transactions of all the fixed assets (interests in associates and joint ventures, property, plant and equipment) excluding the financial assets in the Hold to Collect ("HtC") portfolio, which can be sold in compliance with the materiality and frequency thresholds set out in IFRS 9;
- gains and losses on non-current assets held for sale;
- income statement items of significant amounts connected with streamlining, restructuring, etc. (e.g. expenses for use of the redundancy fund, early retirement incentives, merger/integration expenses);
- income statement items of a significant amount which are not destined to recur frequently (e.g. penalties, impairments of property, plant and equipment, goodwill and other intangible assets, extraordinary debits/credits by Resolution Funds and the Interbank Deposit Guarantee Fund, effects associated with legislative changes, exceptional results, etc.);
- the income statement impacts deriving from the fair value measurement of properties and other property, plant and equipment (works of art);
- tax effects connected with the income statement impacts set out in the previous points.

Conversely, the following are usually considered to be recurring:

- income statement effects deriving from the sale or measurement of all financial assets (other than loans), including those in the HtC portfolio and financial liabilities;
- save for exceptional cases, the income statement impacts deriving from valuation aspects (credit impairment losses and adjustments to other financial assets or provisions for risks and charges);

- the income statement impacts deriving from changes in reference valuation parameters considered by the valuation models applied on an ongoing basis;
- the income statement impacts of insignificant or undeterminable amounts which have the nature of contingent assets and/or liabilities (e.g. costs and revenues and/or adjustments to costs and revenues pertaining to other years);
- tax effects connected with the income statement impacts set out in the previous points.

In light of the criteria set out above, it should be noted that in the first half of 2026 the following non-recurring items were recognised:

- the item "Fair value gains (losses) on property, plant and equipment" includes net write-downs of -11.5 million to take into account updates in appraisal values and ongoing sales negotiations;
- the "Taxation charge related to profit or loss from continuing operations" includes the tax effects of the aforementioned non-recurring items, for a total impact of +3.8 million;
- the item "Gains (losses) on interests in associates and joint ventures and other investments, net of taxes" includes the positive impact of 0.1 million, deriving from the sale of property, plant and equipment;
- the item "charges related to business combinations and corporate restructuring, net of taxes" includes certain one-off operating expenses associated with the acquisition of the Anima Group and the purchase of the minority stake in Castello SGR, amounting to 8.6 million (9.4 million gross), net of the related tax effect.

Overall, the impact of non-recurring items on the net result for the first half of 2026 was negative and equal to -16.2 million.
Excluding the impacts described above, the (adjusted) net result for the first half-year would be 1,076.5 million.

In the first half of 2025, the following non-recurring items had been recognised:

- the item "net interest income" included the amount of interest collected following the favourable ruling of the Court of Cassation regarding the tax dispute relating to the alleged non-deductibility of costs related to the offences of the former Banca Popolare Italiana, equal to 35.9 million;
- the item "Fair value gains (losses) on property, plant and equipment" included net write-downs of -4.2 million to take into account updates in appraisal values;
- the item "net provisions for risks and charges" included the reversal of provisions made in previous years relating to the estimate of charges for certain contractual commitments for +7.4 million;
- "taxation charge related to profit or loss from continuing operations" included the tax effects of the aforementioned non-recurring items, as well as the positive impact, equal to +9.5 million, connected with the derecognition of deferred taxes following the sale of an investee. The overall effect on the item in question totalled -3.0 million;
- the item "Gains (losses) on interests in associates and joint ventures and other investments, net of taxes" included the positive impact of 0.9 million, deriving from the sale of property, plant and equipment;
- the item "Charges related to business combinations and corporate restructuring, net of taxes" included certain "one-off" operating expenses incurred for the performance of extraordinary transactions with an impact on the organisational structure of the Group or forming part of projects aimed at the integration of business combinations completed in previous years. The overall impact, net of the related tax effect, amounted to -30.7 million (-45.2 million gross);
- the new item "impact of restatement of Anima share, net of taxes" included the positive impact deriving from the revaluation at fair value of the shareholding held in Anima Holding before the acquisition of control, resulting from the realignment of the book value to the price of the tender offer, equal to a total of 201.8 million net of the related tax effect.

Overall, non-recurring items pertaining to the first half of 2025 therefore amounted to a positive figure of 208.0 million.

When deemed significant, information about non-recurring events or operations or those which do not occur frequently in the normal execution of the business and the impacts they have on the Group's equity and financial situation, as well as its cash flows is provided in the context of specific sections in the Explanatory Notes, which highlight trends in equity items.
The main balance sheet and income statement items as at 30 June 2026 are illustrated below.

Consolidated balance sheet figures

Loan brokering activities

Direct funding

(thousands of euro)	30/06/2026	% impact	31/12/2025	% impact	Abs. Change	% Change
Current accounts and deposits	**105,754,144**	**75.5%**	**105,089,859**	**79.4%**	**664,285**	**0.6%**
- current accounts and demand deposits	103,648,237	74.0%	103,814,790	78.4%	(166,553)	(0.2%)
- fixed-term deposits and other restricted current accounts	2,105,907	1.5%	1,275,069	1.0%	830,838	65.2%
Securities	**21,721,700**	**15.5%**	**23,122,646**	**17.5%**	**(1,400,946)**	**(6.1%)**
- bonds and liabilities at fair value	21,720,962	15.5%	23,121,850	17.5%	(1,400,888)	(6.1%)
- certificates of deposit and other securities	738	0.0%	796	0.0%	(58)	(7.3%)
Repurchase agreements	**10,905,801**	**7.8%**	**2,504,942**	**1.9%**	**8,400,859**	**335.4%**
Loans and other payables	**1,670,150**	**1.2%**	**1,670,069**	**1.3%**	**81**	**0.0%**
Direct bank funding	**140,051,795**	**100.0%**	**132,387,516**	**100.0%**	**7,664,279**	**5.8%**
Other funding (Protected capital certificates and other liabilities at fair value)	**4,068,134**		**4,786,679**		**(718,545)**	**(15.0%)**
Total direct bank funding with certificates	**144,119,929**		**137,174,195**		**6,945,734**	**5.1%**

As at 30 June 2026, total **direct bank funding** (including certificates) amounted to 144.1 billion, showing an increase of 5.1% compared to 31 December 2025.
More specifically, during the period there was an increase in repurchase agreements of 8.4 billion, against a decline in the component represented by issued bonds (-1.4 billion) due to the effect of the redemption of bonds reaching maturity, which was only partially offset by new issues during the period.
As at 30 June 2026, the funding guaranteed by the stock of certificates with unconditional capital protection and other liabilities at fair value totalled 4.1 billion, down compared to the 4.8 billion as at 31 December 2025.

Direct funding from insurance business, which includes the aggregate comprised by financial and insurance liabilities of insurance companies, amounted to 19.0 billion and included the contribution of Banco BPM Vita and BBPM Life (18.2 billion as at 31 December 2025).

Indirect funding

(thousands of euro)	30/06/2026	% impact	31/12/2025	% impact	Abs. Change	% Change
Assets under management:						
- Mutual funds and SICAVs	90,220,801	31.3%	87,634,153	30.6%	2,586,649	
- Securities and fund management	32,686,811	11.3%	36,555,966	12.8%	(3,869,155)	
- Insurance policies	85,284,791	29.6%	85,875,147	30.0%	(590,357)	
- Anima Group Wrapping (*)	18,522,099	6.4%	17,908,720	6.3%	613,379	
Total assets under management	**226,714,502**	**78.7%**	**227,973,986**	**79.7%**	**(1,259,484)**	**(0.6%)**
Administered assets	63,644,331		60,868,285		2,776,046	
Anima Group Wrapping (*)	293,552		295,782		(2,230)	
Underlying funding for protected capital certificates	(2,554,975)		(3,178,127)		623,152	
Total administered assets	**61,382,907**	**21.3%**	**57,985,940**	**20.3%**	**3,396,968**	**5.9%**
Total indirect funding	**288,097,409**	**100.0%**	**285,959,926**	**100.0%**	**2,137,483**	**0.7%**

(*) "Wrapping" is represented by indirect funding relating to investments by Anima Group products in other Anima Group products, aimed at both retail and institutional customers (equal to 18.8 billion, of which 18.5 billion in assets under management and 0.3 billion in administered assets).

Indirect funding was equal to 288.1 billion, 130.3 billion without considering the contribution of the Anima Group, up, on a like-for-like basis, by 3.3% compared to 31 December 2025.
The assets under management component amounted to 226.7 billion, 70.7 billion without considering the contribution of the Anima Group, an increase compared to the figure of 69.8 billion as at 31 December 2025 (+1.4% on a like-for-like basis), mainly concentrated in the segment of insurance products, funds and SICAVs.
Administered assets amounted to 61.4 billion, or 59.6 billion without considering the contribution of the Anima Group, with an increase of 3.2 billion (+5.8%) compared to the 56.4 billion at the end of 2025.

Loans to customers

(thousands of euro)	30/06/2026	% impact	31/12/2025	% impact	Abs. Change	% Change
Mortgage loans	75,736,002	74.9%	75,303,525	75.5%	432,477	0.6%
Current accounts	7,386,084	7.3%	7,491,238	7.5%	(105,154)	(1.4%)
Repurchase agreements	4,046,692	4.0%	4,041,222	4.1%	5,470	0.1%
Finance leases	201,644	0.2%	238,273	0.2%	(36,629)	(15.4%)
Credit cards, personal loans and salary-backed loans	361,929	0.4%	374,655	0.4%	(12,726)	(3.4%)
Other transactions	13,425,798	13.3%	12,264,655	12.3%	1,161,143	9.5%
Total net loans to customers	**101,158,149**	**100.0%**	**99,713,568**	**100.0%**	**1,444,581**	**1.4%**

Net loans to customers amounted to 101.2 billion as at 30 June 2026, up by 1.4 billion compared to the figure as at 31 December 2025; the increase is attributable to performing exposures (+1.6%), while non-performing exposures contracted (14.0%). During the first half of the year, the volume of new loans amounted to 13.8 billion[1]. The quality of the "core" loan portfolio, characterised by a high percentage of secured positions, in particular in the Small Business segment (61%[2]), was confirmed.

Information on direct or indirect risks with customers residing in Russia, Ukraine and in the Middle East is provided in "Part A - Other aspects - Impacts of the Russia/Ukraine and Middle East conflicts", to which reference is made for further details.

Lastly, as regards the support measures implemented by the Group with regard to customers affected by the crisis resulting from the Covid-19 pandemic, please refer to "Part A - Other aspects - Covid-19 support measures by the Group represented by loans with public guarantee".

Credit quality

It should be noted that the information contained in the following paragraph relating to credit quality refers to loans to customers included in the portfolio of financial assets at amortised cost.

Loans to customers at amortised cost

(thousands of euro)	30/06/2026		31/12/2025		Abs. Change	% Change
	Net exposure	% impact	Net exposure	% impact		
Bad loans	326,919	0.3%	354,685	0.4%	(27,766)	(7.8%)
Unlikely to pay	698,387	0.7%	820,688	0.8%	(122,301)	(14.9%)
Non-performing past-due exposures	19,729	0.0%	39,257	0.0%	(19,528)	(49.7%)
Non-performing exposures	**1,045,035**	**1.0%**	**1,214,630**	**1.2%**	**(169,595)**	**(14.0%)**
Performing loans	100,113,114	99.0%	98,498,938	98.8%	1,614,176	1.6%
Performing exposures	**100,113,114**	**99.0%**	**98,498,938**	**98.8%**	**1,614,176**	**1.6%**
Total loans to customers	**101,158,149**	**100.0%**	**99,713,568**	**100.0%**	**1,444,581**	**1.4%**

[1] Management figure.
[2] Management figure.

(thousands of euro)	30/06/2026				31/12/2025			
	Gross exposure	Total value adjustments	Net exposure	Coverage	Gross exposure	Total value adjustments	Net exposure	Coverage
Bad loans	825,520	(498,601)	326,919	60.4%	850,266	(495,581)	354,685	58.3%
Unlikely to pay	1,157,852	(459,465)	698,387	39.7%	1,346,120	(525,432)	820,688	39.0%
Non-performing past-due exposures	30,895	(11,166)	19,729	36.1%	54,767	(15,510)	39,257	28.3%
Non-performing exposures	**2,014,267**	**(969,232)**	**1,045,035**	**48.1%**	**2,251,153**	**(1,036,523)**	**1,214,630**	**46.0%**
of which: forborne	*515,313*	*(196,651)*	*318,662*	*38.2%*	*686,264*	*(286,412)*	*399,852*	*41.7%*
Performing exposures	**100,571,980**	**(458,866)**	**100,113,114**	**0.46%**	**98,951,161**	**(452,223)**	**98,498,938**	**0.46%**
of which: Stage 1	*93,153,817*	*(105,191)*	*93,048,626*	*0.1%*	*90,934,641*	*(97,022)*	*90,837,619*	*0.1%*
of which: Stage 2	*7,418,164*	*(353,675)*	*7,064,489*	*4.8%*	*8,016,520*	*(355,201)*	*7,661,319*	*4.4%*
of which: forborne	*1,210,761*	*(97,277)*	*1,113,484*	*8.0%*	*1,219,211*	*(98,401)*	*1,120,810*	*8.1%*
Total loans to customers	**102,586,247**	**(1,428,098)**	**101,158,149**	**1.4%**	**101,202,314**	**(1,488,746)**	**99,713,568**	**1.5%**

The net amount indicated corresponds to the item "Loans" reported in table 4.2 of the Explanatory Notes - Part B - Information on the consolidated balance sheet, "Financial assets at amortised cost: breakdown by product for loans to customers", in respect of the portion relating to the companies of the Banking Group; the contribution from insurance companies, amounting to 3.6 million, is therefore not included.

Net non-performing loans (bad loans, unlikely to pay and past due and/or overdue exposures) amounted to 1.0 billion as at 30 June 2026.
An examination of the components of the aggregate shows the following dynamics:

- net bad loans of 0.3 billion, with a decrease of 7.8% compared to 31 December 2025;
- net unlikely to pay loans of 0.7 billion, down by 14.9% compared the start of the year;
- net past due exposures amounting to 20 million (39 million as at 31 December 2025).

The percentage of non-performing exposures out of total loans, gross of value adjustments came to 2.0%, down compared to 2.2% at the start of the year. Even net of value adjustments, there was a decrease of 1.0% compared to 1.2% as at 31 December of the previous year.

The coverage rate for the entire non-performing loans aggregate was 48.1% (46.0% as at 31 December 2025).
More specifically, as at 30 June 2026, the coverage ratio was as follows:

- bad loans 60.4% (58.3% as at 31 December 2025);
- unlikely to pay loans 39.7% (39.0% as at 31 December 2025);
- past due exposures 36.1% (28.3% as at 31 December 2025).

The coverage ratio of performing exposures was 0.46%, stable compared with the start of the year.

Financial assets

(thousands of euro)	30/06/2026	% impact	31/12/2025	% impact	Abs. Change	% Change
Debt securities	53,233,673	76.5%	49,950,281	79.6%	3,283,392	6.6%
Equity instruments	2,664,429	3.8%	2,059,029	3.3%	605,400	29.4%
UCIT units	1,423,735	2.0%	1,431,189	2.3%	(7,454)	(0.5%)
Total securities portfolio	**57,321,837**	**82.4%**	**53,440,499**	**85.2%**	**3,881,338**	**7.3%**
Derivative trading and hedging instruments	2,972,018	4.3%	2,641,224	4.2%	330,794	12.5%
Loans	9,292,840	13.4%	6,665,586	10.6%	2,627,254	39.4%
Total financial assets	**69,586,695**	**100.0%**	**62,747,309**	**100.0%**	**6,839,386**	**10.9%**

The **financial assets of the banking sector**, corresponding to the reclassified aggregate "Other financial assets", amount to 69.6 billion, representing an increase of 10.9% compared with 62.7 billion as at 31 December 2025; the increase is mainly concentrated in debt securities (+3.3 billion, relating predominantly to the "securities held for trading" segment) and in repurchase agreements with use of securities (+2.6 billion). As at 30 June 2026, the aggregate in question consisted of debt securities for 53.2 billion, equity instruments and UCIT units for 4.1 billion, repurchase agreements with use of securities for 8.6 billion and derivative instruments and other loans for 3.7 billion. Exposures in debt securities issued by sovereign states amounted to 41.9 billion, of which 18.6 billion represented by Italian government securities. Investments in debt securities issued by sovereign states are classified as financial assets at amortised cost for 28.1 billion, in the portfolio of financial assets measured at fair value through other comprehensive income for 10.2 billion and under financial assets at fair value through profit and loss for 3.6 billion.

The table below provides the details of financial assets by type and specific portfolio.

Financial assets at fair value through profit and loss

(thousands of euro)	30/06/2026	% impact	31/12/2025	% impact	Abs. Change	% Change
Debt securities	5,627,290	28.3%	3,326,548	22.5%	2,300,742	69.2%
Equity instruments	579,641	2.9%	742,269	5.0%	(162,628)	(21.9%)
UCIT units	1,423,735	7.2%	1,431,189	9.7%	(7,454)	(0.5%)
Total securities portfolio	**7,630,666**	**38.4%**	**5,500,006**	**37.1%**	**2,130,660**	**38.7%**
Financial and credit derivatives	2,972,018	14.9%	2,641,224	17.8%	330,794	12.5%
Loans	9,292,840	46.7%	6,665,586	45.0%	2,627,254	39.4%
Overall total	**19,895,524**	**100.0%**	**14,806,816**	**100.0%**	**5,088,708**	**34.4%**

Financial assets measured at fair value through other comprehensive income

(thousands of euro)	30/06/2026	% impact	31/12/2025	% impact	Abs. Change	% Change
Debt securities	13,869,150	86.9%	14,712,292	91.8%	(843,142)	(5.7%)
Equity instruments	2,084,788	13.1%	1,316,760	8.2%	768,028	58.3%
Total	**15,953,938**	**100.0%**	**16,029,052**	**100.0%**	**(75,114)**	**(0.5%)**

Financial assets at amortised cost

(thousands of euro)	30/06/2026	% impact	31/12/2025	% impact	Abs. Change	% Change
Debt securities	33,737,233	100.0%	31,911,441	100.0%	1,825,792	5.7%
Total	**33,737,233**	**100.0%**	**31,911,441**	**100.0%**	**1,825,792**	**5.7%**

Exposure to sovereign risk

The table below provides details of the banking Group's total exposure[1] in sovereign debt securities as at 30 June 2026, broken down by country (amounts in thousands of euro):

Countries	Financial assets measured at fair value through profit and loss	Financial assets measured at fair value through other comprehensive income	Financial assets measured at amortised cost	Total debt securities
Italy	3,553,702	2,800,977	12,213,944	18,548,624
Spain	96	1,205,853	4,080,479	5,286,428
Germany	-	1,125,968	3,059,587	4,185,555
France	54,486	3,075,266	6,104,549	9,234,301
Austria	-	50,541	495,698	546,239
Other EU countries	-	166,764	1,375,439	1,542,203
Total EU countries	**3,608,284**	**8,425,369**	**27,329,696**	**39,363,349**
USA	1	1,611,852	682,126	2,293,979
Chile	-	38,834	23,483	62,317
China	-	61,862	22,780	84,642
Mexico	-	14,474	18,770	33,244
Hong Kong	-	7,816	-	7,816
Other countries	56	57,718	36,485	94,259
Total other countries	**57**	**1,792,556**	**783,644**	**2,576,257**
Total	**3,608,341**	**10,217,925**	**28,113,340**	**41,939,606**

Exposure is mainly concentrated within the Parent Company Banco BPM, which as at 30 June 2026 held a total of 41.9 billion, of which 18.6 billion relative to Italian government bonds.

Investments in sovereign debt securities are classified at 67.0% in the portfolio of financial assets at amortised cost, 24.36% in the portfolio of financial assets measured at fair value through other comprehensive income and 8.6% in the portfolio of financial assets at fair value through profit and loss as they are held for trading.
Out of this exposure, 93.9% refers to securities issued by members of the European Union; notably about 44.3% by Italy.

It should be noted that the Group has no exposures to debt securities of Russian and Ukrainian issuers, while the exposure to Israeli government securities amounts to 45 million, in nominal value, in line with the previous year.

The tables below provide, for securities issued by EU countries, more detailed information about the breakdown by accounting portfolio, residual life brackets and fair value hierarchy (in thousands of euro).

[1] Debt securities held by insurance companies, amounting to 10.2 billion, are excluded.

Financial assets at fair value through profit and loss

Status	Maturing by end of 2026	Maturing between 2027 and 2031	Maturing between 2032 to 2036	Maturing beyond 2036	Total fair value as at 30/06/2026	Total fair value by hierarchy		
						LEVEL 1	LEVEL 2	LEVEL 3
Italy	590,281	2,751,579	190,234	21,608	3,553,702	3,553,702	-	-
France	54,486	-	-	-	54,486	54,486		
Spain	-	-	-	96	96	96	-	-
Total	**644,767**	**2,751,579**	**190,234**	**21,704**	**3,608,284**	**3,608,284**	**-**	**-**

Financial assets measured at fair value through other comprehensive income

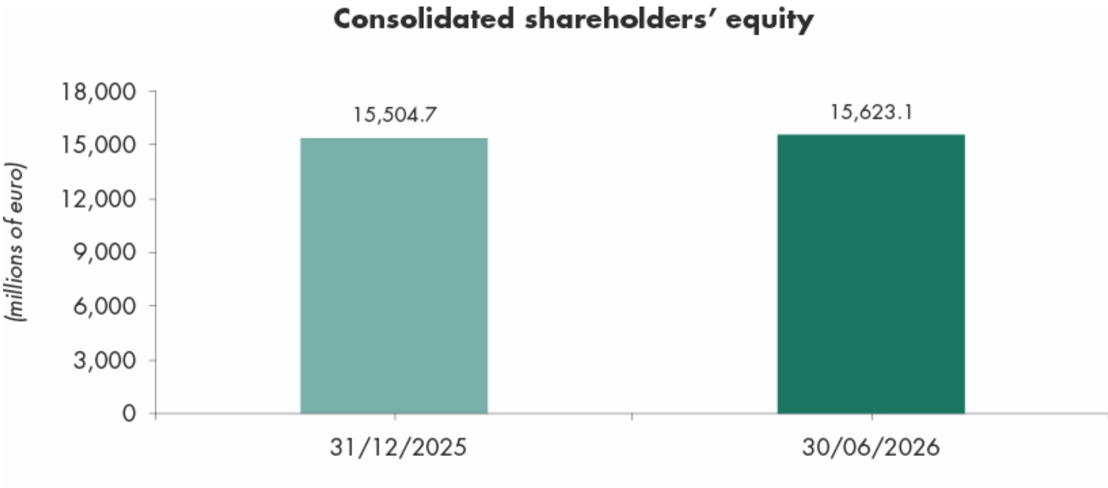
Status	Maturing by end of 2026	Maturing between 2027 and 2031	Maturing between 2032 to 2036	Maturing beyond 2036	Total fair value as at 30/06/2026	Net reserve at FVTOCI	Value adjustments	Total fair value by hierarchy		
								LEVEL 1	LEVEL 2	LEVEL 3
Italy	-	1,351,739	1,052,782	396,456	2,800,977	(20,036)	-	2,800,977	-	-
Spain	-	234,513	624,087	347,253	1,205,853	(1,005)	-	1,205,853	-	-
France	-	917,994	2,145,601	11,671	3,075,266	(101,872)	-	3,075,266	-	-
Germany	50,469	317,100	758,399	-	1,125,968	(64,222)	-	1,125,968	-	-
Other EU countries	-	103,870	113,435	-	217,305	(3)	-	217,305	-	-
Total	**50,469**	**2,925,216**	**4,694,304**	**755,380**	**8,425,369**	**(187,138)**	**-**	**8,425,369**	**-**	**-**

Financial assets at amortised cost

Status	Maturing by end of 2026	Maturing between 2027 and 2031	Maturing between 2032 to 2036	Maturing beyond 2036	Total book value as at 30/06/2026	Total fair value	Total fair value by hierarchy		
							LEVEL 1	LEVEL 2	LEVEL 3
Italy	511,056	5,102,033	5,322,338	1,278,517	12,213,944	12,365,729	12,365,729	-	-
Spain	176,162	2,152,736	1,662,227	89,354	4,080,479	4,046,221	4,046,221	-	-
France	224,356	2,839,311	2,080,912	959,970	6,104,549	5,970,801	5,970,801	-	-
Germany	139,657	1,093,074	1,826,856	-	3,059,587	2,965,225	2,965,225		
Other EU countries	-	569,459	395,021	906,657	1,871,137	1,855,438	1,855,438	-	-
Total	**1,051,231**	**11,756,613**	**11,287,354**	**3,234,498**	**27,329,696**	**27,203,414**	**27,203,414**	**-**	**-**

The item **financial assets pertaining to insurance companies** includes the contribution as at 30 June 2026 of the insurance companies Banco BPM Vita and BBPM Life for a total of 19.9 billion (18.8 billion as at 31 December 2025).

Shareholders' equity and solvency ratios



The Group's consolidated shareholders' equity as at 30 June 2026, including valuation reserves and profit (loss) for the period, amounted to 15,623.1 million, compared to the figure at the end of 2025 of 15,504.7 million, with an increase of 118.4 million.
The main changes refer to the allocation of the profit for 2025, resolved by the Shareholders' Meeting of 16 April 2026 (-818.7 million, taking into account the advance on 2025 dividends paid, totalling 691.6 million), the payment of coupons on Additional Tier 1 instruments (-46.9 million, net of the related tax effect), the assignments of own shares carried out during the half-year to service the personnel incentive plans (+17.8 million) and the change in equity instruments recorded during the period as a result of the early redemption of an issue of Additional Tier 1 securities, issued in January 2021 for 400 million, net of repurchase costs. Lastly, other positive changes were recorded for a total of 1,366.2 million mainly referring to the contribution of the comprehensive income recorded in the period. The latter is positive by 1,375.0 million due to the net profit for the period of 1,060.3 million and the positive change in valuation reserves of +314.7 million, referring in particular to the valuation reserve relating to financial assets measured at fair value through other comprehensive income, as a result of financial market trends observed during the period.

The following table provides a reconciliation between the Parent Company's shareholders' equity and profit (loss) with the corresponding consolidated balances.

(thousands of euro)	Shareholders' equity	Profit (loss) for the period
Balance as at 30/06/2026 as per the Parent Company's financial statements	**15,344,743**	**1,069,242**
Impact of the valuation at equity of associated companies (*)	264,845	45,631
Cancellation of dividends received during the year by associated companies	-	(58,099)
Other consolidation adjustments	13,482	3,518
Balance as at 30/06/2026 as per the consolidated financial statements	**15,623,070**	**1,060,292**

(*) The difference between the effect of the equity method of accounting for associates on the profit for the period, amounting to 45.6 million, and the item "Gains (losses) on interests in associates and joint ventures carried at equity", amounting to 51.4 million, is attributable to the result of the associate PiùVera Assicurazioni, already included in the Parent Company's financial statements due to the measurement at equity of the subsidiary Banco BPM Vita, which holds the interest in the aforementioned company.

Solvency ratios - reference legislation and standards to follow

With a communication dated 22 October 2025, again for the year 2026 the Bank of Italy confirmed Banco BPM Banking Group as an Other Systemically Important Institution (O-SII), establishing the obligation to maintain an O-SII reserve equal to 0.50% of the regulatory requirements.

With communication of 27 March 2026, the Bank of Italy has confirmed the Countercyclical Capital Buffer ratio for exposures to Italian counterparties at zero percent also for the second quarter of 2026.

On 30 October 2025, Banco BPM received a notification from the European Central Bank (ECB) of the new SREP decision, containing the results of the annual Supervisory Review and Evaluation Process (SREP). On the basis of the analyses and assessments conducted by the Supervisory Authority, the ECB determined an overall "Pillar 2 Requirement (P2R)" for 2026 of 2.25%, confirming the value applied to 2025.

Taking into account the new capital buffer against systemic risk of 0.678%, and the countercyclical capital buffer against exposures to foreign counterparties of 0.080%, the minimum requirements to be met on a consolidated basis as at 30 June 2026 are as follows[1]:

- CET 1 ratio: 9.52%;
- Tier 1 ratio: 11.45%;
- Total Capital ratio: 14.01%.

Starting from 1 January 2026, the period during which the option provided for in Article 468 of the CRR was in force, which made it possible to sterilise in the calculation of Common Equity Tier 1 (CET 1) the unrealised gains and losses deriving from the Fair Value through Other Comprehensive Income (FVOCI) measurement of debt securities issued by Public Administrations and classified under the item "Financial assets measured at fair value through other comprehensive income", has come to an end.
Therefore, as no transitional rules are currently in force, the capital ratios are by definition "fully phased" and are compared below with the corresponding homogeneous data referring to 31 December 2025.

The capital ratios as at 30 June 2026 were calculated by including the economic result in progress at the end of the first half of 2026 net of the portion that is expected to be distributed as a dividend based on the specific applicable legislation. In this regard, it should be noted that an application will be submitted to include the aforementioned profit in the calculation of own funds in accordance with the provisions of Article 26, paragraph 2, of Regulation (EU) No 575/2013.

As at 30 June 2026, the Common Equity Tier 1 ratio (CET 1 ratio) stood at 14.40%, up on 31 December 2025 (13.58%). The improvement in the ratio is due to the increase in own funds (+1,044 million), which more than offset the growth in risk-weighted assets (+3,563 million).

The Tier 1 ratio was 16.42% against 15.71% as at 31 December 2025, while the Total Capital ratio was 19.20% against 19.12% as at 31 December 2025.

The buffer compared to the limit set for the possibility of distributing dividends (Maximum Distributable Amount or MDA buffer) was equal to 487 basis points (408 basis points as at 31 December 2025).

Liquidity position and leverage

On 1 October 2015, Delegated Regulation (EU) no. 61/2015 entered into force, which requires that banks maintain a specific level of liquidity measured with regard to a short-term time horizon (Liquidity Coverage Ratio, "LCR"). As at 30 June 2026, Banco BPM Group had a consolidated LCR of 143% with respect to the regulatory limit of 100%.

[1] These requirements, updated as at 30 June 2026, are determined as follows:

- the Pillar I minimum requirement equal to 8% (of which 4.5% CET 1, 1.5% in terms of AT 1 and 2% in terms of Tier 2);
- the P2R requirement communicated by the ECB equal to 2.25% to be met: (i) with CET 1 for 1.266%, (ii) with AT 1 for 0.422% and (iii) with Tier 2 for 0.563%;
- a capital conservation buffer equal to 2.50%, to be met entirely by CET 1;
- the O-SII buffer equal to 0.50% to be met entirely by CET 1;
- the countercyclical capital buffer equal to 0.080% to be met entirely by CET 1;
- the capital buffer against systemic risk (Syrb) equal to 0.678% to be met entirely by CET 1.

It should be noted that the countercyclical capital buffer and the capital buffer against systemic risk are recalculated on a quarterly basis based on the evolution of the exposures considered in the respective calculation bases.

Effective from 30 June 2021, the NSFR, the regulatory structural liquidity indicator, which measures the ratio of stable sources of funding to stable financing requirements, constitutes a regulatory requirement with a minimum of 100%. As at 30 June 2026, Banco BPM Group had a NSFR index of 123%[1].

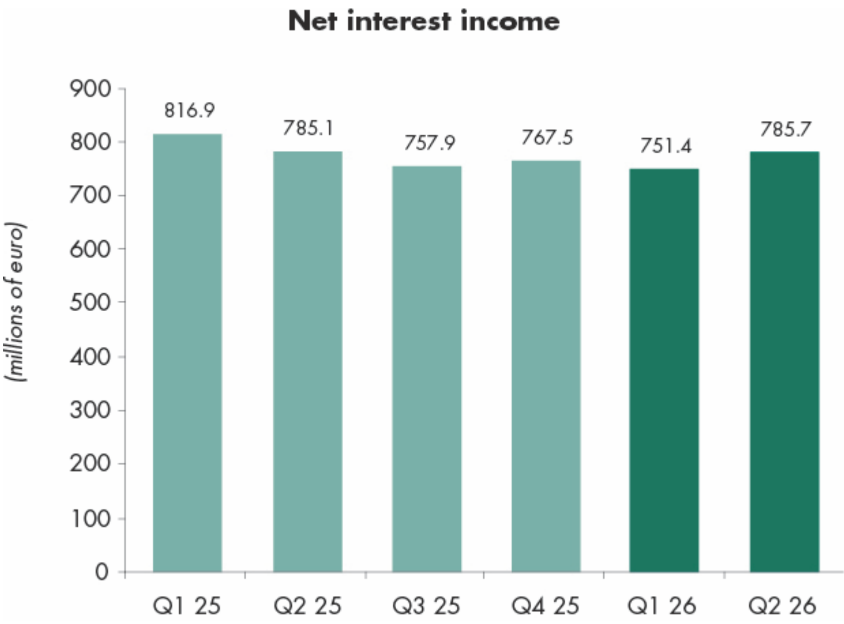
Lastly, as regards the leverage ratio, the value as at 30 June 2026 was 5.11%.

Consolidated income statement figures

Net interest income

(thousands of euro)	I half 2026	I half 2025	Abs. Change	% Change
Financial assets (securities)	711,522	631,924	79,598	12.6%
Net interest due to customers	1,299,292	1,488,596	(189,304)	(12.7%)
Net interest due to banks	(33,531)	5,544	(39,075)	n.s.
Securities issued and other financial liabilities at fair value	(379,112)	(406,611)	27,499	(6.8%)
Hedging derivatives (net balance) (*)	(29,614)	1,411	(31,025)	n.s.
Net interest on other assets/liabilities	(31,513)	(118,782)	87,269	(73.5%)
Total	**1,537,044**	**1,602,082**	**(65,038)**	**(4.1%)**

(*) The item includes the spreads pertaining to the period on derivative contracts hedging financial assets (securities held) and financial liabilities issued.



Net interest income stood at 1,537.0 million, down 4.1% compared with the figure for the first half of 2025 (1,602.1 million); excluding non-recurring items recognised in the previous financial year, the change was -1.9%. This trend is mainly attributable to the narrowing of the trading spread, driven by movements in interest rates, with the average 3-month Euribor rate falling from 2.56% in the first quarter of 2025 to 2.20% in the second quarter of 2026.

[1] Management figure.

Gains (losses) on interests in associates and joint ventures carried at equity

(thousands of euro)	I half 2026	I half 2025	Abs. Change	% Change
Agos Ducato	40,199	38,122	2,077	5.4%
Anima Holding (*)	-	15,196	(15,196)	n.s.
Banco BPM Assicurazioni (**)	-	1,236	(1,236)	n.s.
PiùVera Assicurazioni	5,787	1,101	4,686	n.s.
Other investee companies	5,432	7,715	(2,283)	(29.6%)
Total	**51,418**	**63,370**	**(11,952)**	**(18.9%)**

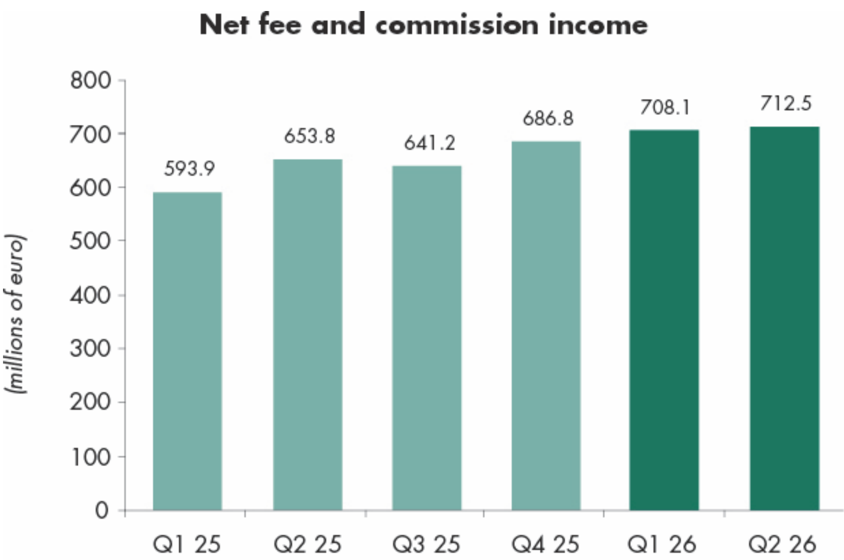
(*) Company consolidated on a line-by-line basis from the second quarter of 2025.
(**) Company incorporated into the company PiùVera Assicurazioni S.p.A. from 1 November 2025.

Gains (losses) on interests in associates and joint ventures carried at equity was equal to 51.4 million, compared to the figure of 63.4 million for the corresponding period of the previous year.
The main contribution to the item in question is provided by consumer credit channelled from the interest held in Agos Ducato, equal to 40.2 million, compared with 38.1 million in the first half of 2025. In comparison with the previous year, it should be noted that the item in question also included the contribution of the investee Anima Holding for the first quarter, amounting to 15.2 million.

Net fee and commission income

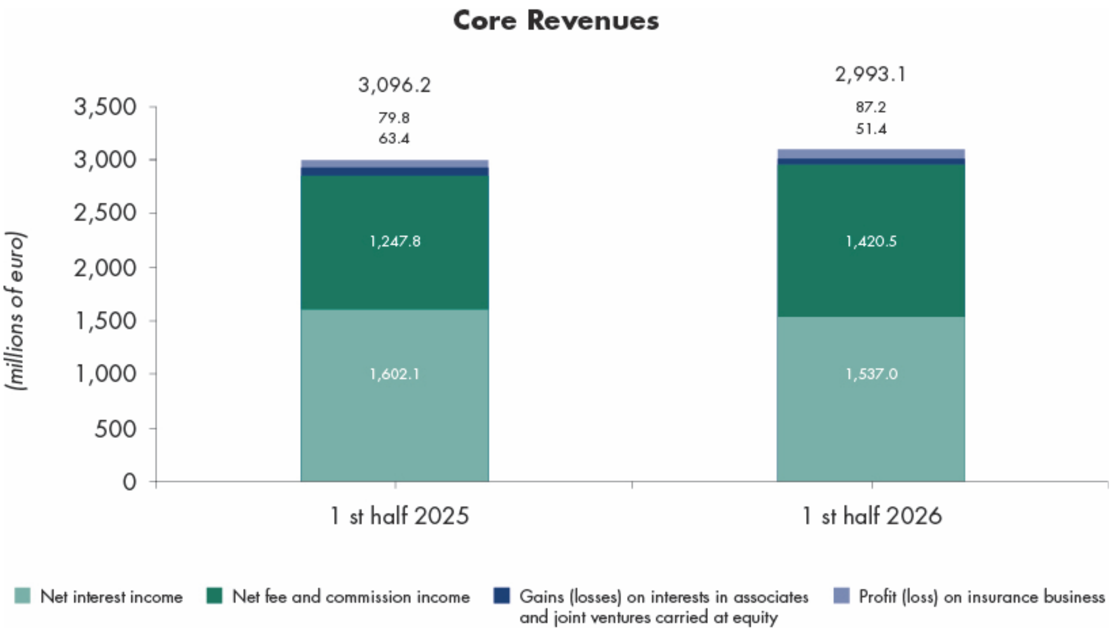
(thousands of euro)	I half 2026	I half 2025 (*)	Abs. Change	% Change
Net fee and commission income Savings products	**730,936**	**545,697**	**185,239**	**33.9%**
- Indirect upfront - management	192,666	191,494	1,172	0.6%
- Indirect running - management	251,570	240,249	11,321	4.7%
- Anima - production margin	286,700	113,954	172,746	151.6%
Net fee and commission income Other	**689,593**	**702,061**	**(12,468)**	**(1.8%)**
Investment Banking	57,866	58,797	(931)	(1.6%)
Insurance protection (other)	40,312	42,363	(2,051)	(4.8%)
Keeping and management of current accounts	116,755	112,415	4,340	3.9%
Loans (including consumer credit and factoring) and unsecured loans	285,251	297,970	(12,719)	(4.3%)
Collection and payment services, e-money	148,466	140,263	8,203	5.8%
Other business services	38,676	49,448	(10,772)	(21.8%)
Other services	2,267	805	1,462	181.6%
Total	**1,420,529**	**1,247,758**	**172,771**	**13.8%**

(*) The figures relating to the previous period have been restated to provide a like-for-like comparison. For more details on data comparability, please refer to the introduction to this "Results" section.



Net fee and commission income in the first half totalled 1,420.5 million, marking an increase of 13.8% compared to the same period of the previous year.
On a like-for-like basis, the aggregate figure shows growth of 2.8% compared with the pro forma figure of 1,381.8 million for the first half of 2025.
In more detail, commission income on savings and investment products amounted to 730.9 million, an increase of 185.2 million, thanks to the contribution from the Anima Group (+15.6% year-on-year).
Other commission income, however, fell by 12.5 million, mainly due to the reduction in purchases of new tax credits resulting from the restrictions imposed by current legislation. Excluding Anima's contribution, the commission income in question is in line with the first half of 2025.

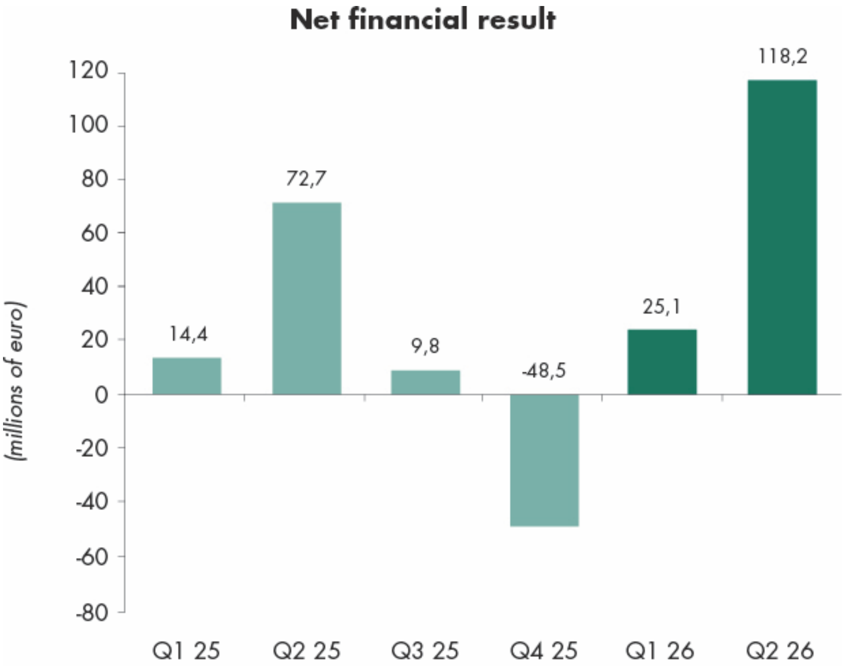
The **profit (loss) on insurance business** in the first half of 2026 amounted to 87.2 million, compared with 79.8 million in the first half of 2025, and included the contribution of the companies Banco BPM Vita and BBPM Life.



By virtue of the trends described, the total **core income** therefore amounted to 3,096.2 million, up compared to the 2,993.1 million recorded in the same period of the previous year (+3.4%). On a like-for-like basis, core income is substantially in line with the figure for the first half of 2025 (-0.7%).

Net financial result

(thousands of euro)	I half 2026	I half 2025	Abs. Change	% Change
Net trading income	37,153	189,581	(152,428)	(80.4%)
Gains/losses on disposal of financial assets	18,017	(33,026)	51,043	n.s.
Dividends and similar income on financial assets	130,610	116,365	14,245	12.2%
Gains/losses on repurchase of financial liabilities	(664)	(127)	(537)	n.s.
Fair value gains/losses on hedging derivatives	3,393	10,900	(7,507)	(68.9%)
Result of assets and liabilities at fair value	(45,236)	(196,631)	151,395	(77.0%)
Total	**143,273**	**87,062**	**56,211**	**64.6%**



The **net financial result** in the first half-year was positive and equal to 143.3 million, compared to the figure of 87.1 million recorded as at 30 June 2025.
This trend is mainly attributable to the lower cost of funding through certificates and the positive contribution deriving from the sale of financial assets.
The aggregate in question includes dividends of 130.6 million (116.4 million in the first half of 2025), of which 97.4 million, in both periods under comparison, stemmed from the stake held in Banca Monte dei Paschi di Siena.

Other operating income and expenses

(thousands of euro)	I half 2026	I half 2025 (*)	Abs. Change	% Change
Income on current accounts and loans	2,582	3,013	(431)	(14.3%)
Rental income	5,927	9,800	(3,873)	(39.5%)
Expenses on leased assets	(6,874)	(9,789)	2,915	(29.8%)
Fee and commission expense on synthetic securitisations	(44,134)	(42,410)	(1,724)	4.1%
Other income and charges	(725)	(16,718)	15,993	(95.7%)
Total	**(43,224)**	**(56,104)**	**12,880**	**(23.0%)**

(*) The figures relating to the previous period have been restated to provide a like-for-like comparison. For more details on data comparability, please refer to the introduction to this "Results" section.

Other operating income and expenses[1] totalled -43.2 million, compared to the figure of -56.1 million for the first half of 2025.

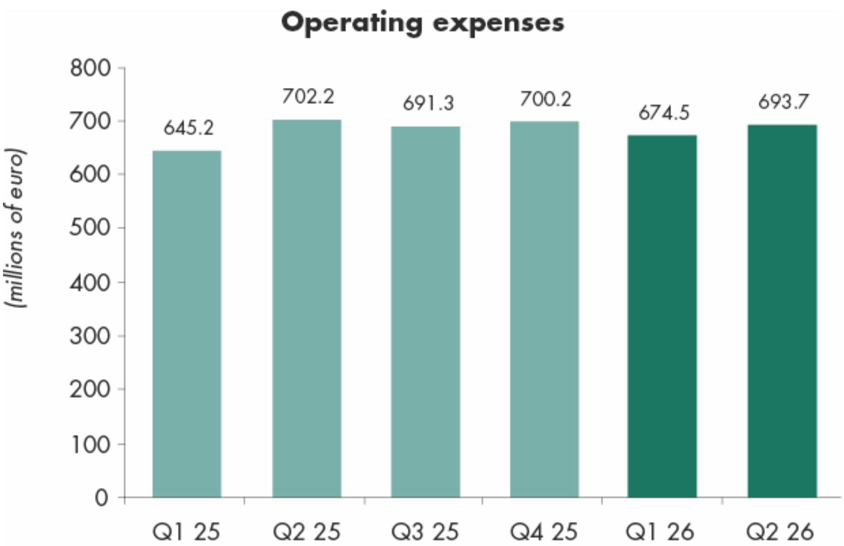
By virtue of the trends described, the total **operating income** therefore amounted to 3,196.2 million, up compared to the 3,024.0 million recorded in the same period of the previous year (+5.7%). On a like-for-like basis, operating income was up by 1.5% compared to the first half of 2025.

[1] the aggregate is shown net of some "one-off" charges linked to business combinations, amounting to 6.6 million. These expenses are shown, net of the related tax effect, in the separate item of the reclassified income statement entitled "Charges related to business combinations and corporate restructuring, net of taxes".

Operating expenses

(thousands of euro)	I half 2026	I half 2025	Abs. Change	% Change
Personnel expenses	**(881,244)**	**(890,190)**	**8,946**	**(1.0%)**
Other administrative expenses	**(343,500)**	**(321,381)**	**(22,119)**	**6.9%**
- Taxes and duties	(179,984)	(174,204)	(5,780)	3.3%
- Services and consulting (*)	(167,552)	(156,349)	(11,203)	7.2%
- Property	(33,122)	(34,092)	970	(2.8%)
- Postal, telephone and stationery	(10,143)	(10,982)	839	(7.6%)
- Maintenance and fees for furniture, machines and systems	(58,378)	(56,165)	(2,213)	3.9%
- Advertising and entertainment (*)	(9,830)	(9,767)	(63)	0.6%
- Other administrative expenses (*)	(41,160)	(41,314)	154	(0.4%)
- Expense recoveries	156,669	161,492	(4,823)	(3.0%)
Value adjustments to property, plant and equipment and intangible assets	**(143,411)**	**(135,799)**	**(7,612)**	**5.6%**
- Value adjustments to property, plant and equipment	(76,749)	(80,521)	3,772	(4.7%)
- Value adjustments to intangible assets	(66,163)	(54,437)	(11,726)	21.5%
- Net write-downs for impairment	(499)	(841)	342	(40.7%)
Total	**(1,368,155)**	**(1,347,370)**	**(20,785)**	**1.5%**

(*) The figures relating to the previous period have been restated to provide a like-for-like comparison.



Personnel expenses, equal to 881.2 million, decreased by 1.0% compared to 890.2 million in the first half of 2025. In comparison with the pro forma figure for the first half of 2025, equal to 917.6 million, the aggregate was down by -4.0%.
The total number of employees was 18,881 as at 30 June 2026 (of which 199 pertaining to the insurance companies and 572 to the Anima Group), compared to the 18,975 staff employed as at 31 December 2025 (of which 197 pertaining to the insurance companies and 558 to the Anima Group).

Other administrative expenses[1], amounting to 343.5 million, show an increase of 6.9% compared with the figure for the first half of 2025; compared with the pro forma figure as at 30 June 2025, which stood at 335.3 million, the total is up by 2.4%.

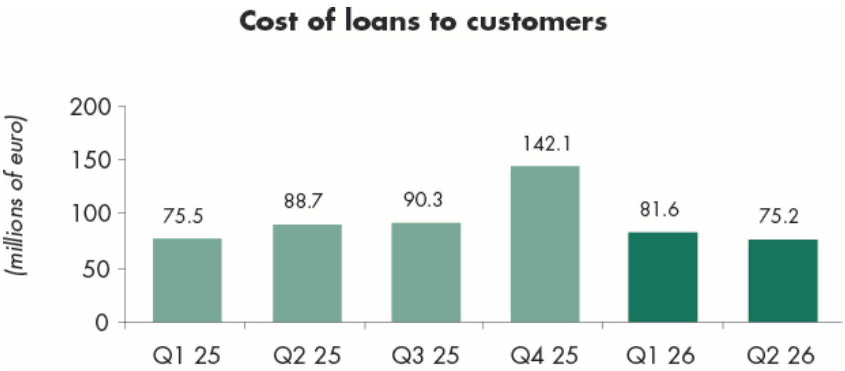
[1] The aggregate is shown net of some "one-off" operating costs linked to business combinations, amounting to 2.7 million. These expenses are shown, net of the related tax effect, in the separate item of the reclassified income statement entitled "Charges related to business combinations and corporate restructuring, net of taxes".

Net value adjustments to property, plant and equipment and intangible assets were equal to 143.4 million, compared with the figure of 135.8 million in the first half of 2025.

Total **operating expenses** therefore amounted to 1,368.2 million, compared with 1,347.4 million as at 30 June 2025; on a like-for-like basis, this figure shows a decrease of 1.6% compared with 1,390.9 million, which represents the pro forma figure for the first half of 2025.

Adjustments and provisions

(thousands of euro)	I half 2026	I half 2025	Abs. Change	% Change
Net adjustments to loans at AC to customers	**(149,974)**	**(163,696)**	**13,722**	**(8.4%)**
Stage 3	(138,132)	(157,082)	18,950	(12.1%)
Stage 2	(4,680)	(6,040)	1,360	(22.5%)
Stage 1	(7,358)	(574)	(6,784)	n.s.
Acquired or originated impaired	196	-	196	n.s.
Gains (losses) on disposal of loans	**(5,719)**	**(375)**	**(5,344)**	**n.s.**
Gains (losses) from contractual modification without derecognition	**(1,125)**	**(142)**	**(983)**	**n.s.**
Cost of loans to customers	**(156,818)**	**(164,213)**	**7,395**	**(4.5%)**



The **cost of loans to customers** in the first half of 2026 amounted to 156.8 million, compared to the figure as at 30 June 2025, equal to 164.2 million.
As at 30 June 2026, the annualised cost of credit, measured by the ratio of net value adjustments on loans to net loans, was 31 bps, down with respect to the 40 bps recorded at the end of 2025.
This result was achieved by safeguarding the solid levels of coverage achieved in previous periods.

The item **net adjustments to securities and other financial assets** includes net losses of -3.6 million (+2.3 million as at 30 June 2025).

The Fair value gains (losses) on property, plant and equipment as at 30 June 2026 amounted to -11.5 million (-4.2 million in the first half of 2025), to take into account updates in appraisal values or to reflect the values arising from sale negotiations.

The item **net provisions for risks and charges** in the first half of the year included net recoveries of +8.3 million (net recoveries of +3.4 million as at 30 June 2025).

Due to the trends described, the **profit (loss) before tax from continuing operations** was 1,664.4 million compared to 1,513.9 million in the same period of the previous year (+9.9%). On a like-for-like basis, this interim result shows growth of 4.3% compared to the pro forma first half of 2025.

Other revenue and cost items

The **taxation charge related to profit or loss from continuing operations** was -555.0 million (-445.6 million as at 30 June 2025).

Profit (loss) after tax from continuing operations therefore was equal to 1,109.4 million, a 3.9% increase compared to 1,068.2 million in the first half of 2025. On a like-for-like basis, this interim result is substantially in line with the figure for the pro forma first half of 2025 (-0.7%).

In the first half of 2026, as well as in the first half of 2025, no significant **gains (losses) on interests in associates and joint ventures and other investments, net of taxes** were recognised.

As at 30 June 2026, **the impact of the purchase price allocation, net of taxes**, amounted to -25.9 million, an increase compared with the figure for the first half of 2025 of -20.2 million, due to the acquisition of control of the Anima Group, which was finalised in the second quarter of 2025.

During the half-year, the **impact of the change in own credit risk on the issue of certificates (OCR), net of taxes**, was positive at +1.4 million (+2.1 million before taxes), compared with the positive effect recorded in the first half of 2025 of +2.7 million (+4.1 million before taxes).

No **banking industry charges net of taxes** were charged to the income statement for the first half of 2026, just as at 30 June 2025.

The item **charges related to business combinations and corporate restructuring, net of taxes** for the first half of 2026, amounting to 8.6 million (9.4 million gross), relates to extraordinary costs associated with the acquisition of the Anima Group and the purchase of the minority stake in Castello SGR. As at 30 June 2025, this item stood at 30.7 million.

It should be noted that the income statement for the first half of the previous financial year showed, under the ad hoc item "impact of restatement of Anima share, net of taxes", the positive impact deriving from the revaluation at fair value of the shareholding held in Anima Holding before the acquisition of control, resulting from the realignment of the book value to the price of the tender offer, equal to 201.8 million.

As a result of the trends described above and in consideration of the non-controlling interests, equal to -16.1 million, the first half of 2026 closed with a **net profit for the period** of 1,060.3 million (1,214.5 million in the first half of 2025).

Key financial highlights of the main Group companies

A summary of the main interests in Group companies is presented below, with an indication of the most significant balance sheet, income statement and operating balances as at 30 June 2026.

(millions of euro)	Total assets	Shareholders' equity (*)	Direct Funding	Indirect Funding	Net loans	Profit (Loss)
Banks						
Banco BPM	190,511.9	15,344.7	135,973.8	110,261.0	100,632.8	1,069.2
Banca Aletti & C.	2,060.2	383.3	1,489.6	27,277.0	800.3	20.2
Banca Akros	571.8	240.4	204.8	-	50.3	16.6
Banca Aletti & C. (Suisse)	79.8	27.8	40.0	714.1	31.6	(0.2)
Bipielle Bank (Suisse) in liquidation	10.3	8.1	-	-	-	-
Insurance companies						
Banco BPM Vita	16,914.9	3,000.3	13,398.4	-	-	166.5
BBPM Life	5,856.9	125.1	5,649.1	-	-	13.9
Financial companies						
Anima Holding	2,849.5	2,233.9	587.0		5.0	278.5
Anima SGR	722.9	402.5	6.1		111.5	136.6
Anima Alternative SGR	9.7	7.2	-	194,308.4	2.7	3.7
Castello SGR	40.0	24.2	-		7.7	1.2
Kairos Partners SGR	63.1	29.8	3.5		12.6	7.0
Banco BPM Invest SGR	4.3	2.4	-	-	-	-
Aletti Fiduciaria	8.7	6.2	-	758.8	1.0	(0.2)
Oaklins Italy	3.4	2.7	-	-	-	0.4
Other companies						
Ge.Se.So.	1.7	0.6	-	-	-	0.04

(*) amount inclusive of the profit (loss) for the period.

Banco BPM stock

In the first half of 2026, the value of Banco BPM shares fluctuated within a range between a minimum closing price of 11.245 euro on 20 March 2026 and a maximum closing price of 15.83 euro on 18 June 2026.
From the beginning of the year, Banco BPM shares recorded a positive performance of +16%. During 2026, average daily volumes were approximately 7 million shares.
In addition, it should be noted that as at 30 June 2026, the Banco BPM share was "covered" by 13 equity research companies (of which: 4 with positive recommendations, 5 neutral and 4 negative), with which continuous dialogue was maintained during the year. It should also be noted that, as things stand, 5 equity research firms have a hold rating on the share.

Lastly, the shareholders of Banco BPM have a consultation agreement in place relating to the shares of Banco BPM S.p.A., made public pursuant to Art. 122 of Italian Legislative Decree 58/1998 and Art. 129 of CONSOB Regulation 11971 of 14 May 1999.
This consultation agreement was originally signed on 21 December 2020 between several Italian Foundations, shareholders of Banco BPM for a total share of 5.49% of Banco BPM's share capital. It was subsequently updated following the entry or exit of new shareholders from the agreement itself, or due to changes in the shareholding held by an individual participant in the agreement, on 20 July 2021, 18 October 2022, 31 December 2022, 27 March 2023, 19 December 2023, 16 February 2024, 31 December 2024 and 31 December 2025.
To date, this agreement encompasses shareholders that hold 5.93% of the Bank's share capital.

For further details, please refer to the website www.gruppo.bancobpm.it, Investor Relations - Stock, shareholder base and dividends section, "Consultation Agreements".

Group ratings

Summary table of Banco BPM credit ratings

Rating Agency	Type of Rating	30/06/2026	31/12/2025
Fitch Ratings	Long-Term Issuer Default Rating (IDR)/Outlook	BBB+/Stable	BBB/Stable
	Short-term Issuer Default Rating (IDR)	F2	F2
	Long-term Senior Preferred Debt (SP)	BBB+	BBB+
	Long-term Deposits	A-	BBB+
	Short-term Deposits	F2	F2
	Viability Rating (VR)	bbb	bbb
Moody's Ratings	Long-Term on Senior Unsecured Debt and Issuer Rating/Outlook	Baa1/Stable	Baa1/Stable
	Long-Term on Deposits/Outlook	A3/Stable	A3/Stable
	Short-term on Deposits	P-2	P-2
	Baseline Credit Assessment	baa2	baa2
Morningstar DBRS	Long-Term on Senior Debt and Long-term Issuer Rating/Trend	BBB (high)/Stable	BBB (high)/Stable
	Short-term on Debt and Short-term Issuer Rating/Trend	R-1 (low)/Stable	R-1 (low)/Stable
	Long-Term on Deposits/Trend	A (low)/Stable	A (low)/Stable
	Short-term on Deposits/Trend	R-1 (low)/Stable	R-1 (low)/Stable
	Intrinsic Assessment	BBB (high)	BBB (high)
S&P Global Ratings	Long-Term Issuer Credit Rating/Outlook	BBB/Positive	BBB/Positive
	Senior Unsecured	BBB	BBB
	Short-term Issuer Credit Rating	A-2	A-2
	Stand-alone credit profile (SACP)	bbb-	bbb-

The events concerning the ratings of Banco BPM during the first half of 2026 are summarised below:

- On 12 May, Fitch Ratings took action on 12 Italian banking groups following the publication of the agency's updated criteria for bank ratings. In this context, Banco BPM's Long-Term Issuer Default Rating (IDR) has been upgraded to BBB+ from BBB (thereby bringing it into line with the Senior Unsecured rating), with the Outlook confirmed as Stable, and the Long-Term Deposit rating has been upgraded to A- from BBB+. The short-term IDR and the short-term deposit rating were confirmed at F2;
- On 14 April, Morningstar DBRS confirmed all the ratings and outlooks assigned to Banco BPM.

Summary table of Banca Akros ratings

Rating Agency	Type of Rating	30/06/2026
Fitch Ratings	Long-Term Issuer Default Rating (IDR)/Outlook	BBB+/Stable
	Short-term Issuer Default Rating (IDR)	F2
	Shareholder Support Rating	bbb+

On 2 April 2026, Fitch Ratings assigned Banca Akros a Long-Term Issuer Default Rating (IDR) of BBB with a Stable Outlook. Subsequently, on 12 May 2026, following the same rating action that also affected Banco BPM, the agency upgraded the long-term IDR from BBB to BBB+, with a Stable Outlook, and the Shareholder Support Rating from bbb to bbb+.

Summary table of Anima Holding credit ratings

Rating Agency	Type of Rating	30/06/2026	31/12/2025
Fitch Ratings	Long-Term Issuer Default Rating (IDR)/Outlook	BBB/Stable	BBB/Stable
	Short-term Issuer Default Rating (IDR)	F2	F2
	Long-Term Senior Unsecured Debt	BBB	BBB
	Shareholder Support Rating	bbb	bbb

On 29 June 2026, Fitch Ratings confirmed all the ratings and the Outlook assigned to Anima Holding.

RISK MANAGEMENT

Information on risks is provided in "Part E - Information on risks and related hedging policies" in the explanatory notes to the consolidated condensed interim financial statements, to which reference should be made.

DISCLOSURE ON TRANSACTIONS WITH RELATED PARTIES

The information on transactions with related parties is included in "Part H - Transactions with related parties" of the explanatory notes to the consolidated condensed interim financial statements, to which reference is made.

OUTLOOK FOR BUSINESS OPERATIONS

The scenario for the second half of 2026 remains affected by an unstable geopolitical framework. The first six months of the year were marked by the outbreak of the US-Iran conflict, with the resulting tensions in the energy markets and regarding shipping through the Strait of Hormuz, compounded by the continuing risk of trade fragmentation. These factors have dampened the outlook for global growth, despite the presence of some supportive factors, in particular the resilience of investment linked to artificial intelligence and digitalisation. The result is a global scenario that remains expansionary, but is less uniform and more vulnerable to shocks in energy prices. For the Eurozone, growth is expected to remain modest in the second half of the year, held back by the impact of rising energy prices on real incomes and weak external demand, but supported by the labour market, public investment and spending on infrastructure and defence.

For Italy, the outlook remains characterised by modest growth: following a positive first half of the year, despite the challenging international environment, consumption and investment could slow in the autumn months due to international uncertainty and persistently high energy prices. Cumulative growth for the current year, based on the preliminary estimate for the second quarter, stands at 0.8%, with domestic demand still making the predominant contribution, supported by the labour market and measures linked to the National Recovery and Resilience Plan (PNRR), against a backdrop of less favourable external demand, despite the strong performance in the first quarter. Inflation is expected to rise this year, mainly due to the energy component, although it is projected to gradually ease in the medium term. In June, year-on-year inflation reached 3% in Italy and 2.8% in the Eurozone.

Against this backdrop, the ECB, having maintained a cautious approach, intervened in June with a 25-basis-point rate rise, driven by the increased inflationary pressures generated by the energy shock. Current market expectations point to a high probability of at least a second rate rise by the end of the year.

As regards direct customer deposits, the stock is expected to grow moderately in the second half of the year, with steady growth in the Private customer segment. The stock of loans is also forecast to increase compared with the first half of the year, benefiting from stronger new lending from the second quarter onwards and a level of prepayments since the start of the year that is much lower than in 2025. These trends, together with the management measures implemented by the Bank and a generally favourable market interest rate environment, are reflected in net interest income that is expected to grow in the second half of the year compared with the first half and, on a year-on-year basis, also compared with the 2025 result (excluding one-off items).

With regard to fees and commissions, whilst taking into account the natural seasonality typical of the second half of the year, the full-year result is expected to be higher than in 2025 (already pro forma to include Anima's contribution from the first quarter) for both the "savings products" segment and "other fees and commissions"; in the case of the latter, this is mainly due to the recovery in disbursements and the substantial contribution from product manufacturers.
With regard to operating expenses, the normalised year-on-year comparison - on a pro forma basis to take account of Anima's contribution over the entire year - will continue to highlight the benefits deriving from the reduction in costs linked to the redundancy plan, largely completed in the second half of 2025. As for administrative expenses, the usual focus on operating costs, combined with initiatives to reduce the cost base, will help to contain the inflationary pressure arising from the macroeconomic environment.

With regard to lending, in a context of excellent asset quality resilience and a further improvement in the NPE ratio, positive trends are likely, although the macroeconomic scenario leads, as usual, to a prudent projection of the expected default rate. In this context, lending policies continue to be guided by rigorous customer selection criteria, and coverage levels, for both performing and non-performing exposures, remain at prudent levels.

Overall, the achievement of record results in the first half of 2026 - the result of a strengthened and diversified business model - should make it possible to exceed the profit before tax forecast in the Strategic Plan for the full financial year, thus helping to more than offset the impact of the changes to tax regulations included in the 2026 Budget Law and the unexpected systemic costs. This projection, combined with a higher-than-expected capacity for organic capital generation, makes it possible to confirm the Plan's financial trajectories and to increase returns to shareholders. In this regard, the Bank, in addition to planning to pay a DPS[1] of at least one euro for 2026, has decided to initiate the process for preparing a share buyback plan, subject to regulatory approvals, for an amount that may be disclosed to the market once authorisation has been obtained from the ECB, with the aim of increasing total shareholder remuneration over the 2024-2027 period from 6 billion to approximately 7 billion.

[1] DPS (dividend per share): calculated as the ratio of the amount of expected dividends (obtained by applying the expected payout ratio to the net profit for the period) to the number of shares making up the share capital.

Consolidated condensed interim financial statements

FINANCIAL STATEMENTS

Consolidated balance sheet

Asset items	30/06/2026	31/12/2025
10. Cash and cash equivalents	2,813,532	5,606,509
20. Financial assets at fair value through profit and loss	28,503,397	22,512,342
a) financial assets held for trading	16,914,127	11,775,491
c) other financial assets mandatorily measured at fair value	11,589,270	10,736,851
30. Financial assets measured at fair value through other comprehensive income	26,492,385	26,316,786
40. Financial assets at amortised cost	138,475,366	135,525,867
a) loans to banks	5,833,316	6,475,780
b) loans to customers	132,642,050	129,050,087
50. Hedging derivatives	724,498	834,792
60. Fair value change of financial assets in macro fair value hedge portfolios (+/-)	(145,808)	(148,718)
70. Interests in associates and joint ventures	1,450,154	1,452,559
80. Insurance assets	7,238	6,730
a) insurance contracts issued - assets	63	63
b) reinsurance assets	7,175	6,667
90. Property, plant and equipment	2,396,102	2,481,158
100. Intangible assets	3,187,224	3,214,115
of which:		
- goodwill	1,606,106	1,606,106
110. Tax assets	2,577,294	2,909,743
a) current	326,244	259,152
b) deferred	2,251,050	2,650,591
120. Non-current assets and disposal groups held for sale	198,106	196,649
130. Other assets	4,200,108	4,987,775
Total assets	**210,879,596**	**205,896,307**

Liabilities and shareholders' equity items	30/06/2026	31/12/2025
10. Financial liabilities at amortised cost	150,183,435	139,711,050
a) due to banks	9,483,189	6,646,055
b) due to customers	118,978,546	109,942,349
c) debt securities in issue	21,721,700	23,122,646
20. Financial liabilities held for trading	13,644,485	22,221,580
30. Financial liabilities designated at fair value	8,169,978	8,329,162
40. Hedging derivatives	569,086	614,825
50. Fair value change of financial liabilities in macro fair value hedge portfolios (+/-)	(568,311)	(487,533)
60. Tax liabilities	504,860	551,625
a) current	44,174	15,739
b) deferred	460,686	535,886
70. Liabilities associated with assets classified as held for sale	1,225	-
80. Other liabilities	7,274,440	4,342,059
90. Provisions for employee severance pay	187,834	193,796
100. Provisions for risks and charges	538,223	667,269
a) commitments and guarantees given	89,835	103,609
b) post-employment benefits and similar obligations	70,899	73,003
c) other provisions	377,489	490,657
110. Insurance liabilities	14,668,166	14,167,311
a) insurance contracts issued - liabilities	14,668,166	14,167,311
120. Valuation reserves	585,746	258,523
140. Equity instruments	1,389,729	1,787,145
150. Reserves	5,540,707	5,036,083
155. Advances on dividends	-	(691,552)
170. Share capital	7,100,000	7,100,000
180. Own shares (-)	(53,404)	(67,510)
190. Non-controlling interests (+/-)	83,105	80,487
200. Profit (loss) for the period (+/-)	1,060,292	2,081,987
Total liabilities and shareholders' equity	**210,879,596**	**205,896,307**

Consolidated income statement

Items	I half 2026	I half 2025
10. Interest and similar income	2,869,240	3,030,960
of which: interest income using the effective interest method	2,598,518	2,728,522
20. Interest and similar expense	(1,177,122)	(1,286,889)
30. Net interest income	**1,692,118**	**1,744,071**
40. Fee and commission income	1,619,613	1,356,245
50. Fee and commission expense	(315,198)	(234,106)
60. Net fee and commission income	**1,304,415**	**1,122,139**
70. Dividends and similar income	188,881	156,282
80. Net trading income	77,663	224,405
90. Fair value gains/losses on hedging derivatives	3,393	10,900
100. Gains (losses) on disposal or repurchase of:	15,447	(27,883)
a) financial assets at amortised cost	54,657	65,390
b) financial assets measured at fair value through other comprehensive income	(41,954)	(97,795)
c) financial liabilities	2,744	4,522
110. Net gains (losses) from other financial assets and liabilities measured at fair value through profit and loss	121,113	(141,617)
a) financial assets and liabilities designated at fair value	(61,479)	(107,400)
b) other financial assets mandatorily measured at fair value	182,592	(34,217)
120. Operating income	**3,403,030**	**3,088,297**
130. Net credit impairment losses/recoveries relating to:	(153,677)	(162,544)
a) financial assets at amortised cost	(152,795)	(160,866)
b) financial assets measured at fair value through other comprehensive income	(882)	(1,678)
140. Gains (losses) from contractual modification without derecognition	(1,125)	(142)
150. Net income from financial activities	**3,248,228**	**2,925,611**
160. Profit (loss) on insurance services	59,668	39,808
a) insurance revenues deriving from insurance contracts issued	120,121	94,096
b) costs for insurance services deriving from insurance contracts issued	(60,201)	(54,024)
c) insurance revenues from reinsurance	970	947
d) costs for insurance services deriving from reinsurance	(1,222)	(1,211)
170. Balance of revenues and costs of a financial nature relating to insurance activities	(353,521)	(178,107)
a) net costs/revenues of a financial nature relating to insurance contracts issued	(353,584)	(178,167)
b) net revenues/costs of a financial nature relating to reinsurance	63	60
180. Net income from financial and insurance activities	**2,954,375**	**2,787,312**
190. Administrative expenses:	(1,362,766)	(1,398,628)
a) personnel expenses	(859,474)	(870,765)
b) other administrative expenses	(503,292)	(527,863)
200. Net provisions for risks and charges	8,311	3,401
a) commitments and guarantees given	13,773	3,020
b) other net provisions	(5,462)	381
210. Depreciation and impairment losses on property, plant and equipment	(74,354)	(77,988)
220. Amortisation and impairment losses on intangible assets	(95,599)	(77,208)
230. Other operating expenses/income	150,162	147,651
240. Operating expenses	**(1,374,246)**	**(1,402,772)**
250. Gains (losses) of associates and joint ventures	51,418	268,993
260. Fair value gains (losses) on property, plant and equipment and intangible assets	(11,548)	(4,250)
280. Gains (losses) on disposal of investments	113	1,224
290. Profit (loss) before tax from continuing operations	**1,620,112**	**1,650,507**
300. Taxation charge related to profit or loss from continuing operations	(543,722)	(427,717)
310. Profit (loss) after tax from continuing operations	**1,076,390**	**1,222,790**
330. Profit (loss) for the period	**1,076,390**	**1,222,790**
340. Profit (loss) for the period attributable to non-controlling interests	(16,098)	(8,325)
350. Parent Company's profit (loss) for the period	**1,060,292**	**1,214,465**
Basic EPS (euro)	0.70	0.81
Diluted EPS (euro)	0.70	0.81

Statement of Consolidated Comprehensive Income

Items		30/06/2026	30/06/2025
10.	**Profit (loss) for the period**	**1,076,390**	**1,222,790**
	Other comprehensive income after tax without reclassification to the income statement	**283,746**	**50,441**
20.	Equity instruments designated at fair value through other comprehensive income	246,197	75,050
30.	Financial liabilities designated at fair value through profit and loss (changes to its own credit risk)	3,441	(20,300)
50.	Property, plant and equipment	36,749	433
70.	Defined benefit plans	(2,651)	1,751
90.	Share of valuation reserves related to interests in associates and joint ventures carried at equity	10	(6,493)
	Other comprehensive income after tax with reclassification to the income statement	**38,956**	**178,198**
110.	Foreign investment hedges	40	128
120.	Exchange rate differences	349	247
130.	Cash flow hedges	3,289	(4,631)
150.	Financial assets (other than equity instruments) measured at fair value through other comprehensive income	9,114	229,324
170.	Share of valuation reserves related to interests in associates and joint ventures carried at equity	(103)	792
180.	Revenues or costs of a financial nature relating to insurance contracts issued	26,267	(47,662)
200.	**Total other comprehensive income after tax**	**322,702**	**228,639**
210.	**Comprehensive income (Items 10+200)**	**1,399,092**	**1,451,429**
220.	**Consolidated comprehensive income attributable to non-controlling interests**	24,055	13,276
230.	**Consolidated comprehensive income attributable to the Parent Company**	**1,375,037**	**1,438,153**

Statement of Changes of Consolidated Shareholders' Equity

30 June 2026	Balance as at 31/12/2025	Changes in opening balances	Balance as at 1/01/2026	Allocation of profit from previous year		Changes in the period										Shareholders' equity as at 30/06/2026	Group shareholders' equity as at 30/06/2026	Non-controlling interests as at 30/06/2026
						Changes in reserves	Operations on shareholders' equity								Comprehensive income H1 2026			
				Reserves	Dividends and other allocations		Issue of new shares	Purchase of own shares	Advances on dividends	Extraordinary distribution of dividends	Changes in equity instruments	Derivatives on own shares	Stock options	Changes in equity interests				
Share capital:	**7,101,762**		**7,101,762**	**-**		**(873)**	**-**	**-**						**-**		**7,100,889**	**7,100,000**	**889**
a) ordinary shares	7,101,762		7,101,762	-		(873)	-	-						-		7,100,889	7,100,000	889
b) other shares	-		-	-			-	-						-		-	-	-
Share premium reserve	**80,677**		**80,677**	**-**		**(1,160)**	**-**							**-**		**79,517**	**-**	**79,517**
Reserves:	**4,999,361**	**-**	**4,999,361**	**2,102,783**	**(1,526,631)**	**(73,830)**	**3,694**	**-**		**-**		**-**	**-**	**-**		**5,505,377**	**5,540,707**	**(35,330)**
a) retained earnings	4,436,956	-	4,436,956	2,102,783	(1,526,631)	(61,600)	3,694	-		-				-		4,955,202	4,961,453	(6,251)
b) other	562,405	-	562,405	-		(12,230)	-			-		-	-	-		550,175	579,254	(29,079)
Valuation reserves	**272,497**	**-**	**272,497**			**12,478**								**-**	**322,702**	**607,677**	**585,746**	**21,931**
Equity instruments	**1,787,145**		**1,787,145**								**(397,416)**					**1,389,729**	**1,389,729**	**-**
Advances on dividends	**(691,552)**		**(691,552)**		**691,552**				**-**							**-**	**-**	**-**
Own shares	**(67,510)**		**(67,510)**			**-**	**14,106**	**-**								**(53,404)**	**(53,404)**	**-**
Profit (loss) for the period	**2,102,783**	**-**	**2,102,783**	**(2,102,783)**	**-**										**1,076,390**	**1,076,390**	**1,060,292**	**16,098**
Shareholders' equity	**15,585,163**	**-**	**15,585,163**	**-**	**(835,079)**	**(63,385)**	**17,800**	**-**	**-**	**-**	**(397,416)**	**-**	**-**	**-**	**1,399,092**	**15,706,175**	**15,623,070**	**83,105**
- of the Group	**15,504,676**	**-**	**15,504,676**	**-**	**(818,735)**	**(58,292)**	**17,800**	**-**	**-**	**-**	**(397,416)**	**-**	**-**	**-**	**1,375,037**	**15,623,070**		
- of non-controlling interests	**80,487**	**-**	**80,487**	**-**	**(16,344)**	**(5,093)**	**-**	**-**		**-**	**-**	**-**	**-**	**-**	**24,055**	**83,105**		

The information provided in the column "Allocation of profit from previous year - Dividends and other allocations" refers to:

- *amounting to 1,504.3 million in dividends distributed by the Parent Company (1 euro per share in issue as at the payment dates), net of the interim dividend paid in November 2025 against the profit for the 2025 financial year, amounting to 691.6 million (0.46 euro per 1,503,373,604 shares outstanding as at the payment date);*
- *6.0 million euro for assistance, charity and public interest pursuant to art. 5.2 of the Company Articles of Association;*
- *16.3 million for dividends distributed to third parties by Group subsidiaries.*

30 June 2025	Balance as at 31/12/2024	Changes in opening balances	Balance as at 1/01/2025	Allocation of profit from previous year		Changes in the period										Shareholders' equity as at 30/06/2025	Group shareholders' equity as at 30/06/2025	Non-controlling interests as at 30/06/2025
							Operations on shareholders' equity											
				Reserves	Dividends and other allocations	Changes in reserves	Issue of new shares	Purchase of own shares	Advances on dividends	Extraordinary distribution of dividends	Changes in equity instruments	Derivatives on own shares	Stock options	Changes in equity interests	Comprehensive income H1 2025			
Share capital:	**7,100,050**		**7,100,050**	**-**		**1,711**	**-**	**-**						**-**		**7,101,761**	**7,100,000**	**1,761**
a) ordinary shares	7,100,050		7,100,050	-		1,711	-	-						-		7,101,761	7,100,000	1,761
b) other shares	-		-	-			-	-						-		-	-	-
Share premium reserve	**-**		**-**	**-**		**80,622**	**-**							**-**		**80,622**	**-**	**80,622**
Reserves:	**4,830,485**	**-**	**4,830,485**	**1,920,393**		**(106,181)**	**(1,780)**	**-**		**-**		**-**	**-**	**-**		**5,135,015**	**5,173,033**	**(38,018)**
a) retained earnings	4,230,603	-	4,230,603	1,920,393	(1,507,902)	(60,966)	(1,780)	-		-				-		4,580,348	4,590,750	(10,402)
b) other	599,882	-	599,882	-		(45,215)	-			-		-	-	-		554,667	582,283	(27,616)
Valuation reserves	**(188,413)**	**-**	**(188,413)**			**(1,436)**								**-**	**228,639**	**38,790**	**33,839**	**4,951**
Equity instruments	**1,608,773**		**1,608,773**								**178,501**					**1,787,274**	**1,787,274**	**-**
Advances on dividends	**(600,553)**		**(600,553)**		**600,553**				**-**							**-**	**-**	**-**
Own shares	**(66,712)**		**(66,712)**			**-**	**16,209**	**-**								**(50,503)**	**(50,503)**	**-**
Profit (loss) for the period	**1,920,382**	**-**	**1,920,382**	**(1,920,382)**	**-**										**1,222,790**	**1,222,790**	**1,214,465**	**8,325**
Shareholders' equity	**14,604,012**	**-**	**14,604,012**	**11**	**(907,349)**	**(25,284)**	**14,429**	**-**	**-**	**-**	**178,501**	**-**	**-**	**-**	**1,451,429**	**15,315,749**	**15,258,108**	**57,641**
- of the Group	**14,603,943**	**-**	**14,603,943**	**-**	**(907,349)**	**(69,569)**	**14,429**	**-**	**-**	**-**	**178,501**	**-**	**-**	**-**	**1,438,153**	**15,258,108**		
- of non-controlling interests	**69**	**-**	**69**	**11**		**44,285**	**-**	**-**		**-**	**-**	**-**	**-**	**-**	**13,276**	**57,641**		

Consolidated Cash Flow Statement

Indirect method

		30/06/2026	30/06/2025 (*)
A.	**Operating activities**		
	1. Cash flow from operations	**1,667,827**	**1,659,726**
-	profit (loss) for the period (+/-)	1,076,390	1,222,790
-	gains/losses on financial assets held for trading and on other financial assets/liabilities at fair value through profit and loss (-/+)	(276,308)	(152,626)
-	capital gains/losses on hedging derivatives (-/+)	(3,393)	(10,900)
-	net credit impairment losses/recoveries (-/+)	154,802	162,686
-	net impairment losses/recoveries on property, plant and equipment and intangible assets (+/-)	169,953	155,196
-	net provisions for risks and charges and other costs/revenues (+/-)	(3,285)	1,968
-	net revenues and costs of insurance contracts issued and reinsurance (-/+)	293,853	138,299
-	taxes, duties and tax credits not settled (+/-)	307,233	205,683
-	net impairment losses/recoveries on discontinued operations net of taxes (-/+)	-	-
-	other adjustments (+/-)	(51,418)	(63,370)
	2. Cash flow from/used in financial assets	**(8,051,724)**	**(12,993,875)**
-	financial assets held for trading	(5,047,104)	(4,543,591)
-	financial assets designated at fair value	-	-
-	other financial assets mandatorily measured at fair value	(656,911)	(311,515)
-	financial assets measured at fair value through other comprehensive income	(176,481)	(2,642,198)
-	financial assets at amortised cost	(3,103,419)	(5,076,976)
-	other assets	932,191	(419,595)
	3. Cash flow from/used in financial liabilities	**4,699,235**	**13,319,691**
-	financial liabilities at amortised cost	10,472,385	3,298,554
-	financial liabilities held for trading	(8,577,095)	5,536,689
-	financial liabilities designated at fair value	(169,916)	40,694
-	other liabilities	2,973,861	4,443,754
	4. Cash flow from/used by insurance contracts issued and reinsurance	**206,494**	**272,899**
-	insurance contracts issued - liabilities/assets (-/+)	207,002	273,156
-	reinsurance assets/liabilities (+/-)	(508)	(257)
	Net cash flow from/used in operating activities	**(1,478,168)**	**2,258,441**
B.	**Investing activities**		
	1. Cash flow from:	**91,139**	**92,815**
-	sales of interests in associates and joint ventures	-	-
-	dividends collected on interests in associates and joint ventures	62,176	61,317
-	sales of property, plant and equipment	28,963	31,498
-	sales of intangible assets	-	-
-	sales of subsidiaries and business segments	-	-
	2. Cash flow used in:	**(108,703)**	**(1,955,320)**
-	purchases of interests in associates and joint ventures	(8,500)	(21)
-	purchases of property, plant and equipment	(32,256)	(67,634)
-	purchases of intangible assets	(67,947)	(439,670)
-	purchases of subsidiaries and business segments	-	(1,447,995)
	Net cash flow from/used in investing activities	**(17,564)**	**(1,862,505)**
C.	**Financing activities**		
-	issues/purchases of own shares	-	-
-	issues/purchases of equity instruments	(462,166)	119,498
-	dividend distribution and other allocations	(835,079)	(907,349)
-	third-party sales/purchases	-	-
	Net cash flow from/used in financing activities	**(1,297,245)**	**(787,851)**
	Net cash flow from/used during the period	**(2,792,977)**	**(391,915)**

(*) The figures relating to the previous period have been restated to guarantee a like-for-like comparison.

	Reconciliation	30/06/2026	30/06/2025
-	Cash and cash equivalents at the beginning of the period	5,606,509	12,124,840
-	Net cash flow from/used during the period	(2,792,977)	(391,915)
-	Cash and cash equivalents: foreign exchange effect	-	-
	Cash and cash equivalents at the end of the period	**2,813,532**	**11,732,925**

EXPLANATORY NOTES

These Explanatory Notes have been prepared with reference to the structure of the notes required by Bank of Italy Circular 262 for the financial statements, although the information provided is more concise, given the abridged nature of these interim financial statements. In order to make the document easier to read and to ensure consistency with the annual report, the numbering system set out in the aforementioned Circular has been retained, although certain parts, sections or tables have not been included as they are not applicable or relevant in light of the simplifications permitted for interim reporting.

PART A – ACCOUNTING POLICIES

A.1 – GENERAL PART

Statement of compliance with the international accounting standards

These consolidated condensed interim financial statements have been prepared according to the IFRS international accounting standards issued by the International Accounting Standards Board (IASB) adopted by the European Union and the related interpretations of the International Financial Reporting Interpretations Committee (IFRIC) endorsed by the European Commission, as established by EU Regulation no. 1606 of 19 July 2002, in implementation of Italian Legislative Decree no. 38 of 28 February 2005.

For the interpretation and application of international accounting standards, the following documents, although not endorsed by the European Commission, have been referenced:

- Conceptual Framework;
- Implementation Guidance, Basis for Conclusions and any other documents prepared by the IASB or IFRIC to complete the accounting standards issued.

The IFRS international accounting standards applied in the preparation of these consolidated condensed interim financial statements are those approved and in force on 30 June 2026, including the SIC and IFRIC interpretations.
For an overview of the accounting standards and the related interpretations endorsed by the European Commission, whose application is planned from 2026 or future years, please refer to the following paragraph "New accounting standards/interpretations or amendments to existing standards approved by IASB/IFRIC", which also illustrates any expected impacts for the Group.

Account was also taken, where applicable, of the communications issued by the supervisory authorities (Bank of Italy, ECB, EBA, CONSOB, IVASS and ESMA), interpretative documents on the application of IFRS prepared by the Italian Accounting Body (OIC) and the Italian Banking Association (ABI), as well as contributions from the Italian Valuation Body (OIV).
These documents provide guidance and recommendations on financial reporting, the accounting treatment of specific transactions and the presentation of the accounting impacts arising from uncertainties in the macroeconomic environment and climate risks.

The accounting standards used for the preparation of these consolidated condensed interim financial statements are consistent with those adopted for the consolidated financial statements as at 31 December 2025, to which reference should be made for an explanation of the criteria for the recognition, classification, measurement, derecognition and recognition of income components relating to the various items in the financial statements.

With reference to the disclosure provided, please note that the consolidated condensed interim financial statements as at 30 June 2026 were drafted in summary form, in compliance with the provisions of IAS 34 "Interim financial reporting", and must therefore be read in conjunction with the Group's consolidated financial statements as at 31 December 2025.

These consolidated condensed interim financial statements are drawn up clearly and provide a true and fair view of the equity and financial situation and economic result of Banco BPM and its subsidiaries/controlled entities as at 30 June 2026, as illustrated in the paragraph "Scope of consolidation and methods".

General preparation principles

The Consolidated interim financial report (hereinafter also referred to as the "Report"), prepared in accordance with art. 154-ter of Italian Legislative Decree no. 58 of 24 February 1998 ("TUF") and subsequent updates, consists of the consolidated condensed interim financial statements and the interim report on operations, which illustrates the significant events arising during the half-year and also the outlook for business operations.

The consolidated condensed interim financial statements consist of the consolidated balance sheet, the consolidated income statement, the statement of consolidated comprehensive income, the statement of changes of consolidated shareholders' equity, the consolidated cash flow statement and the related Explanatory Notes.

The financial statements and the contents of the Explanatory Notes have been prepared in keeping with Circular no. 262 of 22 December 2005 "Bank financial statements: layouts and rules for preparation" and the subsequent updates, most recently, the 8th update published on 17 November 2022. Specifically, this was a Circular issued by the Bank of Italy in exercising its powers established by the above-mentioned Legislative Decree 38/2005 (hereinafter also referred to as "Circular no. 262").
In consideration of the Group's categorisation as a financial conglomerate, the provisions contained in ISVAP Regulation no. 7 of 13 July 2007, most recently updated by IVASS Order no. 152 of 26 November 2024, were also taken into account. These provisions govern the disclosure obligations connected with the application of IFRS 17 in relation to insurance contracts issued by Group's insurance companies.

The financial statements present not only the accounting data as at 30 June 2026, but also the comparative balances relating to the same period in the previous year, with the exception of the balance sheet, which is compared with the last financial statements approved as at 31 December 2025.
In line with the provisions of the aforementioned Circular no. 262, the financial statements do not include items that do not have amounts for both the current period and the comparative period.

These consolidated condensed interim financial statements were approved by the Board of Directors of Banco BPM on 5 August 2026 and are subject to review by the independent auditors Deloitte & Touche S.p.A., in accordance with the mandate conferred by the Shareholders' Meeting of 18 April 2024 for the period 2026-2034.

These financial statements have been prepared using the euro as the reference currency.

The amounts shown in the financial statements and the tables of the Explanatory Notes are expressed in thousands of euro, unless otherwise indicated.

Significant accounting policies and uncertainties regarding the use of estimates in the preparation of consolidated condensed interim financial statements

The application of certain accounting standards necessarily involves the use of estimates and assumptions, which affect the values of the assets and liabilities recorded in the balance sheet, as well as the disclosures provided on contingent assets and liabilities in the Explanatory Notes.
The assumptions underlying the estimates are made taking into account the information available at the date of preparation of the consolidated interim financial report as at 30 June 2026 and on the basis of assumptions considered reasonable based on past experience and the current economic and financial scenario.

By their very nature, the estimates and assumptions made, whilst considered reasonable on the basis of the information available, may not be borne out by future developments in the economic, financial and market environment in which the Group will be operating.
The forecasting ability continues to be affected by the high degree of uncertainty characterising the international macroeconomic and financial environment. In particular, the ongoing conflict between Russia and Ukraine is

compounded by persistent tensions in the Middle East, which escalated significantly during the first half of 2026, partly as a result of the United States' direct involvement in the region's geopolitical dynamics. This situation has heightened concerns about the stability of the main international energy and trade routes, with particular reference to the risk of disruptions or restrictions to flows passing through the Strait of Hormuz, which is considered a strategic hub for global energy supplies. These factors, together with ongoing international trade tensions and the tariff policies introduced by the United States, continue to fuel uncertainty regarding future trends in energy commodity prices, inflation, financial conditions and the growth prospects of the major economies.
This scenario may influence the performance of the financial markets and the key macroeconomic variables relevant to financial statement measurements, with possible effects on the fair value measurements of financial instruments, on the valuation of credit exposures and, more generally, on the amounts that require the use of valuation models based on forward-looking assumptions. Particular attention has therefore been paid to exposures to counterparties and economic sectors that are most sensitive to trends in energy costs and supply chains.

These uncertainties influence the financial statement estimates, requiring the use of significant elements of judgement when selecting hypotheses and of assumptions underlying said estimates.
The results, which will be expressed in the future, could therefore differ from the estimates made for the purpose of drawing up the consolidated condensed interim financial statements and, consequently, could require adjustments to the book value of the assets and liabilities recognised, which at present cannot be foreseen or estimated.
In that context, note that it may be necessary to adjust estimates as a result of a change in the underlying circumstances, of the acquisition of new information or greater experience acquired over time.

Set out below are the accounting policies and areas of valuation that required management to exercise a greater degree of judgement, both because of the materiality of the financial statement figures concerned and because of the degree of complexity and subjectivity of the assumptions used.

For more detailed information on the valuation processes carried out as at 30 June 2026, please refer to the specific sections of the Explanatory Notes.

Determining the impairment on loans disbursed recognised in balance sheet assets

Receivables represent one of the balance sheet items most subject to management's estimates and judgements, as they are influenced by the Group's policies on the granting, management and monitoring of credit risk.
More specifically, the Group oversees the risk of default of the borrowing counterparties, through the continuous monitoring of any changes in customer accounts, in order to assess their repayment ability, based on the relative economic-financial situation. The purpose of this activity is to promptly intercept any signs of deterioration in credit risk, thus enabling the correct classification of exposures and an accurate determination of the relative value adjustments. The loss estimate may be made on the basis of a materiality threshold of the exposure under valuation, on an analytical basis, taking account of the expected recoverable cash flows or on a lump-sum basis, with reference to the losses recorded historically on loans with similar risk profiles.

With regard to loans for which objective impairment losses have not been identified singularly, namely performing loans, the impairment model envisaged in IFRS 9, based on expected losses, requires the implementation of adequate monitoring systems to identify any significant increase in credit risk with respect to the initial date of recognition of the exposure. In particular, the IFRS 9 impairment model envisages that expected losses shall be determined with reference to a time horizon of one year for financial assets that have not suffered a significant deterioration in their credit risk with respect to initial recognition (Stage 1) and with reference to the entire residual life of the financial asset in the case of exposures that have recorded a significant increase in credit risk (Stage 2).

On the basis of the above, it follows that losses on loans must be recorded with reference not only to the objective evidence of impairment already seen at the reporting date, but also on the basis of expectations of future impairment losses that have not yet emerged, which must reflect:

- the probability of occurrence of the different macroeconomic scenarios considered in the valuation models;
- the effect of discounting expected cash flows using the effective interest rate;
- historical experience of losses, appropriately supplemented by current and forward-looking information on developments in the economic and financial environment.

The calculation of the expected credit losses thus represents a complex exercise that requires the use of substantial level of judgement and estimation. Specifically:

- assessing the existence of a significant increase in credit risk with respect to the date of initial recognition of the exposure ("Significant Increase in Credit Risk" or "SICR") is based on the identification of adequate qualitative and quantitative criteria, which also include forward-looking information. Consequently, the use of different criteria may lead to the identification of a different scope of exposures to be classified as Stage 2, with consequent impacts on the level of expected credit losses recognised in the financial statements;
- the outcome of the impairment model must reflect an objective estimate of the expected credit loss, obtained by considering a range of possible results. This requires the identification of multiple macroeconomic scenarios, based on assumptions relating to the future evolution of economic conditions, to which appropriate probabilities of occurrence are associated. The selection of scenarios, their associated probabilities and the macroeconomic variables taken into account over the forecast period may influence, potentially to a significant extent, the level of impairment losses recognised;
- in accordance with Group policy, which requires the set of IFRS 9 macroeconomic scenarios to be updated at least every six months, for the purposes of determining expected losses as at 30 June 2026, the forecasts used in the financial statements as at 31 December 2025 have been updated, using the March 2026 Forecast Report, prepared by a leading external advisor, as a reference. The assessments were carried out using three macroeconomic scenarios ("*baseline*", "*adverse*" and "*favourable*"), to which respective probabilities of occurrence of 50%, 35% and 15% were assigned, in line with the approach adopted as at 31 December 2025;
- given the persistent geopolitical environment characterised by a high degree of uncertainty, the specific management adjustment, introduced in 2024 and designed to factor in geopolitical risk ("geopolitical PMA"), has also been confirmed for the first half of 2026, so as to incorporate into expected losses risks not fully reflected by standard models. This analysis involves the use of a "severe" scenario, as an alternative to the standard multi-scenario approach, which is assigned a 50% probability of occurrence, whilst the remaining 50% is allocated to the "baseline" scenario; In order to provide a more accurate picture of the effects of geopolitical tensions and volatility in the energy markets on the most vulnerable sectors, the Group also introduced a specific methodological refinement during 2026 applied to the sectors most exposed to rising energy costs and potential disruptions to supply chains. For these sectors, a more conservative weighting of the forward-looking scenarios has been adopted, assigning a weight of 60% to the "Severe" scenario and 40% to the "Baseline" scenario, so as to reflect their greater sensitivity to possible adverse developments in the macroeconomic context. For further details regarding the macroeconomic scenarios used, the associated probabilities of occurrence and the sensitivity analyses carried out on expected losses, please refer to the section on credit risk in Part E of these Explanatory Notes;
- the calculation of expected losses requires the use of estimation models concerning:
  - expected cash flows, which individual debtors - or portfolios of debtors that are similar in terms of risk - are expected to be able to generate in order to meet, in whole or in part, the obligations undertaken with regard to the Group, also taking into account possible scenarios in which the exposures are sold;
  - debt collection times;
  - the estimated realisable value of property and collateral.

Given the array of estimation approaches and methods permitted by international accounting standards, the use of a specific model or the selection of specific estimation parameters may have a significant influence on the valuation of the loans. For this reason, the methods and parameters used are subject to a continuous updating and refinement process, also based on historic data that gradually becomes available, in order to ensure an increasingly accurate representation of the estimated realisable value of the credit exposure.
In addition, in contexts characterised by high uncertainty, also due to the evolution of the macroeconomic and geopolitical framework and to the limited availability of reasonable and demonstrable forward-looking information, the measurement of expected losses may be integrated by specific managerial adjustments (management overlay/post model adjustment). These interventions are aimed at taking account of risk factors that are considered not to be fully captured by the models in use, such as, for example, climate risks and geopolitical risks.

For interventions adopted in the measurement of expected losses, please refer to the dedicated paragraph "Methods for measuring IFRS 9 expected losses for financial reporting purposes" contained in "Part E - Information on risks and related hedging policies" of these Explanatory Notes.

Overall, post-model adjustments as at 30 June 2026 amount to 135.7 million, of which 99.1 million relate to the geopolitical PMA calculated as described above.

In light of the above, the calculation of expected losses inevitably involves a significant degree of judgement and estimation. It follows that the adoption of alternative monitoring criteria or the use of different methodologies, parameters or assumptions in determining the recoverable value of the Group's credit exposures could result in credit exposure valuations that differ from those recognised for the purposes of preparing the consolidated condensed interim financial statements as at 30 June 2026.

Incorporation of climate and environmental risks in the calculation of expected losses

To estimate the expected losses on credit exposures, one of the most complex aspects to assess is the effective relevance of climate and environmental risks, given the high uncertainty that inevitably surrounds forecasting events which, by nature, may arise in long-term time horizons.
In particular, the effects associated with physical risks, arising from the gradual increase in the frequency and intensity of extreme weather events, as well as those associated with transition risks, resulting from the transition towards a low-carbon economy, may adversely affect counterparties' ability to fulfil their contractual obligations. These factors may also affect the value and recoverability of the collateral securing credit exposures, with possible implications for the estimation of recoverable cash flows.
In accordance with the provisions of IFRS 9, the determination of expected losses must incorporate reasonable and supportable information available without undue cost or effort, relating to past events, current conditions and future economic forecasts. In this context, climate and environmental risks are becoming increasingly significant, as they have the potential to influence not only the forward-looking macroeconomic scenarios used to measure expected losses, but also assessments relating to the significant increase in credit risk (SICR) and, more generally, estimates of the risk parameters used in IFRS 9 models.
In view of the growing significance of these factors, the Group began, as early as 2022, a process of integrating climate and environmental risks into its credit risk measurement processes for performing exposures, which has been subsequently refined and strengthened in subsequent years. In particular, from the 2024 financial year onwards, specific satellite models have been introduced to estimate probabilities of default (PD), which are capable of incorporating the effects of physical and transition risks through the introduction of economic and financial indicators (KPIs) sensitive to changes in climate scenarios.
During the first half of 2026, the methodological framework was further developed through the integration of "climate/transition risk" macroeconomic scenarios prepared by a leading external provider and consistent with the climate scenarios of the Network for Greening the Financial System (NGFS) identified by the Group for the purposes of ESG assessments and resilience analyses. These scenarios constitute a further analytical tool designed to strengthen the Group's ability to assess the prospective effects of climate transition on the economic, financial and sectoral variables relevant to the determination of expected losses.

As at 30 June 2026, the overlays applied to take climate and environmental risks into account resulted in higher value adjustments of 20.8 million compared to 31.2 million as at 31 December 2025.
Despite the ongoing refinement of the methodological framework adopted, there remain significant elements of uncertainty relating to the measurement of the economic and financial impacts of climate and environmental risks. Consequently, it cannot be ruled out that future regulatory, methodological or modelling developments, as well as the availability of new data sources and more granular climate scenarios, may lead to assessments that differ from those used in the preparation of these consolidated condensed interim financial statements as at 30 June 2026.

For further information on the methodologies adopted by the Group for incorporating climate and environmental factors into its credit risk measurement and management processes, as well as into the determination of expected losses in accordance with IFRS 9, please refer to the details set out in Part E - Information on risks and related hedging policies in these Explanatory Notes.

Determination of the Purchase Price Allocation (PPA) process

The application of IFRS 3 to business combinations requires that the difference between the consideration transferred and the acquired equity be allocated to the identifiable assets acquired and liabilities assumed, by determining their fair values at the acquisition date. Any excess of the cost of the business combination over the fair value of the identifiable net assets acquired is recognised as goodwill, whilst any negative balance is recognised in the income statement as a gain on acquisition at favourable prices (badwill).

Given the complexity of the valuations required, IFRS 3 provides for a measurement period of up to twelve months from the acquisition date, within which the acquirer may complete the recognition and measurement of the identified assets and liabilities identified on the basis of new information relating to facts and circumstances existing at the date of the business combination.

Determining the fair value of the identifiable assets and liabilities acquired requires the use of appropriate valuation methods and the application of assumptions and parameters, including those not directly observable on the market, such as expected cash flows, discount rates, growth rates and customer churn rates, as well as other risk factors specific to the assets being valued. The use of different methodologies, assumptions or valuation parameters may result in different values for the identified net assets and, consequently, may have a significant impact both on the allocation of the combination price to the individual assets and liabilities acquired and on the quantification of goodwill or any gain from acquisition at favourable prices recognised in connection with the business combination.
The effects of the valuations made at the time of the Purchase Price Allocation are not limited to the acquisition date, but are also reflected in subsequent periods. The fair value attributed to the identified assets and liabilities determines the amounts that will be progressively recognised in the income statement through the amortisation of intangible assets with a finite useful life, the reversal of other fair value adjustments recognised at the time of the PPA and, more generally, the subsequent measurement of the acquired assets and liabilities.
Consequently, any changes in the assumptions used or in the estimation of the relevant fair values could affect not only the amount of goodwill or badwill recognised, but also the profit or loss for subsequent periods, due to differences in the quantification of the value adjustments recognised as part of the PPA or the timing of their recognition in the income statement.

Estimating impairment losses in relation to intangible assets with an indefinite useful life

Pursuant to IAS 36, all intangible assets with an indefinite useful life must undergo impairment testing at least once a year to verify the recoverability of their book value. The standard permits that the results of the annual test may be considered valid also for subsequent interim tests, provided that the probability that the recoverable value becomes less than the book value is considered remote. This opinion may be based on the analysis of the facts and the circumstances that occurred after the date of the most recent annual impairment test conducted.
In application of these provisions, Banco BPM Group conducts impairment testing on intangible assets with an indefinite useful life as at 31 December of each year. The results of the aforementioned tests can be considered valid for subsequent interim situations, unless indicators of loss emerge that require an early impairment test, aimed at ascertaining the recoverability of the value of the aforementioned intangible assets with an indefinite useful life.
As described in the section "Intangible assets - Item 100" set forth in "Part B - Information on the consolidated balance sheet" of these Explanatory Notes, to which reference is made for further details, for assets with an indefinite useful life represented by trademarks and goodwill, in line with what is set forth in IAS 36, in the first half of the year an analysis was performed to exclude any existence of impairment indicators that could call into question the recoverability of the relative carrying amounts.

As at 30 June 2026, the assets in question amounted to a total of 2,201.8 million, unchanged compared to the figures as at 31 December 2025. They refer to:

- goodwill for 1,606.1 million. The assets in question arise from the business combination of Banca Popolare Italiana in 2007 (42.9 million allocated to the Bancassurance Protection CGU), the acquisition of the controlling interest in Oaklins Italy S.r.l. in 2021 (2.6 million), the acquisition of control of Banco BPM Vita in 2022 (10.0 million) and the acquisition of control of Anima Holding in 2025 (1,550.6 million);
- business trademarks for 595.7 million, recognised as part of business combinations with the former Banca Popolare Italiana Group in 2007 (222.2 million), with the former BPM Group in 2017 (282.1 million) and with Anima Holding in 2025 (91.4 million). The assets in question were mostly allocated to the Retail CGU, with the exception of 18.6 million relating to the Banca Akros trademark, and attributed to the relative CGU and 91.4 million assigned to the Anima CGU in relation to the relative trademark.

For the intangible assets mentioned above, an assessment was carried out of potential indicators of impairment, both internal and external, based on an analysis of the trend in expected cash flows compared with the forecasts included in the 2026 budget, as well as on changes in the discount rate used in the most recent impairment test carried out for the purposes of preparing the 2025 consolidated financial statements. The reviews also took into account the sensitivity analyses carried out on that occasion. Following the assessments carried out, no evidence has emerged to suggest that the recoverable value of the CGUs might be lower than their respective book values, including the allocated intangible assets; consequently, the carrying amounts recognised in the financial statements have been confirmed for the purposes of preparing the consolidated condensed interim financial statements as at 30 June 2026.

In this regard, it should be noted that the assessment of the recoverability of the intangible assets in question is a highly complex process that requires the exercise of significant professional judgement. The determination of the relevant recoverable value is influenced by the valuation methods adopted, the selection of parameters and the underlying assumptions, as well as by changes in the macroeconomic, financial and market variables taken into account in the valuation models.
In greater detail, the forecast data of the CGUs are by their nature random and uncertain, as they are sensitive to changes in macroeconomic variables and external phenomena, as well as based on a set of assumptions relating to future events that will not necessarily occur. It must therefore be noted that due to the uncertainty connected with the occurrence of future events, both as regards the materialisation of the event, and as regards the extent and timing of its occurrence, the deviations between the actual values and those estimated could be significant.

For a more complete understanding of the variations of recoverable values with respect to alternative hypotheses and assumptions, please refer to the sensitivity analysis contained in the section "Intangible Assets - Item 100" of "Part B - Information on the consolidated balance sheet - Assets" of these Explanatory Notes.

Assessment of significant influence and measurement of shareholders' equity

Assessing whether significant influence exists over an entity may require the exercise of significant judgement, as it involves analysing all the relevant facts and circumstances of the specific case. The elements to be analysed include, for example, the voting rights held, the existence of shareholders' agreements or contractual agreements, the presence of representatives on the investee's governing bodies, the nature and recognition of business relationships and any other evidence that may indicate the ability to participate in the management and financial decisions of the entity.
Further elements of judgement are necessary to allocate the difference between the purchase cost of the entity and the book value of its shareholders' equity, to verify the presence of any impairment indicators, as well as to determine the recoverable value, especially in the presence of significant implicit goodwill.
It cannot therefore be ruled out that different assessments regarding the existence of significant influence, the identification of any indicators of impairment, the allocation of the difference between the cost of acquisition and the investee's equity, as well as the methodologies, parameters and assumptions used to estimate the recoverable value, may result in carrying amounts for the investments that differ from those recognised in the consolidated condensed interim financial statements as at 30 June 2026.

For further details, please refer to the section "Interests in associates and joint ventures - Item 70" contained in "Part B - Information on the consolidated balance sheet - Assets" of these Explanatory Notes.

Determining the fair value of financial assets and liabilities

The determination of the fair value of financial assets and liabilities may require the activation of complex valuation processes, especially in the presence of instruments not listed on active markets, or instruments with reduced liquidity or characterised by particularly complex technical structures. In these circumstances, the measurement of fair value requires the use of valuation models and the exercise of significant judgement in selecting the most appropriate methodologies and the related input parameters, which may include variables not directly observable on the market.
The valuation of these instruments also requires the adoption of assumptions concerning, amongst other things, the future development of key market risk factors, expected cash flows, volatility, credit spreads, discount rates, liquidity premiums and other factors that market operators would take into account when determining the price of an arm's-length transaction at the valuation date.
Further margins of subjectivity may emerge in the assessment of the observability of the inputs used and, consequently, in the correct classification of financial instruments within the fair value hierarchy set out in IFRS 13 (levels 1, 2 and 3). This classification in fact reflects the level of observability of the inputs used in the valuation process and may have a significant impact on both the measurement of fair value and the information provided in the financial statements.
In particular, for instruments classified at Level 3 of the fair value hierarchy, the determination of fair value requires the use of parameters and assumptions that are not observable on the market and which, by their very nature, involve

elements of estimation and professional judgement. It follows that different valuation methods, assumptions or parameters could result in fair value figures that differ from those recognised for the purposes of preparing the consolidated condensed interim financial statements as at 30 June 2026.

For a detailed description of the methods adopted to measure the fair value of financial assets and liabilities, as well as for the qualitative and quantitative disclosure of financial instruments measured at fair value - including the sensitivity analysis relating to instruments classified as level 3 of the hierarchy - please refer to the contents of part "A.4 - Fair value disclosure" of these Explanatory Notes.

Estimating the recoverability of deferred tax assets

The Group holds significant deferred tax assets (DTAs), generated mainly by deductible temporary differences between the time of recognition in the income statement of certain costs and the time when they become tax deductible, as well as - to a lesser extent - by tax losses carried forward. The recognition and maintenance in the financial statements of these assets assumes the formulation of an opinion on their recoverability, to be expressed considering the tax regulations in force at the date of preparation of the financial statements, in compliance with IAS 12.

More specifically, the deferred tax assets that meet the requirements of Italian Law no. 214 of 22 December 2011 can be converted into tax credits upon fulfilment of the conditions laid down by the legislation, namely the presence of a "statutory loss", a "tax loss" for IRES purposes and a "net negative value of production" for IRAP purposes. For these assets, the recovery is considered certain, insofar as it does not depend on the ability to generate future taxable income. The continuation of the tax credit conversion scheme is subject to the exercise of the option provided for in Decree Law no. 59 of 3 May 2016, converted, with amendments, into Law no. 119 of 30 June 2016, which entails, where the stipulated conditions are met, the payment of an annual fee until 2030. The Group has resolved to continue to make use of this scheme. With regard to the 2026 financial year, no fee was payable, as the amount of tax paid exceeded that of deferred tax assets eligible for conversion into tax credits.

For residual tax assets that cannot be converted into tax credits, the judgement on recoverability must be based on reasonable forecasts of future profitability, inferred from strategic plans and forecasts approved by the competent bodies. For the sole purposes of IRES tax, account is also taken of the tax regulations that make it possible to carry forward any previous tax losses, without any time limit.
DTA recoverability is supported by a probability test, which involves a significant degree of judgement and estimation, particularly with regard to DTAs deriving from tax losses that can be carried forward. The very presence of tax losses may be an indicator of the possible absence, in the future, of sufficient taxable income. In line with the provisions of IAS 12 and on the indications of the ESMA in the document dated 15 July 2019, the above judgement of recoverability requires a careful recognition of all evidence available supporting the capacity for the future generation of sufficient taxable income, as well as the circumstances that gave rise to the tax losses, which must be ascribable to identifiable and non-recurring causes.
In order to take account of the uncertainties associated with developments in the macroeconomic environment and their potential impact on the estimate of the Group's taxable cash flows, the probability test was carried out, in line with the approach taken for the 2025 financial statements, by applying the "risk-adjusted profit approach". This methodology requires that projections of future taxable income be appropriately adjusted to take account of the risk inherent in the forecasts, by applying an adjustment factor determined in accordance with the methodology adopted for the purpose of determining the risk premium used in the impairment test for intangible assets with an indefinite useful life. This factor gradually increases over the length of the reference time horizon, reflecting the growing uncertainty associated with long-term forecasts.

Furthermore, in line with best valuation practices applied in contexts characterised by a high degree of uncertainty, the estimate of future taxable income was developed using a multi-scenario approach, in order to incorporate different possible developments in the relevant economic and financial variables.
In line with the view of the probability test, the forecasts on taxable income were developed on the basis of the latest 2026-2028 income projections approved by the Board of Directors on 12 March 2026, deemed valid for the purposes of preparing the consolidated condensed interim financial statements, and the related multi-scenario evolutions developed as part of the internal capital adequacy assessment process (ICAAP), with no signs of critical issues with respect to the recoverability of the above-mentioned DTAs.

It should also be noted that the recoverability of DTAs could be negatively affected by any future changes in tax regulations, the terms and conditions of which are not currently foreseeable.

The detailed disclosure of the breakdown of deferred tax assets, of the assessments carried out with regard to their recoverability and of the sensitivity analyses - conducted to assess the time horizon for the recovery of the same, based on reasonable changes in the main underlying hypotheses and assumptions - is provided in the section "Tax assets - Item 110 and Item 130 of assets" contained in "Part B - Information on the consolidated balance sheet" of these Explanatory Notes.

Estimating provisions for risks and charges

Group companies are defendants in a wide range of legal proceedings and tax disputes and are also exposed to numerous types of contingent liabilities, also related to the interpretation of laws, regulations and the rules issued by Supervisory Authorities. The complexity of the situations and company transactions underlying the ongoing disputes, together with issues related to the interpretation of the applicable law, require significant judgement to estimate the liabilities that could arise at the time that the pending disputes are settled. The difficulties in assessment regard both the occurrence, the amount and the timing of any emergence of liabilities, and are particularly evident when the proceeding is at the initial stage or the relative preliminary investigation is in progress. The specific nature of the matter in dispute and the consequent absence of case law relating to comparable disputes, as well as different approaches taken by the judicial bodies - both at the different levels of the contentious proceeding, and by bodies at the same level at different times - make the measurement of liabilities difficult, even when provisional rulings are available at the first level of judgement. Past experience demonstrates that in various cases, the rulings made by the judges in the courts of first instance have then been completely overturned on appeal or at the Supreme Court, and this may be in favour or not in favour of Group companies. In this context, the classification of contingent liabilities and the consequent evaluation of the provisions needed are based on judgements that are not always objective, which require the use of often extremely complex estimation procedures. Therefore, it cannot be ruled out that following the issue of final decisions, the provisions for risks and charges made against liabilities relating to legal and tax disputes or other types of liability may prove to be lacking or excessive.

For information on the Group's main risk positions in relation to legal disputes (actions to void and pending lawsuits) and tax disputes with the Tax Authorities, reference should be made to the section "Liability provisions - Items 90 and 100" contained in the liabilities in "Part B - Information on the consolidated balance sheet" of these Explanatory Notes.

Additional allocations to provisions for risks and charges may be necessary in relation to the commitments undertaken by the Group as part of transactions such as the sale of interests in associates and joint ventures, business units, non-performing loan portfolios, as well as regarding partnership agreements linked to the aforementioned transactions. These commitments take the form of mechanisms designed to protect and guarantee the investment made by the purchasing counterparties, which may give rise to obligations on the part of the Group should specific conditions set out in the contracts be met.
In these contexts, the aforementioned mechanisms may provide for the recognition, in favour of the purchaser, of an indemnity if certain economic, commercial or operational objectives are not achieved. In such circumstances, estimating any potential outlay requires the Group to make projections regarding the achievement of contractual targets and to assess the possible corrective actions that it can reasonably take to prevent the liability from occurring or to limit its effects.
With regard to the assignments of non-performing loans, indemnities are instead due if discrepancies emerge with respect to the declarations and guarantees issued contractually by the Group at the time of the assignment, relating to the quality of the information or documentation supporting the loans. In these circumstances, the quantification of the provision must consider the expected evolution of the outlays relating to claims received from purchasers for alleged breaches of contractual guarantees.

For a more detailed description, reference should be made to the section "Liability provisions - Items 90 and 100" contained in "Part B - Information on the consolidated balance sheet - Liabilities" of these Explanatory Notes.

Determination of the fair value of property

The Group's accounting policies envisage that real estate assets are measured at fair value, according to the measurement criteria established by accounting standard IAS 40 for investment property or by standard IAS 16 - and

in particular according to the revalued amount criterion - for properties used in operations, i.e. those used for administrative and/or commercial purposes. The update of the fair value, in compliance with the requirements laid out by IFRS 13, is supported by appraisals issued by leading specialised companies, drawn up on the basis of the "RICS Valuation" standards.[1]
In more detail, for properties for investment purposes, the Group's accounting policies require fair value to be updated annually, at the closures of each year, unless there is evidence that renders an earlier update necessary; for properties with a book value above 10 million[2], an update on a half-yearly basis is envisaged in any event.
For properties used in operations, the fair value may be restated more frequently than one year. This frequency may depend on whether there are significant deviations in property market prices, based on a scenario analysis, on its relevance or on the distinctive characteristics of properties. In particular, for properties used in operations, the appraisal is updated every two or three years depending on whether the property has a value of more than or less than 3 million, unless the scenario analysis is such that an earlier revision is required.

For the drafting of this Report, in line with the company policy, the updates concerned all investment and mixed-use properties with a book value of more than 10 million and those properties - whether for investment or operational use - affected by certain events occurring during the half year, with a potential impact on fair value (such as, lease revisions, maintenance status assessments, change of the property's intended use, etc.).
In further detail, during the first half of 2026, a total of 51 properties (of which 30 properties relating to the appraisal update campaign as at 30 June 2026) were appraised, for a book value before valuation of approximately 326 million. The appraised properties represent approximately 19% of the Group's real estate assets, also considering properties classified as held for sale, whose value has been revised to align it with any sales prices agreed, as resulting from the resolutions of the Corporate Bodies and/or functions authorised for said sale. If we consider the scope referring solely to properties for investment use, the degree of coverage guaranteed by the expert update is approximately 63%.

The aforementioned updates, supported by an external valuation, as well as adjustments to the presumed sale values derived from ongoing sales negotiations, resulted in a total negative impact of 10.2 million in the first half of 2026, recognised for -11.5 million as an offsetting entry in the income statement and for +1.3 million as an increase in valuation reserves (a negative effect of -4.3 million was recorded in the income statement for the corresponding period of the previous financial year; by contrast, a positive effect of +0.6 million was recognised as an offsetting entry to the valuation reserves as at 30 June 2025).

For properties classified as held for sale, the fair value update takes into account the prices of sale negotiations, as resolved by the Bodies and/or the authorised company functions.

IFRS 13 allows the use of different valuation methods. The choice of method, as well as the selection of parameters and estimation assumptions, can significantly influence the fair value, also taking into account the specific nature and distinctive characteristics of the object to be measured.
This is particularly relevant for land and real estate development initiatives, the value of which is notoriously volatile and susceptible to significant changes, due to fluctuations in construction costs, the availability and cost of development loans, and supply and demand trends of the real estate market, strongly influenced by the macroeconomic context.

The critical assumptions used in the appraisals include the assessment of the highest and best use of the property, defined as the reasonably possible use able to maximise its value. In this regard, for properties used in operations, the valuation was carried out assuming the continuity of use by the Group, on the basis of a rental fee in line with market conditions, unless specific indications relating to release plans are given.

Margins of subjectivity are also present when identifying the perimeter of properties used in operations, for which the appraisals need to be updated, based on the ability to identify significant changes in value in property market prices, which make the request for an updated valuation necessary.

In light of the above, it cannot be ruled out that the use of alternative methods, different parameters or different assumptions - influenced by forecasts relating to the real estate markets pertinent to the Group, as well as by real estate management strategies, including any disposals of portfolios - may lead to different values with respect to those

[1] Standards set out in the "RICS Valuation - Global Standard" of the Royal Institution of Chartered Surveyors of the United Kingdom (also known as the "Red Book").
[2] The threshold of 10 million is also applied to properties with mixed use, i.e. for investment and used in operations.

estimated for these consolidated interim financial statements, with potential negative impacts on the Group's balance sheet and income statement.

For further details, please refer to the section "Property, plant and equipment - Item 90" contained in "Part B - Information on the balance sheet" of these Explanatory Notes.

Estimating obligations relating to employee benefits

The valuation of liabilities related to employee benefits - in particular defined benefit plans and long-term benefits - requires the application of complex actuarial methods, based on a complex set of demographic assumptions (such as mortality, longevity and turnover rates) and financial assumptions (including discount rates and inflation rates). The definition of these assumptions involves significant elements of judgement on the part of management and is conditioned by both the socio-economic framework of reference and the evolution of the financial markets.
With specific reference to employee benefits represented by the provisions for employee severance pay (TFR) and by defined benefit pension funds, changes in financial assumptions, as well as deviations between the experience observed and the assumptions made in previous valuations, resulted in an increase in liabilities of 3.6 million in the first half of 2026 (of which 3.2 million related to the provisions for employee severance pay and 0.4 million to defined benefit pension funds).
This increase, which net of the tax effect amounts to 2.7 million, is recognised as a balancing entry to a negative income component in the statement of comprehensive income (item "70. Defined benefits plans"); the corresponding income component recorded in the first half of 2025 was positive by 1.8 million.

The main actuarial assumptions adopted, the effects of changes to these assumptions and the sensitivity analysis of the liabilities with respect to the assumptions deemed most significant are set out in detail in the section "Liability provisions - Items 90 and 100" contained in "Part B - Information on the consolidated balance sheet" of these Explanatory Notes.

Estimating insurance liabilities for commitments to policyholders

The measurement of the Group companies' insurance liabilities requires the use of valuation processes characterised by a high degree of complexity and involving significant elements of estimation and professional judgement. Determining the value of liabilities to policyholders requires, in fact, the establishment of a comprehensive set of demographic, economic, financial and behavioural assumptions, which have a direct impact on the estimation of expected future cash flows and, consequently, on the amount of liabilities recognised in the balance sheet.
In particular, the valuation of insurance liabilities according to the approach of IFRS 17, follows metrics similar to the "Solvency II" regulatory framework for Insurance Companies to analyse and assess the main risks typical of the sector. A more detailed description of the material risks and the related management techniques is set out in the "Solvency and Financial Condition Report", published annually by the Companies.
With reference to the Life business, the most significant sources of uncertainty concern the evolution of mortality and longevity assumptions, the variability of policyholder behaviour (such as surrenders and contractual options), as well as the trend in inflation rates that affect the forecast of future expenses. The assumptions adopted for the definition of the discount rate curve, as well as the methodologies applied to estimate the adjustment for non-financial risk, also play a decisive role, for the purposes of measuring reserves.
The valuation of insurance liabilities is also influenced by the methodologies adopted for projecting future cash flows, the identification and aggregation of contract groups, and the methods used to determine and subsequently release the Contractual Service Margin (CSM). Different methodologies, assumptions or valuation parameters could therefore lead to a different quantification of insurance liabilities and the financial results for subsequent periods.

By their very nature, the assumptions used reflect the best estimates available at the balance sheet date, based on the information available and expectations regarding future developments in the economic, financial and insurance environments. It cannot therefore be ruled out that actual demographic, financial and behavioural trends may differ from the assumptions made, resulting in (potentially significant) effects on the measurement of liabilities to policyholders and on the future financial results of the Group's companies.

Ongoing inspections by the Supervisory Authority

As represented in the Report on operations, as part of the ordinary inspection cycle by the Supervisory Authority, at the date of this consolidated interim financial report, some inspections are underway on specific areas. With regard

to the inspections completed, the Group launched the appropriate remedial actions in response to the recommendations or decisions set forth in the "Decisions" or "Final follow-up letters".
Although the information elements acquired in the inspections underway are carefully assessed in order to consider any implications on the financial statement estimates, it cannot be ruled out that any introduction of changes to the processes, in response to any requests or final recommendations issued by the Supervisory Authority, as well as the emergence of new information not known at the date of drafting of this Report, may in the future affect the assessments of the exposures reported in the financial statements.
The same applies in relation to the remedial actions in progress, as any refinements of valuation methods or processes could prospectively impact Group financial statement estimates.

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The illustration of the valuation processes referred to above is provided exclusively with the aim of facilitating the reader in understanding the main areas of uncertainty that characterise financial statement estimates; it is in no way intended to suggest that, at present, alternative hypotheses or assumptions may be more appropriate than those adopted.
In order to provide comprehensive disclosure regarding the key estimates and assumptions used, these Explanatory Notes contain specific sections dedicated to the most significant items in the financial statements that involve significant judgement, including the recoverability of intangible assets with an indefinite useful life, the recoverability of deferred tax assets, the determination of expected losses on credit exposures, the measurement of post-employment benefit liabilities and the determination of the fair value of financial instruments and property.
These sections set out the main valuation methodologies adopted, the key assumptions and parameters used in the relevant estimation models and, where deemed relevant, the sensitivity analyses carried out to illustrate the effects of reasonable changes in the underlying assumptions.

Declaration of going concern

The consolidated interim financial report as at 30 June 2026 has been prepared on a going concern basis, as the Directors have assessed that there are no significant uncertainties that would cast doubt on the Group's ability to continue as a going concern for the foreseeable future.

In carrying out this assessment, the Directors took into account the relevant macroeconomic and financial context, which is characterised by ongoing uncertainties linked to developments in the international geopolitical landscape, inflationary trends, interest rate movements and the outlook for economic growth. The Directors consider that these factors are not such as to compromise the going concern assumption, also in light of the high level of current and future soundness of the Group's equity and financial structure.

In light of the analyses carried out and taking into account the Group's current financial position, its ability to generate recurring profitability, the strength of its liquidity profile and its access to funding sources, the Directors consider that the going concern assumption is appropriate for the purposes of preparing this consolidated interim financial report.

For a description of the main risks to which the Group is exposed and the related safeguards put in place, please refer to the section entitled "Part E - Information on risks and related hedging policies" in these Explanatory Notes.

Scope of consolidation and methods

(A) Subsidiaries

The consolidated condensed interim financial statements include the balance sheet and income statement results of the Parent Company Banco BPM S.p.A. and its direct and indirect subsidiaries, including structured entities, in accordance with that envisaged by accounting standard IFRS 10.
Based on the cited standard, the requirement of control is the basis for the consolidation of all types of entity, including structured entities, and is met when an investor simultaneously fulfils the following three requirements:

- power to decide on the relevant activities of the entity;
- exposures, or rights, to variable returns resulting from involvement with the entity;

- ability to use its power to affect the amount of said returns, as a result of its involvement with the entity (link between power and returns).

More specifically, IFRS 10 establishes that, in order to possess control, the investor must have the ability to direct the relevant activities of the entity, by virtue of a legal right or of a mere state of fact, and must also be exposed to the variability of the results arising from said power.
In light of the above-mentioned regulatory references, the Group must therefore consolidate all types of entity where all three control requirements are met.
Generally, when an entity is considered direct by virtue of voting rights, control results from holding over half of those rights.
In the other cases, establishing the scope of consolidation requires all factors and circumstances that give the investor the practical ability to unilaterally conduct the relevant activities of the entity (actual control). To this end, a set of factors has to be considered, such as, merely by way of example:

- the purpose and the design of the entity;
- the identification of the relevant activities and how they are managed;
- any right held by means of contractual arrangements which award the power to direct the relevant activities, such as the power to establish the financial and operating policies of the entity, the power to exercise majority voting rights in the decision-making body or the power to appoint or remove the majority of the body with decision-making functions;
- any potential voting rights that can be exercised and are considered substantial (including those embedded in options, way-out clauses or instruments convertibles into shares);
- involvement with the entity in the role of agent or principal;
- the nature and dispersion of any rights held by other investors.

Potential voting rights are considered substantial if all of the following conditions are met:

- they can be exercised immediately or in any case in time for the shareholders' meeting;
- there are no legal or economic barriers to their exercise;
- the exercise is economically viable.

The following paragraphs provide further details on the scope of entities controlled exclusively as at 30 June 2026, broken down into companies controlled through voting rights and structured entities.

Companies controlled through voting rights

With reference to the Group's structure as at 30 June 2026, companies in which the Group holds the majority of voting rights that can be exercised in the ordinary shareholders' meeting are considered to be exclusively controlled, as no evidence has emerged that other investors have the practical ability to unilaterally direct the relevant activities.
For companies in which the Group holds a share equal to or less than half of the voting rights, as at 30 June 2026, no contractual agreements, statutory clauses, potential rights or other circumstances were identified that gave the Group the practical ability to exercise exclusive control over the relevant activities.

Consolidated structured entities

Control of structured entities - i.e. entities for which voting rights do not constitute the main element for determining control - is deemed to exist when the Group holds contractual rights that give it the ability to govern the relevant activities of the entity and, at the same time, is exposed to the variable returns generated by the same.
On this basis, the structured entities that were consolidated in the consolidated condensed interim financial statements as at 30 June 2026 are represented by the special purpose entities created for the securitisation transactions originated by the Group for funding purposes (self-securitisation), as illustrated in Part E of these Explanatory Notes, and by some mutual investment funds held and managed by the Group.

In particular, for securitisation SPEs, the elements deemed significant for identifying control and the resulting consolidation are:

- the purpose of said SPEs;
- exposure to the outcome of the transaction;
- the ability to structure transactions and to direct the relevant activities and take critical decisions through servicing contracts;

- the ability to arrange for their liquidation.

For a detailed description of the effects resulting from the consolidation of the separate assets of the special purpose entities relating to the securitisations originated by the Group - in relation to the transactions for which the assets transferred into the separate financial statements were not "derecognised" - please refer to the Annual Financial Report as at 31 December 2025, "A.2. Key financial statement items", paragraph "16 - Other information, Traditional securitisations - derecognition from financial statements of financial assets sold".

With regard to structured entities represented by mutual investment funds and similar vehicles, the Group is considered to act in the capacity of "principal" - and therefore to exercise control, with the consequent consolidation of the fund - if the following conditions are simultaneously met:

- power to direct relevant activities, a situation that occurs when:
  - the Group operates as fund manager and there are no other investors with substantial removal rights; or
  - the Group has a substantial right to remove the fund manager (external to the Group) without just cause or due to the performance of the funds; or
  - the governance structure of the fund gives the Group the ability to substantially govern the relevant activities;
- significant exposure to the variable returns generated by the fund, as it directly holds a share deemed significant, in addition to any other form of exposure related to the fund's economic results;
- ability to influence returns through the exercise of power, if:
  - the Group acts as fund manager;
  - the Group has a substantial right to remove the fund manager (external to the Group);
  - the Group has the right to participate in the Committees of the fund, with powers that give it the legal and/or practical ability to direct the activities of manager.

In accordance with the aforementioned policy, the "Anima Valore Obbligazionario" fund, managed by Anima SGR, and the "Private Equity Opportunities (PEO)" fund - primary and secondary segments - managed by Banco BPM Invest SGR, are included within the scope of consolidation. For both funds, the Group has determined that the control criterion under IFRS 10 is met, given the power exercised over the relevant assets and the exposure to the associated variable returns, which also stems from the holding of a majority of the units.
However, the relative consolidation did not have a significant impact on the Group's equity, economic and financial position, as explained in more detail below.

"Anima Valore Obbligazionario" is a harmonised open-ended fund launched by Banco BPM in 2020, wholly owned by the Group and managed by its subsidiary Anima SGR. As at 30 June 2026, the net assets of the fund amounted to 421.5 million, mainly comprised of government securities and bank bonds.
The "Private Equity Opportunities" (PEO) fund, comprising primary and secondary segments, is an alternative investment fund (AIF) of the fund of funds type, managed by Banco BPM Invest SGR. The fund was established through the transfer of private equity funds, with vintage years ranging from 2015 to 2019, previously held in Banco BPM's portfolio. As at 30 June 2026, the net assets of both segments, amounting to 120 million, are classified under the balance sheet item "20. c) Other financial assets mandatorily measured at fair value"; minority interests, amounting to 7.8 million, are shown under the balance sheet item "80. Other liabilities".

With regard to the UCITS units held by the Group's insurance companies, as at 30 June 2026, no funds were identified that met the criteria for control under IFRS 10. These funds represent the assets held to cover insurance contracts issued by the Group's companies, the returns on which (whether positive or negative) are essentially passed on to the policyholders. The Group's exposure is therefore primarily limited to the management fees received, the amount of which is not considered significant in relation to the overall returns generated by the funds and does not, therefore, constitute an exposure to variable returns such as to confer control on the Group.

Line-by-line consolidation method

Controlled entities are consolidated from the date on which the Group acquires control, according to the purchase method, and cease to be consolidated from the moment in which a situation of control no longer exists; for details, please refer to the Annual Financial Report as at 31 December 2025, section "A.2 - Key financial statement items" paragraph "16 - Business combinations, goodwill and changes in interest holdings".

Full consolidation consists of the "line-by-line" acquisition of the balance sheet and income statement aggregates of subsidiary entities. For consolidation purposes, the book value of the equity interests held by the Parent Company or by the other Group companies is eliminated against the acquisition of the assets and liabilities of the investees, as a balancing entry to the corresponding portion of shareholders' equity attributable to the Group and the portion held by non-controlling interests, also taking into account the purchase price allocation upon acquisition of control.

For subsidiaries and companies governed by voting rights, the portion of shareholders' equity, profit (loss) for the year and comprehensive income attributable to non-controlling interests is indicated as a separate item in the respective schedules of the consolidated financial statements (respectively in items: "190. Non-controlling interests", "340. Profit (loss) for the year attributable to non-controlling interests", "220. Consolidated comprehensive income attributable to non-controlling interests"). For mutual investment funds, subject to consolidation, the non-controlling interest is represented in the balance sheet liability item "80. Other liabilities", while for the income statement, the non-controlling interest is recorded as a reduction of the income statement items affected by the consolidation.

The costs and revenues of the subsidiary entity are consolidated from the date on which control was acquired. The costs and revenues of a subsidiary sold are included in the income statement up until the date of sale; the difference between the sale price and the book value of the net assets of the same is recognised under the income statement item "280. Gains (losses) on disposal of investments". In the event of the partial disposal of a subsidiary entity, which does not result in a loss of control, the difference between the sale price and the relative book value is recognised as a balancing entry of shareholders' equity.

The assets, liabilities, off-balance sheet transactions, income and expenses relating to transactions between consolidated companies are eliminated in full.

The balance sheet and income statement results of the consolidated companies whose operating currency is different from the euro are translated based on the following rules:

- the balance sheet assets and liabilities are converted at the exchange rate in effect at the end of the period;
- the revenues and costs on the income statement are converted at the average exchange rate for the period.

All exchange rate differences originated by the conversion are recognised in a specific valuation reserve under shareholders' equity. Changes in value of the valuation reserve due to exchange rate differences are included in the Statement of comprehensive income. Said reserve is eliminated through a concurrent debiting/crediting of the income statement when the foreign interest is disposed of. The disposal can take place by sale, liquidation or repayment of capital.

In order to prepare the consolidated condensed interim financial statements as at 30 June 2026, all of the exclusively controlled companies have prepared a balance sheet and income statement in accordance with the Group's accounting principles.

Interests in associates and joint ventures held for sale are recorded in compliance with the reference international accounting standard IFRS 5, which regulates the recording of non-current assets held for sale. In this case, the assets and liabilities held for sale are included in the balance sheet items "120. Non-current assets and disposal groups held for sale" and "70. Liabilities associated with assets classified as held for sale".
If the disposal of the associates and joint ventures is classified as discontinued operations (under the terms of IFRS 5), the relative income and expenses are recognised in the income statement, net of taxes, under item "320. Profit (loss) after tax from discontinued operations". Otherwise, the contribution of the investee is shown in the income statement "line by line". For further details please refer to the content of paragraph "8 - Non-current assets and disposal groups held for sale" contained in "A.2 - Key financial statement items" of the Annual Financial Report as at 31 December 2025.
If the fair value of the assets and liabilities held for sale, net of costs to sell, turns out to be lower than the book value, a value adjustment is recognised, to be booked to the income statement, in accordance with the requirements of IFRS 5.

(B) Interests in companies subject to joint control and subject to significant influence

Associates, i.e. companies over which significant influence is exercised, are considered to be non-controlled companies in which the Group is able to exercise significant influence. This influence is presumed to exist when the Group holds

an interest equal to or greater than 20% of voting rights. However, it may also occur with lower percentages, if the Group has the ability to participate in the management and financial decisions of the investee, by virtue of specific legal ties, such as shareholder agreements, aimed at ensuring representation in the management bodies and consistency of management guidelines, without however setting up a situation of control.
Companies subject to joint control are enterprises where the joint control is based on a contract or other agreement whereby it is necessary to obtain the unanimous consensus of all the parties sharing the control to make strategic financial and operating decisions. This takes place when the voting rights and control over the economic activity of the investee are shared jointly by Banco BPM and another party. Furthermore, an equity investment is qualified as under joint control when, even though voting rights are not shared jointly, the unanimous consent of all parties sharing control is required to take decisions regarding significant activities.

Interests in companies subject to joint control and subject to significant influence are measured according to the equity method, based on the most recent financial statements available of the associated company/company subject to joint control, adjusted, where necessary, to reflect significant events or transactions that occurred after the reporting date of the financial statements used.
For an illustration of the classification, recognition, measurement and derecognition criteria, please refer to paragraph "5. Interests in associates and joint ventures" in "A.2 - Key financial statement items" of the Annual Financial Report as at 31 December 2025.

Interests in exclusively controlled companies

The table below lists the interests in exclusively controlled companies. For information on interests in companies subject to joint control and significant influence by Banco BPM Group please refer to the "Interests in associates and joint ventures - Item 70" section of these Explanatory Notes.

	Company name	Operational headquarters	Registered office	Type of relationship (1)	Investment relationship		Available % of votes (2)
					Holder	% held	
	Banco BPM S.p.A.	**Verona**	**Milan**		**Parent Company**		
1.	Agriurbe S.r.l. in liquidation Share capital € 10,000.00	Milan	Milan	1	Banco BPM	100.000%	100.000%
2.	Aletti Fiduciaria S.p.A. Share capital € 1,040,000.00	Milan	Milan	1	Banca Aletti	100.000%	100.000%
3.	Anima Holding S.p.A. Share capital € 7,421,605.63	Milan	Milan	1	Banco BPM Vita	89.949%	89.949%
4.	Anima SGR S.p.A. Share capital € 23,793,000.00	Milan	Milan	1	Anima Holding	100.000%	100.000%
5.	Anima Alternative SGR S.p.A. Share capital € 3,000,000.00	Milan	Milan	1	Anima Holding	100.000%	100.000%
6.	Banca Akros S.p.A. Share capital € 39,433,803.00	Milan	Milan	1	Banco BPM	100.000%	100.000%
7.	Banca Aletti S.p.A. Share capital € 121,163,538.96	Milan	Milan	1	Banco BPM	100.000%	100.000%
8.	Banca Aletti & C. (Suisse) S.A. Share capital CHF 35,000,000	CH - Lugano	CH - Lugano	1	Banca Aletti	100.000%	100.000%
9.	Banco BPM Invest SGR S.p.A. Share capital € 2,500,000.00	Milan	Milan	1	Banco BPM	100.000%	100.000%
10.	Banco BPM Vita S.p.A. Share capital € 2,099,125,000.00	Milan	Milan	1	Banco BPM	100.000%	100.000%
11.	BBPM Life DAC Share capital € 802,884.81	Dublin	Dublin	1	Banco BPM Vita	100.000%	100.000%
12.	Bipielle Bank (Suisse) S.A. in liquidation Share capital CHF 7,550,000	CH - Lugano	CH - Lugano	1	Banco BPM	100.000%	100.000%
13.	BPM Covered Bond S.r.l. Share capital € 10,000.00	Rome	Rome	1	Banco BPM	80.000%	80.000%
14.	BPM Covered Bond 2 S.r.l. Share capital € 10,000.00	Rome	Rome	1	Banco BPM	80.000%	80.000%

Company name	Operational headquarters	Registered office	Type of relationship (1)	Investment relationship		Available % of votes (2)
				Holder	% held	
15. BRF Property S.p.A. Share capital € 2,000,000.00	Parma	Parma	1	Banco BPM	99.000%	99.000%
16. Castello SGR S.p.A. Share capital € 4,801,506.000	Milan	Milan	1	Anima Holding	100.000%	100.000%
17. Ge.Se.So. S.r.l. Share capital € 10,329.00	Milan	Milan	1	Banco BPM	100.000%	100.000%
18. Kairos Partners SGR S.p.A. Share capital € 5,135,479.00	Milan	Milan	1	Anima Holding	100.000%	100.000%
19. Lido dei Coralli S.r.l. Share capital € 10,000.00	Sassari	Sassari	1	Banco BPM	100.000%	100.000%
20. Oaklins Italy S.r.l. Share capital € 109,000.00	Milan	Milan	1	Banca Akros	100.000%	100.000%
21. Partecipazioni Italiane S.p.A. in liquidation Share capital € 350,000.00	Milan	Milan	1	Banco BPM	99.966%	100.000%
22. Sagim S.r.l. Società Agricola (*) Share capital € 7,746,853.00	Asciano (SI)	Asciano (SI)	1	Agriurbe	100.000%	100.000%
23. Sirio Immobiliare S.r.l. Share capital € 10,000.00	Lodi	Lodi	1	Banco BPM	100.000%	100.000%
24. Terme Ioniche S.r.l. Share capital € 881,924.00	Cosenza	Lodi	1	Banco BPM	100.000%	100.000%
25. Vita S.r.l. Share capital € 17,841.00	Milan	Milan	1	Castello SGR	76.050%	76.050%
26. BPL Mortgages S.r.l. (**) Share capital € 12,000.00	Conegliano V. (TV)	Conegliano V. (TV)	4	-	0.000%	
27. ProFamily SPV S.r.l. in liquidation (**) Share capital € 10,000.00	Conegliano V. (TV)	Conegliano V. (TV)	4	-	100.000%	100.000%
28. Anima Valore Obbligazionario (***)	Milan	Milan	4	Banco BPM Anima SGR	99.970% 0.030%	
29. Private Equity Opportunity primary (***)	Milan	Milan	4	Banco BPM Anima SGR	65.020% 8.120%	
30. Private Equity Opportunity secondary (***)	Milan	Milan	4	Banco BPM Anima SGR	92.000% 3.330%	

(1) Type of relationship:
1 = majority of voting rights in the ordinary shareholders' meeting
4 = other forms of control
(2) Availability of votes in the ordinary shareholders' meeting, distinguishing between actual and potential.
(*) Company held for sale pursuant to IFRS 5.
(**) Special Purpose Entity for securitisation transactions originated by the Group.
(***) Funds managed by the Group, in which the majority of the units are held.

Changes in the scope of consolidation

Changes in the scope of consolidation compared to the situation as at 31 December 2025 are shown in the tables below:

Fully consolidated companies	
Outgoing:	
Outgoing company due to merger	
Merged company	**Merging company**
Vera Vita S.p.A.	Banco BPM Vita S.p.A.

Companies consolidated with the equity method	
Company entered as part of the Banca Progetto restructuring measure	
BP Holding S.p.A.	20.000%

It should also be noted that, during the second quarter of 2026, Anima Holding completed the acquisition of the remaining 20% stake in the share capital of Castello SGR S.p.A., having already held an 80% stake, thereby becoming its sole shareholder.

Lastly, it should be noted that, as from 30 June 2026, the investment held in the subsidiary Sagim S.r.l. Società Agricola is classified under IFRS 5, following the acceptance in May 2026 of a binding offer for its sale.
Consequently, the investee's assets and liabilities are recognised, respectively, under the summary items 120 on the assets side, "Non-current assets and disposal groups held for sale", and 50 on the liabilities side, "Liabilities associated with assets classified as held for sale", in the consolidated balance sheet.

For further details on the transactions set out above, please refer to the section dedicated to the significant events during the period in the Interim report on operations.

Significant events after the end of the interim period

The significant events that occurred in the period between the reference date of the interim report (30 June 2026) and the date of its approval by the Board of Directors (5 August 2026) are described below. These events did not make it necessary to adjust the balances in the financial statements, pursuant to IAS 10.

Proposal to Banca Monte dei Paschi di Siena to discuss and agree on a possible aggregation

On 31 July 2026, the Board of Directors of Banco BPM met to review the status of the potential merger between the Bank and Banca Monte dei Paschi di Siena S.p.A. ("MPS"), following the communication sent on 7 June, in which the Bank had expressed to MPS its interest in initiating a dialogue aimed at discussing and agreeing the terms of such a transaction (the "Letter"), as well as the events that had occurred subsequently.

At that meeting, the Board, whilst reaffirming the strong strategic and industrial rationale behind the proposal put forward to MPS, which could have led to the creation of a new leading banking and financial group in Italy, generating significant value creation for both banks, considered that, almost two months after the Letter was sent, the conditions for reaching a mutual agreement between the parties had not yet been met.

Consequently, and with a view to ensuring the utmost transparency towards the market and all shareholders, the Bank's Board of Directors therefore unanimously resolved to discontinue consultations regarding the potential merger, whilst simultaneously notifying MPS of this decision.

OTHER ASPECTS

Impacts of the Russia-Ukraine and Middle East conflicts

At the date of preparation of this consolidated interim financial report, the international geopolitical landscape continues to be characterised by the ongoing conflict between Russia and Ukraine and by persistent significant tensions in the Middle East, which escalated further during the first half of 2026 and have drawn in a growing number of regional and international actors. These events are contributing to a high level of uncertainty in the macroeconomic and financial landscape, with potential implications for energy market trends, inflation, financial market conditions and, more generally, the prospects for economic growth.

In line with the recommendations issued by the supervisory authorities (ESMA and CONSOB)[1], aimed at ensuring adequate oversight of valuation issues influenced by the geopolitical context and clear and transparent disclosure of the related effects, the Group has continued to monitor both the indirect impacts arising from changes in macroeconomic scenarios and exposures directly or indirectly attributable to countries affected by conflicts or to geographical areas most exposed to the resulting tensions.
With reference to the exposures mentioned above, it should be noted that, as at 30 June 2026, they remained at completely marginal levels, with an exposure to Russia essentially nil. As there were no significant changes during the half-year, please see the Consolidated Financial Statements as at 31 December 2025 for more details.
With reference to the effects on the valuations of the financial statements, please refer to the paragraph "Methods for measuring IFRS 9 expected losses for financial reporting purposes" in Part E of these Explanatory Notes in relation to the reference macroeconomic scenarios for the determination of expected credit losses, as well as the managerial adjustments adopted in order to incorporate geopolitical risks.

Covid-19 support measures by the Group represented by loans with public guarantee

During the period of the Covid-19 pandemic, the Group granted various support measures to its customers, mainly consisting in moratoria and loans backed by public guarantees.
With reference to the moratoria, please note that as at 30 June 2026, no payment suspension measures are in place, as the relevant period of validity had already expired on 31 December 2023.
As regards loans backed by public guarantees, [2] the residual gross exposure as at 30 June 2026 stands at approximately 2.9 billion, compared with 4.2 billion as at 31 December 2025. This exposure refers for 2.6 billion to loans backed by the guarantee of the Guarantee Fund for SMEs (MCC) and for 0.3 billion to loans guaranteed by SACE. Overall, the public guarantees cover 83.2% of the volumes agreed.
In terms of credit quality, the aforementioned exposures are classified for 2.5 billion as performing exposures (of which 0.5 billion in Stage 2) and for 0.4 billion as non-performing. Net of adjusting provisions, the net exposure in the financial statements stood at 2.8 billion, compared with 4.1 billion as at 31 December 2025.

Exposures in crypto-assets

As at 30 June 2026 and 31 December 2025, the Group does not hold any exposure in crypto-assets[3].

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[1] In more detail, see the following documents:
- ESMA Public Statement (ESMA71-99-1864) of 14/03/22 entitled "ESMA coordinates regulatory response to the war in Ukraine and its impact on EU financial markets";
- ESMA Public Statement (ESMA32-63-1277) of 13/05/22 entitled "Implications of Russia's invasion of Ukraine on half-yearly financial reports";
- ESMA Public Statement (ESMA32-63-1320) of 28/10/22 entitled: "European common enforcement priorities for 2022 annual financial reports";
- CONSOB notification of 18/03/2022 entitled "Notification on the impact of the war in Ukraine with regard to inside information and financial reporting";
- CONSOB notification of 19/05/22 entitled "Conflict in Ukraine - Call for the attention of the supervised entities on financial reporting and on the obligations related to compliance with the restrictive measures adopted by the European Union against Russia".

[2] Loans granted as part of the Covid-19 support measures, pursuant to the provisions of Legislative Decree 8 April 2020 converted into Law on 5 June 2020 (which entered into force on 7 June 2020).

[3] The category of crypto-assets includes i) cryptocurrencies, ii) e-money tokens and asset-referenced tokens as defined by the European Regulation on crypto-assets (Regulation (EU) 2023/1114 - MiCA Regulation), as well as (iii) other types of crypto-assets, even where they do not fall within the scope of application of the aforementioned Regulation.

New accounting standards/interpretations or amendments to existing standards approved by IASB/IFRIC

An illustration of the new accounting standards or amendments to existing standards approved by the IASB is provided below, as well as new interpretations or amendments to existing ones, published by the IFRIC, with separate disclosure of those applicable in 2026 and of those applicable in subsequent years.

IAS/IFRS accounting standards and related SIC/IFRIC interpretations endorsed that must be applied when preparing this Interim Financial Report

Regulation (EU) no. 1047 of 27 May 2025 - Amendments to IFRS 9 and IFRS 7 - "Amendments to the Classification and Measurement of Financial Instruments"

On 30 May 2024, the IASB published important amendments to IFRS 9 (and consequently to IFRS 7), applicable from 1 January 2026, aimed at resolving the findings that had emerged in the Post Implementation Review of IFRS 9.
The amendments mainly concern:

- the classification of financial instruments characterised by contractual cash flows that depend on contingent events, such as, for example, those linked to the achievement of ESG objectives. In particular, the amendments introduce clarifications and practical examples designed to assist in assessing the consistency of such cash flows with a basic lending arrangement, which are relevant for the purposes of classification as financial assets at amortised cost or at fair value;
- the recognition of the settlement of financial liabilities via electronic payment systems, providing, where specific conditions are met, for the possibility of bringing forward the settlement date in relation to the date of payment.

The amendments also introduce specific disclosure requirements relating both to equity instruments for which the irrevocable option to recognise changes at fair value through other comprehensive income has been exercised, and to financial instruments containing contingent clauses.
For the Group, the impacts arising from the application of the amendments relate primarily to organisational and procedural matters, linked to the establishment of internal regulatory controls, the identification of the relevant cases and the adjustments required to prepare the new disclosures requested. However, there are no effects on the classification and valuation of financial instruments and, consequently, on the Group's equity and financial and economic position, as the criteria adopted are already consistent with the guidance introduced by the amendments.
Quantitative disclosures relating to financial instruments with contingent features will be provided from the consolidated financial statements as at 31 December 2026, without restating comparative information, in accordance with the provisions to be introduced as part of the update to Bank of Italy Circular no. 262.

Regulation (EU) no. 1266 of 30 June 2025 - Amendments to IFRS 7 and IFRS 9 "Contracts Referencing Nature-dependent Electricity"

On 18 December 2024, the IASB published the amendments in question, aimed at improving the accounting representation of contracts for the supply of electricity, the generation of which depends on natural, uncontrollable factors such as wind, solar radiation or other weather conditions. Such contracts, typically structured as Power Purchase Agreements (PPAs), have become increasingly significant in the context of the energy transition and may present specific implementation challenges for the purposes of IFRS 9. Indeed, the current accounting requirements may not adequately capture the ways in which these contracts affect a company's performance. The amendments provide clarification regarding the application of the own-use exemption, set out specific simplifications for the application of hedge accounting, and introduce new disclosure requirements designed to facilitate a better understanding of the effects of such contracts on companies' financial performance and cash flows.

In view of the Group's operations, the amendments in question have had no impact on the consolidated balance sheet, financial position and income statement, as there are no contracts falling within the scope of the new provisions.

Regulation (EU) no. 1331 of 9 July 2025 - Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 "Annual Improvements to IFRS Accounting Standards - Volume 11"

On 18 July 2024, the IASB issued the usual annual amendments to the IFRS standards "Annual Improvements to IFRS Accounting Standards - Volume 11". The document contains clarifications, simplifications, corrections and amendments aimed at improving the effectiveness of the existing standards. Specifically, these improvements concern IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7.
As these are minor changes, no impacts are noted on the Group's equity, financial and economic situation.

IAS/IFRS accounting standards and endorsed SIC/IFRIC interpretations, the application of which takes effect after 30 June 2026

Regulation (EU) no. 338 of 13 February 2026 - IFRS 18 "Presentation and Disclosure in Financial Statements" (including the amendment of 28 April 2026)

Introduction

On 9 April 2024, the IASB published the new accounting standard IFRS 18 Presentation and Disclosure in Financial Statements, which was adopted in the European Union by Regulation (EU) 2026/338 of 13 February 2026, and which will replace IAS 1 for financial years beginning on or after 1 January 2027.
The new standard does not alter the criteria for the recognition and measurement of assets, liabilities, revenue and expenses set out in other international accounting standards, but introduces significant changes regarding the presentation of the income statement, the classification of income components, the aggregation and disaggregation of information, as well as specific disclosure requirements relating to management-defined performance measures (MPMs) with a view to improving the comparability, transparency and comprehensibility of financial reporting. The standard must be applied retrospectively, with the consequent restatement of comparative information.
During the first half of 2026, the Group continued its project activities aimed at assessing the effects of the future application of IFRS 18. The analyses covered the key areas affected by the introduction of the new standard, including the identification of Specified Main Business Activities, the exercise of the available accounting options, the classification of income components into the new income statement categories, the identification of Management-defined Performance Measures (MPMs), as well as the implications for processes, systems and financial and regulatory reporting.
Set out below, for each of the main areas concerned, are the currently expected impacts and the progress of the relevant analyses, in accordance with the provisions of IAS 8 and the disclosure expectations referred to by ESMA in its Public Statement of 17 February 2026 on the implementation of IFRS 18 ("Reshaping performance: Implementation of IFRS 18: Presentation and Disclosure in Financial Statements").

Identification of Specified Main Business Activities

One of the key aspects of IFRS 18 is the identification of Specified Main Business Activities (SMBAs), i.e. activities that the standard expressly identifies as the entity's main activities, which may consist in providing loans to customers, investing in particular types of assets, or both.
This assessment plays a central role in the application of the principle, as it influences the classification of numerous items of revenue and expense into the Operating, Investing and Financing categories of the income statement. The identification of the SMBAs must be carried out at the level of the entity preparing the financial statements and must reflect the actual characteristics of the business model and the way in which management manages and assesses the company's performance. It follows that the conclusions reached for the purposes of the consolidated financial statements may differ from those adopted in the separate financial statements of the Group companies, which may necessitate specific reclassifications as part of the consolidation process.
In this regard, the analyses carried out have confirmed that, for the purposes of the Banco BPM Group's consolidated financial statements, both the granting of loans to customers and investment in financial assets constitute Specified Main Business Activities. This conclusion is consistent with the Group's business model, the composition of its activities and the management indicators normally used to measure the economic performance of banking activities. In light of the above, income and expenses relating to these activities will be recognised under the Operating category, in line with the specific provisions of IFRS 18.

Income statement structure and classification of income components

IFRS 18 introduces a new income statement structure based on the classification of revenues and costs into three main categories:

- *operating* category, which is the default category as it includes all revenue and costs that cannot be classified under the other categories or those attributable to Specified Main Business Activities;
- *investing* category, which includes investment revenues and costs that generate returns individually and largely independent of the Specified Main Business Activities;
- *financing* category, which includes the revenues and costs associated with obtaining the means to finance the Specified Main Business Activities and/or the investment activity, with specific exclusions envisaged for insurance companies.

The standard also requires the mandatory presentation of specific subtotals, including *operating profit (loss)*, which is intended to represent the main indicator of the entity's current performance. Provisions have also been introduced to improve the transparency and comparability of financial reporting through stricter criteria regarding the aggregation and disaggregation of information, the naming of balance sheet items and the use of additional subtotals.
For Italian banks, the application of IFRS 18 requires coordination with Bank of Italy Circular no. 262 of 22 December 2005, which sets out the financial statement formats and the related notes to the financial statements. In this context, at the end of March 2026, the Bank of Italy launched a public consultation on the 9th update to Circular no. 262, aimed primarily at transposing IFRS 18, as well as the amendments introduced to IFRS 9 and IFRS 7 and the additional disclosure requirements relating to crypto-assets. The consultation, which lasted sixty days, concluded in May 2026, and the publication of the final provisions is expected during the third quarter of the year. The Banco BPM Group has actively followed the entire consultation process, taking part in the round-table discussions and consultations organised by the industry association (ABI), with a view to assessing the potential operational, reporting and application impacts arising from the introduction of the new provisions.
The reference model for the proposals put forward by the Bank of Italy is a bank whose main activity consists in granting loans to customers and investing in financial assets, consequently envisaging that the relevant income components are mainly represented within the Operating category. This approach is consistent with the conclusions reached by the Group in the preliminary analyses carried out, as illustrated in the previous paragraph.

Operating category and accounting options

IFRS 18 provides for specific classification options for entities whose main activity is the disbursement of loans to customers. In particular, the standard makes it possible to classify income and charges relating to financial liabilities used to finance said asset in the Operating category.
As part of the analyses carried out, the Group assessed the methods for exercising this option, taking into account the characteristics of its operating and management model. In particular, deposits and funding sources are managed in a centralised and integrated manner, and it is not possible to identify, systematically and objectively, a correlation between specific financial liabilities and individual loans to customers.
In light of these considerations, the Group intends to exercise the option provided for in IFRS 18 by classifying income and expenses relating to financial liabilities arising from funding transactions within the Operating category, regardless of whether they can be linked to specific financing activities.

Specific rules applicable to insurance activities

IFRS 18 sets out specific provisions applicable to insurance contracts governed by IFRS 17 and to investment contracts with participation features governed by IFRS 9, in order to ensure a consistent presentation of the performance of insurance companies, which are characterised by the integrated management of assets and liabilities.
Although insurance activities are not included amongst the Specified Main Business Activities identified in the standard, IFRS 18 stipulates that financial gains and losses arising from insurance contracts should not be classified under the Financing category, but rather under the Operating category. This approach reflects the economic substance of the insurance business, in which the financial components arising from insurance liabilities form an integral part of the business model and do not merely constitute fund-raising activities.
The approach adopted by the standard also aims to preserve consistency in the presentation of the economic results arising from insurance liabilities and those generated by the financial assets held to cover them, thereby ensuring that closely related components are not presented in different categories of the income statement.

With regard to the Banco BPM Group, these forecasts are significant in the context of the consolidated insurance companies, for which the income components governed by IFRS 17 and IFRS 9, relating to insurance contracts issued, will continue to be recognised predominantly within the Operating category, in accordance with the specific provisions of IFRS 18.

Economic components of the Group to be included in the "Financing" category

In light of the classification choices illustrated above, the Financing category will assume a relatively limited relevance for the Group and will mainly include income and charges relating to liabilities that do not represent bank funding functional to the core business.
This area includes, in particular:

- interest expense on lease liabilities recognised pursuant to IFRS 16;
- the financial effects associated with the passage of time and changes in discount rates relating to provisions for risks and charges;
- implicit interest and other financial effects relating to post-employment benefits, defined benefit pension funds and other long-term benefits for employees, with the exclusion of items to be recognised in valuation reserves pursuant to IAS 19.

The analyses carried out show that the income components attributable to the Financing category represent a limited portion of the Group's consolidated economic result. Consequently, the application of the new provisions is not expected to have a significant impact on the overall presentation of economic performance; the impacts are primarily of a presentational nature, relating to the different classification of the aforementioned income components within the income statement.

Economic components of the Group to be included in the "Investing" category

IFRS 18 requires income and expenses arising from activities that generate returns in their own right and are largely independent of the entity's other resources to be classified in the Investing category, unless such activities constitute a Specified Main Business Activity. The principle also stipulates that the profit or loss on equity-accounted investments must be classified under the Investing category.
In light of the analyses carried out, the Investing category will mainly include:

- gains (losses) on interests in associates and joint ventures measured according to the equity method;
- income and expenses relating to investment property within the meaning of IAS 40, including rental income, gains and losses arising from measurement at fair value, and gains or losses realised on disposal;
- additional income components attributable to activities classified as Investing activities in accordance with the provisions of IFRS 18.

The expenses incurred for the current management of investment properties, such as maintenance, cleaning and property taxes, will instead be represented in the Operating category, in compliance with the provisions of IFRS 18.
The analyses carried out show that the scope of the Investing category will be limited overall. In particular, in line with the conclusions reached regarding Specified Main Business Activities, neither the provision of loans to customers nor investment in financial assets governed by IFRS 9 will fall within this category; instead, these will be reported predominantly under the Operating category.
Therefore, also with reference to this area, no significant impacts are expected on the overall representation of the consolidated economic performance.

Other impacts on the financial statements

The analyses conducted also examined the further effects arising from the application of IFRS 18 on the presentation of the consolidated financial statements, with particular reference to the balance sheet and the cash flow statement. In this context, the expected impacts are primarily of a presentational and informative nature and do not entail any changes to the criteria for the recognition and measurement of items in the financial statements.

Balance Sheet

With regard to the balance sheet, the changes introduced by IFRS 18 are limited and do not have a material impact on the presentation of the Group's equity and financial position.

In particular, the standard requires that goodwill be presented separately from other intangible assets. In line with this provision, the draft update to Circular no. 262 provides for the introduction of a specific balance sheet item for goodwill, which was previously included under the item for intangible assets. A number of presentation changes are also planned, with a view to bringing the financial statement formats into line with the provisions of the new accounting standard.

Cash flow statement

For entities that prepare their cash flow statement using the indirect method, the amendments introduced by IFRS 18 stipulate that the determination of cash flows from operating activities must take as its starting point Operating Profit (Loss), a new mandatory subtotal introduced by IFRS 18, rather than profit or loss for the year. This amendment reflects the principle's objective of strengthening the link between the presentation of operating performance and the generation of cash flows from ordinary operations.
IFRS 18 also amends the provisions of IAS 7 relating to the classification of cash flows arising from interest and dividends, by removing the accounting options provided for under the current framework and introducing classification criteria consistent with those applied to the corresponding income statement items.
For entities whose main business activity is the granting of loans to customers and/or investment in financial assets, cash flows relating to interest income and expense, as well as dividends received, shall be presented in a manner consistent with the activities that generate such economic results, in accordance with the specific provisions set out for Specified Main Business Activities. The standard also introduces the so-called "single-category approach", whereby each type of cash flow must be classified in its entirety within a single category of the cash flow statement. Consequently, the same type of flow (e.g. interest income or interest expense) cannot be spread across different categories of the cash flow statement based on the specific transaction from which it arises, but must be recognised in full within the category identified in accordance with the provisions of IFRS 18 and the accounting policies adopted by the entity. Dividends paid out, on the other hand, must be classified in full under cash flows from financing activities.
In light of the analyses carried out, the expected impacts on the Banco BPM Group cash flow statement mainly concern the method of presenting cash flows, which must be classified in accordance with the format set out in the ongoing update of the aforementioned Bank of Italy Circular no. 262.

Identification of Management-defined Performance Measures (MPMs)

IFRS 18 introduces a specific disclosure framework for Management-defined Performance Measures ("MPMs"), defined as "subtotals of revenues and costs" used in public communications outside the financial statements (management report, press releases, presentations to analysts) which represent management's view of a specific aspect of the entity's financial performance and which do not correspond to subtotals expressly required or provided for by IFRS.
This definition does not generally include financial, prudential or risk indicators such as, for example, the CET1 ratio, ROE, the cost-to-income ratio, the NPE ratio or other metrics derived from financial or regulatory data.
For each MPM identified, IFRS 18 requires the provision of specific disclosures in the notes to the financial statements, including, amongst other things, a description of the measure, the methods of calculation, the reasons for its use, reconciliation with the most directly comparable IFRS subtotal and details of any tax effects and minority interests associated with the adjustments made.
Issuers must also provide disclosure in the event of inconsistency in the use of MPMs over time.
In addition, ESMA clarifies that the introduction of MPMs does not replace the obligations set out in the ESMA/2015/1415 Guidelines of 5 October 2015 regarding Alternative Performance Measures (APMs); it will therefore be necessary to ensure a degree of consistency between the information presented in the financial statements and that disclosed externally.
During the second half of 2026, the Group will carry out a comprehensive review of the performance measures used in its external financial communications and other public documents, with a view to identifying those that meet the definition of MPMs as set out in IFRS 18. Based on the results of this exercise, the scope of the measures subject to the new disclosure requirements and the related disclosures to be included in the Group's financial statements will be defined.

Progress of the analyses

At the date of approval of this consolidated interim financial report, the Group had substantially completed the preliminary assessment work aimed at identifying and evaluating the main categories of income components which,

in accordance with the provisions of IFRS 18 and the conclusions reached regarding Specified Main Business Activities, will be reclassified into the Operating, Investing and Financing categories.
As previously noted, IFRS 18 does not introduce any changes to the criteria for the recognition and measurement of assets, liabilities, revenues and costs set out in other international accounting standards, but primarily addresses aspects relating to the presentation of the financial statements, the classification of income components, and the disclosures to be provided in the Explanatory Notes. Consequently, no impact on the Group's equity, economic result or consolidated balance sheet and financial position is expected to arise from the initial application of the standard.
Work is currently being finalised on the adaptation of the accounting and regulatory reporting systems, the mapping required to prepare comparative information, and the identification of Management-defined Performance Measures (MPMs) and the related disclosures required by the new standard.
The completion of these activities is closely linked to the publication of the final version of the 9th update to Bank of Italy Circular no. 262, expected during the third quarter of 2026, which will enable the Group to finalise its detailed analyses and complete the resulting adjustments to its processes and information systems.
Lastly, it should be noted that, upon first-time adoption of IFRS 18, the Group will not exercise the option provided for in the transitional provisions to change the valuation criterion of eligible interests in associates and joint ventures, switching from the equity method to measurement at fair value through profit or loss (the fair value option), as explained in the following section "Amendments to the Fair Value Option in IAS 28 Investments in Associates and Joint Ventures".

IAS/IFRS accounting standards and SIC/IFRIC interpretations issued by the IASB/IFRIC, awaiting endorsement

The following is a summary of the standards, interpretations or amendments that have been approved by the IASB, but are pending endorsement.

IFRS 19 "Subsidiaries without Public Accountability: Disclosures"

With the publication of IFRS 19 "Subsidiaries without Public Accountability: Disclosures" on 9 May 2024, the IASB completed the Disclosure Initiative, launched in 2014 with a view to improving the quality and usability of the financial disclosure, in coordination with the project relating to the Primary Financial Statements.
IFRS 19 seeks to simplify the disclosure obligations required in the Explanatory Notes for a wide range of subsidiaries belonging to groups that apply IAS/IFRS, while at the same time, facilitating the transition to international standards for entities that prepare their financial statements according to local accounting standards.
The application of the standard is only allowed for subsidiaries without "public accountability", namely to companies that do not have financial instruments admitted to trading on a public market or that do not hold assets, on a trustee basis, for a large group of people, as is instead, the case of banks, credit cooperatives, insurance companies, securities brokers, mutual investment funds and investment banks.
Entities that meet these requirements may, but are not required to, apply IFRS 19 in their consolidated, separate or stand-alone financial statements.
In relation to the transactions performed by the Group and the composition of the same, no significant impacts are expected following the introduction of the standard in question, which is not applicable to Banco BPM.

Amendments to IFRS 19 "Subsidiaries without Public Accountability: Disclosures"

The amendments to IFRS 19, published by the IASB on 21 August 2025, introduce the option for eligible subsidiaries not to communicate certain disclosures relating to the standards issued between February 2021 and May 2024.
In relation to the transactions performed by the Group and the composition of the same, no impacts are expected following the introduction of the standard in question, which is not applicable to Banco BPM.

Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency"

The amendments in question, published on 13 November 2025 and in force from 1 January 2027, clarify the methods for translating financial statements from a non-hyperinflationary currency to a hyperinflationary one.
No impact is anticipated for the Group, as the euro, which is used for the preparation of the financial statements, is not a hyperinflationary currency.

IFRS 20 "Regulatory Assets and Regulatory Liabilities"

IFRS 20, published by the IASB on 27 May 2026 and effective from 1 January 2029 (with early adoption permitted), introduces a new accounting model for companies operating in sectors subject to tariff regulation, such as electricity, gas, water, transport and other utilities. This standard replaces IFRS 14 and sets out the accounting treatment for the effects arising from the timing differences between the point at which regulated services are provided and that at which the related consideration can be recovered or refunded to customers through the tariffs set by the regulatory authority.
In particular, IFRS 20 requires the recognition of regulatory assets, which represent the right to recover, in the future, elements of remuneration not yet included in the tariffs charged to customers, and regulatory liabilities, which represent the obligation to refund customers for amounts already included in the tariffs but relating to future services. The measurement is based on the expected future cash flows arising from the regulatory framework and aims to provide a more accurate representation of the economic effects of tariff regulation, thereby improving comparability between operators in regulated sectors.
Given the nature of the activities carried out by the Banco BPM Group companies, which do not operate in sectors characterised by tariff regulation mechanisms falling within the scope of IFRS 20, the new standard is not applicable and has no impact on the Group's consolidated balance sheet, income statement and cash flow statement.

Amendments to the Fair Value Option in IAS 28 "Investments in Associates and Joint Ventures"

On 26 June 2026, the IASB published the amendments in question, aimed at clarifying the scope of application of the fair value option (FVO), as set out in paragraphs 18 and 19 of IAS 28, for the measurement of investments in associates and joint ventures, as an alternative to the equity method. The amendments are limited in scope and have been introduced to resolve differences in interpretation that have arisen in practice regarding the concept of "similar entities", relevant for the purposes of identifying the entities that may make use of the aforementioned FVO. This intervention fits into the broader application context of IFRS 18, which is expected to enter into force from 1 January 2027.
In particular, the IASB has confirmed that fair value measurement with a corresponding entry in the income statement continues to be an exception to the general principle of equity accounting and remains restricted to specific categories of investors, such as venture capital organisations, investment funds and other similar entities. The amendments clarify that the latter also include entities whose principal activity consists in investing in specific types of assets, as defined in paragraph 49(a) of IFRS 18. It was also confirmed that the option must be exercised individually for each investment and at the time of initial recognition of the same.
As explained above, the amendment is closely linked to the application of IFRS 18, as the measurement approach adopted for interests in associates and joint ventures may affect the classification of the related income and expense components in the income statement. In particular, the results of investments accounted for using the equity method are included in the investing category, whilst for entities whose principal activity is investing in certain categories of assets and which apply the fair value option, the related income and expenses may be classified in the operating category.
The amendments will come into force at the same time as the initial application of IFRS 18 and provide for a specific option, during the transition, to re-determine the measurement basis for interests in associates and joint ventures previously accounted for using the equity method, provided that the requirements for applying the fair value option are met. The main parties potentially affected are funds and investment vehicles, investment companies and, in some cases, insurance companies for which investment activity constitutes the main component of their business model.
As part of the analyses carried out for the purposes of implementing IFRS 18 and the related amendments to IAS 28, the Group has not identified any interests in associates or joint ventures for which the fair value option should be applied. Consequently, the Group will not exercise the option envisaged at the time of transition to IFRS 18 and will continue to apply the standard provisions of IAS 28, based on the equity method, to its interests in associates.
In light of the above, the changes introduced are not expected to have any impact on the consolidated balance sheet, income statement and cash flow statement of the Banco BPM Group.

Other significant aspects relating to Group accounting policies

The following provides a description of the main transactions and events that took place during the first half of 2026, as well as certain matters relating to previous financial years, deemed material for the purposes of defining the relevant accounting treatment and determining the associated effects on equity, profit and loss and cash flow.

Tax credits linked to the "Relaunch" Decree obtained following sale by direct beneficiaries or previous purchasers

As part of the measures introduced by Decree Law no. 34 of 19 May 2020 (the "Relaunch Decree"), converted with amendments into Law no. 77 of 17 July 2020, a number of tax incentive instruments were envisaged to support the economy in the wake of the Covid-19 pandemic. These measures included tax credits deriving from energy efficiency measures (Ecobonus), seismic risk reduction (Sismabonus) and other concessions attributable to building bonuses.
Over the following years, the regulatory framework was subject to numerous legislative changes which, first through Decree Law no. 50/2022 ("Aid Decree") and subsequently through Decree Law no. 39/2024, introduced further requirements, operational restrictions and constraints on the transfer of tax credits, significantly altering the functioning of the tax credit transfer mechanism.
In this context, the Group has developed a business involving the purchase of tax credits assigned both by the original beneficiaries of the tax relief and by previous purchasers. These receivables may be recovered primarily by offsetting them against the Group's tax liabilities, in accordance with the original time frames set out in tax legislation for deduction; for a portion of these, there is also the option of transferring them to Group companies or, where appropriate, to third parties.
As purchased tax credits are not expressly governed by IAS/IFRS international accounting standards, the Group has defined the relevant accounting treatment in accordance with IAS 8, referring to the guidance contained in the document issued on 5 January 2021 by the Bank of Italy, CONSOB and IVASS (Coordination Working Group no. 9 "Accounting treatment of tax credits linked to the "Cura Italia" and "Relaunch" Decree Laws acquired following sale by direct beneficiaries or previous purchasers"). In accordance with these guidelines, the credits purchased are classified as financial assets and accounted for by applying, by analogy and where compatible with their nature, the provisions of IFRS 9.

Loans managed under the Hold to Collect (HTC) model

For receivables acquired under the Hold to Collect (HTC) business model, which are intended to be recovered exclusively through tax offsetting by the acquiring entity, the Group applies the criteria set out in IFRS 9 for financial assets at amortised cost.
Receivables are initially recognised at fair value, corresponding to the consideration paid for their acquisition, and are subsequently measured at amortised cost, taking into account the amount and timing of any offsetting. However, the provisions relating to expected credit losses do not apply, as the recovery of these receivables does not depend on the creditworthiness of a counterparty but rather on the purchaser's ability to use them to offset their own tax liabilities (tax capability), since there is no provision for claiming a refund from the Italian Revenue Agency. These assets are shown in item "130. Other assets" in the balance sheet, whilst income accrued using the amortised cost method is recognised under item "10. Interest and similar income" in the income statement.
As at 30 June 2026, the total nominal value of the HTC receivables purchased amounted to 4,944.8 million, unchanged compared to 31 December 2025 in the absence of new purchases in the half-year. As at the same date, receivables totalling 3,702.7 million had been offset, of which 851.8 million during the first half of 2026.
The residual nominal value of the HTC receivables therefore amounts to 1,242.1 million (2,093.9 million as at 31 December 2025), of which approximately 66% can be offset by 2028. The corresponding carrying amount, determined on an amortised cost basis and including accrued interest as at 30 June 2026, is 1,149.5 million (1,963.5 million as at 31 December 2025).
As at 30 June 2026, the Group had not entered into any commitments with third parties regarding future purchases of HTC receivables. Moreover, the volume of loans held is broadly compatible with the Bank's offsetting capacity and in line with the prudential limit approved by the Board of Directors; consequently, there are no risk factors regarding their recoverability.

Loans managed according to the Hold to Collect and Sell (HTCS) model

In order to maximise the available offsetting capacity and capitalise on further commercial opportunities, the Group has also adopted a Hold to Collect and Sell (HTCS) business model, which provides for the recovery of receivables either through tax offsetting or through transfer to companies within the banking Group or, where deemed appropriate, to external counterparties.
For these receivables, the Group applies, by analogy, the provisions set out in IFRS 9 for financial assets measured at fair value through other comprehensive income.

In addition to the effects arising from the application of amortised cost, a valuation component equal to the difference between fair value and book value is therefore recognised. Fair value is determined using the Discounted Cash Flow (DCF) method, by discounting expected cash flows on the basis of the zero-coupon yield curve for the various settlement maturities, constructed using six-month Euribor rates and taking into account the commercial spread originally incorporated in the purchase price. These receivables are also recorded under item "130. Other assets"; the interest accrued based on the amortised cost is recognised in the income statement in item "10. Interest and similar income", whilst changes in fair value are recognised in the statement of comprehensive income under other comprehensive income, with subsequent reclassification to the income statement.
As at 30 June 2026, the nominal value of receivables purchased under the HTCS model stood at 1,946.3 million, of which 162.2 million were purchased during the first half of 2026 (1,748.1 million as at 31 December 2025). The total receivables recovered through offsetting or following intra-group transfers to companies which subsequently offset the amounts received in full amount to 977.5 million (685.9 million as at 31 December 2025).
The residual nominal value of the HTCS receivables is 968.8 million (1,098.2 million as at 31 December 2025), of which approximately 86% is recoverable through offsetting by 2028.
The corresponding carrying amount is 871.8 million (988.0 million as at 31 December 2025) and reflects the purchase price, accrued interest calculated using the amortised cost method, and the fair value adjustment.
As at 30 June 2026, this fair value adjustment is essentially immaterial and amounts to -5.2 million (0.9 million as at 31 December 2025), confirming the limited impact of changes in interest rates relative to the dates of acquisition of the receivables.
As at the same date, there were also commitments to parties outside the Group for future purchases of tax receivables managed under the HTCS model, amounting to 209 million, down from the 405 million recorded as at 31 December 2025.
With regard to receivables managed under the HTCS model, there are no factors hinting at a risk of non-recoverability. The total volume of receivables held is, in fact, consistent and fully compatible with the Group's offsetting capacity. Therefore, as things stand, there is no expectation that it will be necessary to sell receivables to external parties in order to ensure their recovery.

Intervention at Banca Progetto

As outlined in the section "Significant events during the period" of the Interim report on operations, during the first half of 2026, the Group participated in the restructuring of Banca Progetto, carried out as part of a preventive intervention promoted by the Interbank Deposit Guarantee Fund (FITD) pursuant to Article 35 of its Articles of Association. The intervention, aimed at restoring Banca Progetto's capital and financial stability and enabling the conclusion of the special administration procedure, comprised a complex set of operations involving recapitalisation, the acquisition of control and the derisking of assets, supported by specific FITD guarantees.
As part of this transaction, the Group made a total investment of 151.3 million through the subscription of the following financial instruments:

- a 20% stake in the share capital of BP Holding S.p.A., representing an investment of 8.5 million;
- units in the Finint Ananteo Alternative Investment Fund (AIF), for 78.8 million, with non-performing loans originated by Banca Progetto as the underlying assets;
- securitisation securities subscribed to as part of both Significant Risk Transfer (SRT) and retained transactions, with Banca Progetto's performing loans as the underlying assets, totalling 64.0 million.

The AIF units and the securities issued as part of the securitisation transactions benefit from a comprehensive risk protection system based on specific guarantees issued by the FITD, as part of the same preventive intervention. These guarantee mechanisms represent a structural element of the restructuring operation and are designed to facilitate the transfer and management of the assets subject to derisking.

In view of the stake held, amounting to 20% of the share capital and held on an equal footing with the other banks participating in the intervention, as well as the presence of its own representative on the Board of Directors of BP Holding, the investment has been classified as an interest in associates. The units in the Finint Ananteo AIF and the securitisation securities were instead accounted for in accordance with the provisions of IFRS 9 applicable to financial instruments, as detailed below.
As at 30 June 2026, taking into account the partial repayment of certain senior tranches of the securitisations amounting to 3.9 million, the total book value of the investments relating to the transaction in question stands at 147.4 million. Of this amount, 8.5 million is recognised under interests in associates, 78.8 million under financial assets mandatorily measured at fair value, and the remaining 60.1 million under financial assets at amortised cost.

The audits carried out for the purposes of preparing this consolidated interim financial report did not reveal any information that would require the revaluation of assets from their initial carrying amounts.

With regard to any supplementary contributions that may be requested by the FITD in connection with the preventive measure implemented, it should be noted that, as at the date of preparation of this consolidated interim financial report, no request for a contribution nor any notification regarding the activation of an accumulation plan had been received. Therefore, in accordance with IFRIC 21 and IAS 37, no obligating event has occurred that would give rise to a current obligation on the part of the Group. Consequently, as at 30 June 2026, no liabilities have been recognised nor any expenses accounted for in relation to future contributions to the FITD.

"Hold to Collect" Business Model - sales

In accordance with the provisions of IFRS 9, financial assets classified under the Hold to Collect (HTC) business model are held with the primary objective of collecting the contractual cash flows. However, the accounting standard recognises that the occurrence of sales transactions is not, in itself, incompatible with this business model, provided that such transactions are consistent with the portfolio management objectives and do not alter its substantive objective. In this context, for exposures classified within the "Financial assets at amortised cost" portfolio, namely in the portfolio held under the HTC business model, the Group's policy, in accordance with IFRS 9, provides that the disposal of HTC securities is permissible subject to certain materiality and frequency thresholds, as the securities approach maturity, in the event of a significant increase in credit risk, or where exceptional circumstances arise.

During the first half of 2026, the Group sold securities classified as "Financial assets at amortised cost" with a total nominal value of approximately 3.1 billion. Of these disposals, 1.1 billion relates to securities sold close to their contractual maturity, whilst the remaining 2.0 billion relates to transactions that fall within the eligibility limits defined by the aforementioned policy in terms of frequency and materiality.
With regard to these latter disposals, which were completed through two transactions, they represent approximately 6.2% of the nominal value of the HTC portfolio outstanding as at 1 January 2026, and are therefore below the 10% threshold in terms of materiality and the limit of 12 transactions per year in terms of frequency, as defined in the Group's policies, which should be referred to for further details. The transactions were carried out as part of a broader securities portfolio management strategy aimed at optimising the risk-return profile and rebalancing the banking book as a whole, taking into account both the portfolios classified under the HTC and HTCS business models. The positive financial result achieved from the disposals of HTC securities, amounting to approximately 56 million, is substantially offset by the negative financial effects arising from the disposals of HTCS securities, carried out as part of the same integrated financial portfolio management strategy.

As part of the ordinary derisking of the loan portfolio, the disposal of non-performing exposures to customer also continued during the first half of 2026. In accordance with the provisions of IFRS 9 and the Group Policy, these transactions are considered fully consistent with the Hold to Collect business model, as they are aimed at managing and reducing credit risk and relate to exposures classified in Stage 3. Consequently, the related disposals are not subject to the frequency and materiality thresholds applicable to sales of financial assets held in the HTC portfolio.
For further details on the eligibility criteria for sales and the additional indicators used by the Group to assess the consistency of the HTC business model, please see paragraph "3 - Financial assets at amortised cost. Sales eligibility policy consistent with the HTC Business Model" contained in section "A.2 - Key financial statement items" of the Annual Financial Report as at 31 December 2025.

Lastly, it should be noted that, during the first half of 2026, there were no changes to the business models relating to the portfolios classified as HTC or HTCS, nor were there any changes to the accounting policies and criteria adopted by the Group for assessing the eligibility of sales, which therefore remain consistent with those applied in previous financial years.

Additional Tier 1 Issue

Additional Tier 1 (AT1) instruments are subordinated equity instruments eligible for inclusion in Additional Tier 1 Capital in accordance with Regulation (EU) no. 575/2013 (Capital Requirements Regulation - CRR) and are intended exclusively for institutional investors.
These instruments have a perpetual duration and grant the issuer the right, but not the obligation, to early redemption (call option) on the dates specified in the contract, subject to authorisation by the relevant supervisory authorities. If the

option is not exercised at the earliest possible date, the redemption right may be exercised at the subsequent call dates stipulated in the contractual conditions.
Banco BPM's AT1 issues envisage the payment of interest initially set at a fixed rate for a period of five years. Unless the early redemption option is exercised, the coupon is subsequently recalculated on the reset dates specified in the contract, based on the five-year mid-swap rate in force on the relevant recalculation date, plus the spread originally defined at the time of issue.
In line with the requirements of the prudential regulations applicable to AT1 equity instruments, coupon payments are entirely discretionary and non-cumulative. Any failure to make a payment shall not constitute an event of default nor entitle holders to receive any unpaid amounts in the future. Furthermore, coupon payments may be mandatorily suspended upon the occurrence of the conditions set out in the regulations and the contractual documentation, including where the Common Equity Tier 1 (CET1) ratio of the Group or the Parent Company falls below the threshold of 5.125%. Upon the occurrence of such an event (trigger event), the instruments shall be subject to loss absorption mechanisms through a permanent or temporary reduction in their nominal value (write-down), to the extent necessary to restore compliance with the applicable capital requirements. The contractual terms also provide for the possibility of a subsequent restoration of the nominal value (write-up), subject to the fulfilment of the conditions envisaged by the issue and the issuer's decision.

In light of the contractual characteristics described above and the full discretion granted to the issuer regarding both the repayment of principal and the payment of remuneration, these instruments are classified as equity instruments in accordance with IAS 32. For further details, please refer to the section entitled "16 - Other information - Equity instruments" in section "A.2 - Key financial statement items" of the Annual Financial Report as at 31 December 2025.
As at 30 June 2026, Banco BPM had outstanding issues of Additional Tier 1 instruments with a total nominal value of 1,400.0 million, relating to loans issued during the period 2022-2025. The corresponding book value, shown in item "140. Equity instruments" amounted to 1,389.7 million and reflects the consideration received upon issue, net of directly attributable transaction costs, amounting to 10.3 million net of tax effects.
The reduction compared with the nominal value outstanding as at 31 December 2025 (1,800.0 million) is attributable to the exercise of the early redemption option, on 19 January 2026, of the AT1 instrument issued in January 2021 for a nominal amount of 400 million.
Consistent with the classification of these issues as equity instruments, the coupons paid during the first half of 2026, amounting to 64.7 million (46.9 million net of the related tax effect of 17.8 million), are recognised as a reduction in equity, under item "150. Reserves", without passing through the income statement for the period.

Acquisition of full control of Castello SGR

As explained in the section "Significant events during the period" of the Interim report on operations, on 29 June 2026 the subsidiary Anima Holding S.p.A. completed the acquisition of the remaining 20% stake in the share capital of Castello SGR held by a vehicle linked to Oaktree, thereby gaining full control of the company. The transaction forms part of the contractual agreements signed in 2023 by Anima Holding, at the time of the acquisition of 80% of the share capital of Castello SGR, which provided for specific put and call options on the minority stake.
From an accounting perspective, the transaction resulted in the settlement of the financial liability recognised in accordance with paragraph 23 of IAS 32, in respect of the contractual obligation to purchase the stake held by minority shareholders. Given that the IFRS do not expressly regulate the treatment of subsequent changes in the value of such liabilities, the Group has adopted an approach consistent with the prevailing interpretative guidance and relevant accounting practice, by recognising in the income statement the difference between the consideration paid for exercising the option, amounting to 19 million, and the book value of the financial liability at the settlement date.
This difference resulted in the recognition of an expense of 3.1 million under item "230. Other operating expenses/income" in the consolidated income statement. Furthermore, taking into account the simultaneous transfer to equity of the portion relating to the acquired minority interests, in accordance with the provisions of IFRS 10 applicable to transactions between shareholders following the acquisition of control, the overall effect on the parent company's equity was positive by approximately 1.7 million.

Contributions to deposit guarantee schemes and resolution mechanisms

Contributions payable to deposit guarantee schemes and resolution mechanisms, as well as to similar protection schemes in the insurance sector, are recognised under the income statement item "190.b) Other administrative expenses", in accordance with the accounting treatment set out in IFRIC 21 "Levies", as referred to in the Bank of

Italy's Communication of 19 January 2016 and the clarifications provided by IVASS in its letter to the market dated 18 December 2024.
In accordance with IFRIC 21, the liability and the related expense are recognised only upon the occurrence of the event identified by the standard as the condition giving rise to the payment obligation (obligating event), whether in respect of ordinary or extraordinary contributions. Consequently, the mere possibility that contributions may be required in the future does not give rise to the early recognition of liabilities or costs.

Charges related to the banking system

Following the transposition into Italian law of Directive 2014/49/EU (Deposit Guarantee Schemes Directive - DGSD) and Directive 2014/59/EU (Bank Recovery and Resolution Directive - BRRD), banking intermediaries are required to contribute to the funding of the Interbank Deposit Guarantee Fund (FITD) and the Single Resolution Fund (FRU) through ex ante ordinary contributions, aimed at establishing the respective systemic financial reserves, determined on the basis of the amount of protected deposits.
The legislation also provides that, should the available resources prove insufficient to cover the required interventions, further extraordinary contributions may be requested from participating institutions.
During the first half of 2026, no expenses relating to ordinary or extraordinary contributions to the FITD or the FRU were recognised, as no event occurred that would have triggered the relevant payment obligation.
With regard to the Single Resolution Fund, the target level of funding was reached as at 31 December 2023 and, subsequently, no requests for extraordinary contributions were received.
As regards the Interbank Deposit Guarantee Fund, the target level for ordinary contributions was reached during 2024. It should be noted, however, that in December 2025 the FITD requested a supplementary contribution from its member intermediaries, which for the Banco BPM Group amounted to 7.7 million.
Lastly, it should be noted that the Group's banks have never made use of the option, provided for under the applicable legislation, of fulfilling their contribution obligations by means of irrevocable payment commitments (IPCs).

Charges related to the insurance system (Life insurance guarantee fund)

Law no. 213 of 30 December 2023 introduced the Life insurance guarantee fund into the Private Insurance Code, established as a private association between insurance companies and participating intermediaries.
Under Article 274-quater of the Private Insurance Code and in accordance with the Fund's Articles of Association, approved during the first half of 2026, the Fund must have a minimum financial endowment equal to 0.4% of the technical provisions for life insurance business, calculated in accordance with Solvency II regulations and held by participating undertakings as at 31 December of the preceding year.
Upon first application, the target level is expected to be achieved progressively over the period from 1 January 2024 to 31 December 2035.
For participating insurance companies, the contribution is set at 0.4 per thousand of the life technical provisions; for participating intermediaries, the contribution, which, once fully implemented, will be proportionate to the volume of life products brokered and the related revenues, is set, during the transitional period, at 0.1 per thousand of the brokered technical provisions.
In light of the aforementioned regulatory framework, for the ordinary contribution, the event giving rise to the payment obligation is membership of the Fund as at 31 December of each year. Consequently, the related expense is recognised in December of the relevant year, once the conditions laid down by the regulations have been met.
During the first half of 2026, as in the corresponding period of 2025, no events occurred that would have triggered the recognition of the ordinary contribution. Consequently, as at 30 June 2026, no expenses relating to the Life insurance guarantee fund have been recognised.
Lastly, it should be noted that the contribution recognised in December 2025, equal to 6.4 million, was paid in full to the Fund during the half-year.

A.2 - KEY FINANCIAL STATEMENT ITEMS

The accounting standards used in the preparation of these consolidated interim financial statements, with reference to the criteria for the classification, recognition, measurement and derecognition of assets and liabilities, as well as the criteria for the recognition of costs and revenues, are unchanged compared with those used for the preparation of the Banco BPM Group Annual Financial Report as at 31 December 2025, to which reference is therefore made.

A.3 – DISCLOSURE ON TRANSFERS BETWEEN PORTFOLIOS OF FINANCIAL ASSETS

During the first half of 2026, there were no transfers between portfolios of financial assets. This reflects the fact that there have been no changes to the business models used by the Group for the management of financial assets in accordance with IFRS 9. As there have been no changes in the way the portfolios are managed that would result in a different purpose for holding the financial instruments, no reclassifications between the various accounting categories provided for by the standard have therefore been necessary.

A.4 – FAIR VALUE DISCLOSURE

Methodologies for determining the fair value of financial assets and liabilities measured in the financial statements at fair value

Fair value is defined as the price that would be received for the sale of an asset or paid to transfer a liability in an orderly transaction between market operators, at the current conditions on the measurement date in the main market or in the most advantageous market (exit price). Underlying the fair value measurement is the assumption that the entity is a going concern, namely that it is in a fully operational situation and that it does not intend to liquidate or significantly reduce its operations or undertake transactions at unfavourable conditions. Fair value is not therefore the amount that the entity would receive or pay in the event of forced transactions or sales below cost.

Fair value is a market measure and not an entity-specific valuation. Its determination therefore does not reflect the estimates of cash flows that the individual entity expects to realise through the use or settlement of an asset or liability, but rather the assumptions that market operators would use in determining the relevant price at the valuation date. In this context, it is assumed that market operators act in the best possible way to further their own economic interests.

To measure the fair value of financial and non-financial assets and liabilities, IFRS 13 established a three-level fair value hierarchy, based on the source and the quality of the inputs used:

- Level 1: inputs consist of listed prices (not adjusted) on active markets for assets and liabilities identical to those subject to valuation;
- Level 2: inputs other than the listed prices included in Level 1 that are directly or indirectly observable in the market. These are therefore represented by:
  - prices listed on active markets for similar assets and liabilities;
  - prices listed on non-active markets for identical or similar assets and liabilities;
  - parameters observable on the market or corroborated by market data (e.g. interest rates, credit spreads, implicit volatility, exchange rates) and used in the valuation technique;
- Level 3: the inputs used are not observable in the market; they are used when relevant and observable market data are not available. In such cases, determining fair value requires the use of estimates and assumptions that reflect the assumptions market operators would use in determining the price of the asset or liability.

For financial instruments, measured in the financial statements at fair value, the Group has implemented a "Fair Value Policy" that assigns the highest priority to prices listed on active markets (level 1) and the lowest priority to the use of unobservable inputs (level 3), as more discretionary, in line with the above-illustrated fair value hierarchy. More specifically, this policy establishes:

- the rules for identifying market data, the selection/hierarchy of the sources of information and the price configurations needed to measure the financial instruments listed on active markets and classified as level 1 of the fair value hierarchy ("Mark to Market Policy");
- the valuation techniques and the relative input parameters in all cases in which the Mark to Market Policy cannot be adopted ("Mark to Model Policy").

Mark to Market

To measure the fair value, the Group uses, whenever available, information based on market data obtained from independent sources, as considered the best evidence of the fair value. In this case, the fair value is the market price of the same instrument being measured, namely without changes or reorganisations of the same instrument, inferable from the prices listed on an active market (classified as level 1 of the fair value hierarchy). A market is considered active when the list prices express actual and regular market transactions and are readily and regularly available through stock markets, brokers, intermediaries, sector companies, listing services or authorised entities.

Mark to Model

If the "Mark to Market Policy" is not applicable, due to the absence of prices directly observable in markets considered active, valuation techniques must be adopted that maximise the use of information available on the market, based on the following valuation approaches:

- *Comparable Approach*: in this case, the instrument's fair value is derived from the prices observed in recent transactions on similar instruments in active markets, suitably adjusted to take into account differences in the instruments and in the market conditions, rather than from the prices of recent transactions on the same instrument as that subject to valuation not listed in active markets;
- *Model Valuation*: if there are no transaction prices observable for the instrument to be measured or for similar instruments, a valuation model needs to be adopted; this model must be of proven reliability in estimating the hypothetical "operating" prices and therefore must be widely acknowledged by market operators.

Specifically:

- debt securities are valued according to the discounted cash flow method, appropriately adjusted to take account of issuer risk;
- loans that do not pass the SPPI test are measured on the basis of the discounted value of expected cash flows, estimated using models differentiated according to the counterparty's credit quality, applying rates of return deemed consistent with those required by potential market operators;
- unlisted equity securities are valued by reference, where available, to recent transactions involving the same instrument or comparable instruments; in the absence of such evidence, methods based on market multiples of comparable companies are used and, as a last resort, valuation models of an income, financial or equity nature;
- investments in UCITs, other than open-ended harmonised funds, are generally measured on the basis of the Net Asset Value (NAV) made available by the fund administrator or by the management company. These investments typically include private equity, private debt and similar funds, property funds and hedge funds;
- Bond Repo contracts are valued by discounting the forward contractual flows expected, determined based on the characteristics of the contract, based on the interest rate curve differentiated according to the issuer of the security underlying the contract (government securities and corporate securities);
- OTC derivative contracts are valued using models commonly employed by market operators, differentiated according to the type of instrument and the relevant risk factors (interest rate, volatility, exchange rate, price, etc.) that influence their valuation. Future cash flows are discounted, as a rule, using the OIS (Overnight Indexed Swap) curve, which is considered to represent the risk-free rate. The values thus obtained are then adjusted to take account of all factors considered relevant by market operators, with the aim of best reflecting the realisable price of a potential market transaction (model risk, liquidity risk, counterparty risk). With regard to the counterparty risk of performing derivatives, referring both to the credit risk of the counterparty "Credit Valuation Adjustment" (CVA) and the risk of failure to fulfil its contractual obligations "Debit Valuation Adjustment" (DVA), the corresponding correction factor is determined for each individual legal entity of the Group according to the expected future exposure generated by the contracts, the probability of default of the parties and the related losses. More specifically, the calculation of expected exposure takes into account the effects resulting from the existence of netting or collateral agreements, which are able to mitigate counterparty risk, while the probability of default is estimated using Credit Default Swap pricing, when available, as a priority over internal parameters. The model for the quantification of CVA/DVA adjustments provides that, for each derivative, counterparty risk is equal to the sum of the components:
  - "Bilateral CVA": this is the possible loss if the future exposure is positive for the Group, adjusted to take account of the possibility that the Group may fail before the counterparty;
  - "Bilateral DVA": aimed at appreciating the benefit in the event of breach of contractual obligations, if the expected exposure is negative for the Group. This benefit is then mitigated to take into account the probability that, in the course of the transaction, the counterparty may fail before the Group.

The classification as level 2 rather than level 3 is established on the basis of the market observability of the significant inputs used to determine the fair value. A financial instrument must be classified in its entirety at a single level; therefore, if inputs belonging to different levels are used in the valuation technique, the entire valuation must be classified in correspondence with the level of the hierarchy at which the lowest level input is classified, when deemed significant to the calculation of the fair value as a whole.

The following types of investment are considered level 2:

- financial instruments represented by OTC derivatives and by repurchase agreements on debt securities ("Bond Repos") where fair value is measured using valuation models based predominantly on observable market parameters, or where any unobservable inputs are not material for the purposes of determining the overall fair value;
- equity instruments not listed on active markets, measured using the market multiples technique, referring to a selected sample of comparable companies with respect to the subject of the valuation, or measured on the basis of the effective transactions made in a period of time reasonably close to the reference date;
- debt securities of third parties or own issues, not listed on active markets, for which the inputs, including the credit spreads, are taken from market sources;
- UCIT units, not listed on active markets, characterised by significant levels of transparency and liquidity. The above-mentioned units are valued on the basis of the NAV provided by the management company/fund administrator.

As a rule, the following financial instruments are considered level 3:

- hedge funds characterised by significant levels of illiquidity, and for which the process to evaluate the assets of the fund requires a considerable amount of assumptions and estimates. The fair value measurement is made on the basis of the NAV. Said NAV may be appropriately corrected to take the poor liquidability of the investment into account, namely the period of time between the repayment request date and the effective repayment date, as well as to take any exit commissions of the investment into account;
- real estate funds characterised by significant levels of illiquidity and valued on the basis of the last available NAV;
- private equity, private debt and similar funds, measured on the basis of the last available NAV, possibly adjusted to take into account events not included in the valuation of the price or to reflect a different valuation of the assets underlying the fund in question;
- illiquid shares for which no recent or comparable transactions are observable, usually measured on the basis of the equity model;
- debt securities characterised by complex financial structures for which sources that are not publicly available are usually used. These are non-binding prices and are also not corroborated by market data;
- debt securities issued by parties in financial difficulty, for which the management has to use its own judgement to establish the "recovery rate", as no significant prices can be observed on the market;
- financial instruments represented by OTC derivatives, for which the non-observable input parameters used by the pricing model are deemed significant in order to measure the fair value;
- medium- to long-term loans (performing and non-performing) valued using techniques based on the discounting of expected cash flows, determined through models that incorporate unobservable assumptions relating, amongst other things, to the probabilities of recovery, collection times and discount rates deemed consistent with those required by a potential market operator.

For further details on the methods used to measure the fair value of financial assets and liabilities, on the techniques and inputs used, on how to complete the transfer tables between levels, please refer to the Annual Financial Report as at 31 December 2025 ("Part A - Accounting policies", "A.4 - Fair value disclosure").

Sensitivity of the valuations of level 3 financial instruments

Exposures in level 3 financial instruments amounted to a total of 2,854.3 million. For the exposure represented by equity instruments and UCIT units, information is provided below that is useful for understanding the sensitivity with respect to the parameters used.

Equity instruments and UCIT units

Investments in equity instruments and in UCIT units, classified as level 3, totalled 1,957.6 million (corresponding to 68.58% of level 3 financial assets measured at fair value), as illustrated in more detail in the paragraph below "A.4.5.1 Assets and liabilities measured at fair value on a recurring basis: distribution by fair value hierarchy".

For the above instruments, it is not usually possible to make any quantitative sensitivity analysis of the fair value, with respect to the change in non-observable inputs, insofar as the fair value was acquired from external sources or was generated by a model with specific inputs (for example, the company's capital values) and for which the necessary information for a sensitivity analysis is not available.
The UCIT units held by the Group represent an exception, following the contribution of non-performing loans not qualified as real estate funds, whose measurement at fair value was carried out on the basis of the Discounted Cash Flow (DCF) technique. The main inputs underlying the DCF are as follows:

- cash flows referring to the net distributions envisaged for investors in the business plans of the respective transactions;
- discount rate between 7.6% and 9.6%, depending on the capital structure and the risk premium of the transaction.

For these funds, whose book value amounts to 431.8 million[1], a sensitivity analysis was carried out with respect to the discount rate, determined on the basis of the Weighted Average Cost of Capital ("WACC") model. The aforementioned analysis shows that, if the discount rate is changed by +100 bps, the fair value would record a reduction of -9.6 million (2.23% in percentage terms), while a decrease of -100 bps would result in an increase of around +10 million in fair value (2.32% in percentage terms).

For more details on the contribution funds of non-performing loans, please refer to what is illustrated in "Part E - Covered bond transactions and securitisations" in these Explanatory Notes.

Hierarchy of the fair value of financial assets and liabilities measured at fair value in the financial statements

A.4.5.1 Assets and liabilities measured at fair value on a recurring basis: distribution by fair value hierarchy

Given the above, the table below provides a breakdown of the financial assets and liabilities measured at fair value on a recurring basis, in the fair value hierarchy. As defined by the cited standard IFRS 13, recurring valuations refer to assets and liabilities measured at fair value in the balance sheet, based on that envisaged or permitted by the reference international accounting standards.

Financial assets/liabilities measured at fair value	30/06/2026			31/12/2025		
	L1	L2	L3	L1	L2	L3
1. Financial assets at fair value through profit and loss	15,149,883	10,921,670	2,431,844	12,225,567	7,907,575	2,379,200
a) Financial assets held for trading	6,214,929	10,698,811	387	4,137,201	7,637,831	459
b) Financial assets designated at fair value	-	-	-	-	-	-
c) Other financial assets mandatorily measured at fair value	8,934,954	222,859	2,431,457	8,088,366	269,744	2,378,741
2. Financial assets measured at fair value through other comprehensive income	26,069,038	879	422,468	25,888,546	1,929	426,311
3. Hedging derivatives	-	724,498	-	-	834,792	-
Total	**41,218,921**	**11,647,047**	**2,854,312**	**38,114,113**	**8,744,296**	**2,805,511**
1. Financial liabilities held for trading	4,648,447	8,996,038	-	2,661,102	19,560,478	-
2. Financial liabilities designated at fair value	956,862	7,213,116	-	5,777	8,323,385	-
3. Hedging derivatives	-	569,086	-	-	614,825	-
Total	**5,605,309**	**16,778,240**	**-**	**2,666,879**	**28,498,688**	**-**

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

[1] The total book value as at 30 June 2026 of contribution funds, including real estate funds valued on the basis of NAV, amounted to 503.8 million.

The following tables provide the breakdown by "Banking Group" and "Insurance companies".

A.4.5.1 Assets and liabilities measured at fair value on a recurring basis: distribution by fair value hierarchy (of which: Banking Group)

Financial assets/liabilities measured at fair value	30/06/2026			31/12/2025		
	L1	L2	L3	L1	L2	L3
1. Financial assets at fair value through profit and loss	6,363,062	10,741,092	2,066,870	4,268,439	7,683,984	2,019,599
a) Financial assets held for trading	6,214,929	10,698,811	387	4,137,201	7,637,831	459
b) Financial assets designated at fair value	-	-	-	-	-	-
c) Other financial assets mandatorily measured at fair value	148,133	42,281	2,066,483	131,238	46,153	2,019,140
2. Financial assets measured at fair value through other comprehensive income	15,671,373	879	281,686	15,744,650	1,929	282,473
3. Hedging derivatives	-	724,498	-	-	834,792	-
Total	**22,034,435**	**11,466,469**	**2,348,556**	**20,013,089**	**8,520,705**	**2,302,072**
1. Financial liabilities held for trading	4,648,447	8,996,038	-	2,661,102	19,560,478	-
2. Financial liabilities designated at fair value	-	3,797,109	-	-	4,323,985	-
3. Hedging derivatives	-	569,086	-	-	614,825	-
Total	**4,648,447**	**13,362,233**	**-**	**2,661,102**	**24,499,288**	**-**

A.4.5.1 Assets and liabilities measured at fair value on a recurring basis: distribution by fair value hierarchy (of which: Insurance companies)

Financial assets/liabilities measured at fair value	30/06/2026			31/12/2025		
	L1	L2	L3	L1	L2	L3
1. Financial assets at fair value through profit and loss	8,786,821	180,578	364,972	7,957,128	223,591	359,599
a) Financial assets held for trading	-	-	-	-	-	-
b) Financial assets designated at fair value	-	-	-	-	-	-
c) Other financial assets mandatorily measured at fair value	8,786,821	180,578	364,972	7,957,128	223,591	359,599
2. Financial assets measured at fair value through other comprehensive income	10,397,665	-	140,782	10,143,896	-	143,838
3. Hedging derivatives	-	-	-	-	-	-
Total	**19,184,486**	**180,578**	**505,754**	**18,101,024**	**223,591**	**503,437**
1. Financial liabilities held for trading	-	-	-	-	-	-
2. Financial liabilities designated at fair value	956,862	3,416,007	-	5,777	3,999,400	-
3. Hedging derivatives	-	-	-	-	-	-
Total	**956,862**	**3,416,007**	**-**	**5,777**	**3,999,400**	**-**

Financial assets measured at fair value on a recurring basis

As at 30 June 2026, the financial assets measured significantly on the basis of non-observable parameters (Level 3) are comprised as follows: 85.19% of instruments classified in the "Other financial assets mandatorily measured at fair value" portfolio and 14.80% of "Financial assets measured at fair value through other comprehensive income", with the remainder concerning "Financial assets held for trading".

More specifically, level 3 financial assets amounted to 2,854.3 million and are represented by the following types of investment:

- unlisted equity instruments of 318.4 million, mostly valued on the basis of internal equity models or with transaction prices, which do not meet the requirements to be assigned to level 2;
- UCIT units of 1,639.2 million; these are funds characterised by significant levels of illiquidity, and for which the process to evaluate the assets of the fund requires a considerable amount of assumptions and estimates. For more details on UCIT units held by the Parent Company in relation to sales of multi-originator loans, refer to that illustrated in "Part E - Covered bond transactions and securitisations";
- loans to customers amounting to 737.9 million, measured at fair value, for failure to pass the SPPI test, as the related cash flows do not exclusively represent the payment of interest and principal;

- debt securities for 158.6 million;
- Over The Counter (OTC) derivatives for 0.2 million.

With regard to derivative financial instruments held for trading and hedging, the same are almost all classified as level 2, with the exception of listed derivatives classified as level 1, as illustrated below:

- level 1 includes listed derivatives (futures and options), measured on the basis of the prices provided by the Clearing Houses, for a total of 296.4 million;
- level 2 includes Over The Counter (OTC) derivatives measured on the basis of models that use observable market parameters to a significant extent, or on the basis of prices originating from independent sources, for 2,675.4 million.

Financial liabilities measured at fair value on a recurring basis

Level 1 financial liabilities refer to listed trading derivatives for 190.9 million and to technical overdrafts listed in active markets for 4,457.5 million.
The remaining financial liabilities are primarily classified as level 2 of the fair value hierarchy and mainly regard the portfolio of "Financial liabilities held for trading" relating to Bond Repo trading for 7,201.9 million, financial and credit derivatives for 1,523.1 million and issues of Certificates unconditionally guaranteed by Banca Akros for 271.0 million. Level 2 "Financial liabilities designated at fair value" mainly includes liabilities related to Class III insurance products (unit-linked and index-linked policies), whose services are related to the value of market indices and units of investment funds, for 4,372.9 million, and structured debt securities together with the unconditionally guaranteed capital Certificates for a book value of 3,797.1 million (4,324.0 million as at 31 December 2025).

Transfers between fair value levels (Level 1 and Level 2) for financial assets and liabilities measured at fair value on a recurring basis

During the half-year, a single debt security was reclassified from Level 2 to Level 1 for 1.1 million, whilst three debt securities were reclassified from Level 1 to Level 2 for 3.3 million, for which it was not possible to rely on quoted prices in active markets.

Impact of Credit Valuation Adjustment (CVA) and Debit Valuation Adjustment (DVA) on the determination of the fair value of derivative financial instruments

As at 30 June 2026, cumulative adjustments made to the fair value of derivative instruments, other than issues of certificates, to account for counterparty risk "Credit Valuation Adjustment (CVA) and Debt Valuation Adjustment (DVA)", were negative overall for 2.0 million, and were composed of:

- adjustments for CVA which resulted in a cumulative loss, in terms of lower assets/higher liabilities, of 5.3 million;
- adjustments for DVA which resulted in a cumulative benefit, in terms of higher assets/lower liabilities, of 3.3 million.

As at 31 December 2025, cumulative fair value adjustments to take account of counterparty risk (CVA/DVA) were positive overall for 1.4 million, equal to the imbalance between negative adjustments for CVA (-2.6 million) and positive adjustments for DVA (+4.0 million).
The resulting impact on the income statement for the first half of 2026 was therefore a negative 3.4 million.

Period changes in financial assets measured at fair value on a recurring basis (level 3)

	Financial assets at fair value through profit and loss				Financial assets measured at fair value through other comprehensive income	Hedging derivatives
	Total	of which: a) financial assets held for trading	of which: b) financial assets designated at fair value	of which: c) other financial assets mandatorily measured at fair value		
1. Opening balance	**2,379,200**	**459**	**-**	**2,378,741**	**426,311**	**-**
2. Increases	**471,922**	**1**	**-**	**471,921**	**34,850**	**-**
2.1. Purchases	150,837	-	-	150,837	1,000	-
2.2. Profits charged to:	80,510	1	-	80,509	7,110	-
2.2.1. Income statement	80,510	1	-	80,509	-	-
- of which capital gains	74,669	-	-	74,669	-	-
2.2.2. Shareholders' equity	-	X	X	X	7,110	-
2.3. Transfers from other levels	-	-	-	-	-	-
2.4. Other increases	240,575	-	-	240,575	26,740	-
3. Decreases	(419,278)	(73)	-	(419,205)	(38,693)	-
3.1. Sales	(37,609)	(1)	-	(37,608)	(1,506)	-
3.2. Redemptions	(43,141)	-	-	(43,141)	-	-
3.3. Losses charged to:	(67,291)	(1)	-	(67,290)	(4,286)	-
3.3.1. Income statement	(67,291)	(1)	-	(67,290)	-	-
- of which capital losses	(63,538)	(1)	-	(63,537)	-	-
3.3.2. Shareholders' equity	-	X	X	X	(4,286)	-
3.4. Transfers to other levels	-	-	-	-	-	-
3.5. Other decreases	(271,237)	(71)	-	(271,166)	(32,901)	-
4. Closing balance	**2,431,844**	**387**	**-**	**2,431,457**	**422,468**	**-**

Period changes in liabilities measured at fair value on a recurring basis (level 3)

This case is not present for the Group; thus the relevant table has been omitted.

Fair value disclosure on financial assets and liabilities measured at cost

With reference to the fair value disclosure, required by IFRS 7, paragraphs 25 and 26, referred to by standard IAS 34, regarding the fair value of financial assets and liabilities recognised in the financial statements at amortised cost, please refer to the relevant tables showing the breakdown of financial assets and liabilities measured at amortised cost in "Part B - Information on the consolidated balance sheet" (for asset item 40 and liability item 10).
For an illustration of the method used to determine fair value, which is relevant for information purposes only, reference should be made to the Annual Financial Report as at 31 December 2025.

A.5 - DISCLOSURE ON "DAY ONE PROFIT/LOSS"

In accordance with paragraph 28 of IFRS 7, with reference to the Group's financial instruments, it should be noted that no transactions were carried out during the period that would have led to the recognition of "day one profit/loss". Consequently, as at 30 June 2026, as was the case at 31 December 2025, no deferred costs or revenues relating to this matter have been recognised.

Disclosure of structured credit products

As at 30 June 2026, the Group's exposure to structured credit instruments amounted to 2,548.8 million and consisted of 1,966.2 million in asset backed securities (ABS) arising from securitisation transactions and 582.6 million in units in mutual funds held as a result of multi-originator sales of impaired loan portfolios.

The composition of ABSs is as follows:

- 0.2 million relating to the junior tranche issued by the entity Tevere SPV, which the Group holds following the securitisation of UTP and bad loans, called "Project Argo", completed in June 2022;
- 44.4 million relating to securities issued by the entity Aurelia SPV, which the Group holds following the GACS securitisation of bad loans, called "Project Rockets", completed in May 2021 (senior tranche of 43.7 million; mezzanine tranche of 0.7 million);
- 1.6 million relating to securities issued by the entity Titan SPV, which the Group holds following the securitisation of bad loans, called "Project Titan", completed in December 2020 (senior tranche of 1.5 million; mezzanine tranche of 0.1 million);
- 340.1 million relating to securities issued by the Leviticus SPV, which the Group holds following the GACS securitisation of bad loans, called "Project ACE", completed in February 2019 (senior tranche of 339.6 million; mezzanine tranche of 0.5 million);
- 374.2 million relating to securities issued by the Red Sea SPV, which the Group holds following the GACS securitisation of bad loans, called "Project Exodus", completed in June 2018 (senior tranche of 374.1 million; mezzanine tranche of 0.1 million);
- 1,205.7 million for securities relating to third-party securitisations (senior tranche for 949.2 million; mezzanine tranche for 39.2 million; junior tranche for 11.1 million). It should be noted that the junior tranche is attributable in large part (10.8 million) to the security issued by the SPE "BNT Portfolio SPV" established in 2014 to complete the securitisation of agricultural loans of Banca della Nuova Terra, financed by the issue of a single tranche of securities. Lastly, this includes exposures relating to Banca Progetto's involvement, amounting to 60.1 million, as explained in the previous section "Other significant aspects relating to Group accounting policies".

For an examination of mutual funds resulting from multi-originator sales transactions, reference should be made to the "Part E - Covered bond transactions and securitisations".

PART B – INFORMATION ON THE CONSOLIDATED BALANCE SHEET

ASSETS

Financial assets at fair value through profit and loss – Item 20

2.1 Financial assets held for trading: breakdown by product

Items/Amounts	Total 30/06/2026			Total 31/12/2025		
	L1	L2	L3	L1	L2	L3
A. On-balance sheet assets						
1. Debt securities	5,411,545	193,049	-	3,251,544	50,547	-
1.1 Structured securities	5,754	68,988	-	4,869	44,803	-
1.2 Other debt securities	5,405,791	124,061	-	3,246,675	5,744	-
2. Equity instruments	500,318	-	65	661,367	-	65
3. UCIT units	6,622	-	116	7,959	-	117
4. Loans	-	8,554,892	-	-	5,997,460	-
4.1 Repurchase agreements	-	8,554,892	-	-	5,997,460	-
4.2 Other	-	-	-	-	-	-
Total (A)	**5,918,485**	**8,747,941**	**181**	**3,920,870**	**6,048,007**	**182**
B. Derivative instruments						
1. Financial derivatives	296,444	1,949,686	206	216,331	1,589,824	277
1.1 held for trading	296,444	1,947,874	206	216,331	1,589,764	277
1.2 connected with the fair value	-	1,773	-	-	-	-
1.3 other	-	39	-	-	60	-
2. Credit derivatives	-	1,184	-	-	-	-
2.1 held for trading	-	1,184	-	-	-	-
2.2 connected with the fair value	-	-	-	-	-	-
2.3 other	-	-	-	-	-	-
Total (B)	**296,444**	**1,950,870**	**206**	**216,331**	**1,589,824**	**277**
Total (A+B)	**6,214,929**	**10,698,811**	**387**	**4,137,201**	**7,637,831**	**459**

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

2.5 Financial assets mandatorily measured at fair value: breakdown by product

Items/Amounts	Total 30/06/2026			Total 31/12/2025		
	L1	L2	L3	L1	L2	L3
1. Debt securities	513,999	180,578	17,772	529,970	223,591	19,476
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	513,999	180,578	17,772	529,970	223,591	19,476
2. Equity instruments	263,274	42,271	36,661	251,097	46,143	34,370
3. UCIT units	8,157,681	10	1,639,076	7,307,299	10	1,656,769
4. Loans	-	-	737,948	-	-	668,126
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	737,948	-	-	668,126
Total	**8,934,954**	**222,859**	**2,431,457**	**8,088,366**	**269,744**	**2,378,741**

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

The following tables provide the breakdown by "Banking Group" and "Insurance companies".

2.5 Financial assets mandatorily measured at fair value: breakdown by product (of which: Banking Group)

Items/Amounts	Total 30/06/2026			Total 31/12/2025		
	L1	L2	L3	L1	L2	L3
1. Debt securities	**4,924**	**-**	**17,772**	**4,981**	**-**	**19,476**
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	4,924	-	17,772	4,981	-	19,476
2. Equity instruments	**326**	**42,271**	**36,659**	**324**	**46,143**	**34,368**
3. UCIT units	**142,883**	**10**	**1,274,104**	**125,933**	**10**	**1,297,170**
4. Loans	**-**	**-**	**737,948**	**-**	**-**	**668,126**
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	737,948	-	-	668,126
Total	**148,133**	**42,281**	**2,066,483**	**131,238**	**46,153**	**2,019,140**

2.5 Financial assets mandatorily measured at fair value: breakdown by product (of which: Insurance companies)

Items/Amounts	Total 30/06/2026			Total 31/12/2025		
	L1	L2	L3	L1	L2	L3
1. Debt securities	**509,075**	**180,578**	**-**	**524,989**	**223,591**	**-**
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	509,075	180,578	-	524,989	223,591	-
2. Equity instruments	**262,948**	**-**	**-**	**250,773**	**-**	**-**
3. UCIT units	**8,014,798**	**-**	**364,972**	**7,181,366**	**-**	**359,599**
4. Loans	**-**	**-**	**-**	**-**	**-**	**-**
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	-	-	-	-
Total	**8,786,821**	**180,578**	**364,972**	**7,957,128**	**223,591**	**359,599**

Financial assets measured at fair value through other comprehensive income – Item 30

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

Items/Amounts	Total 30/06/2026			Total 31/12/2025		
	L1	L2	L3	L1	L2	L3
1. Debt securities	24,265,454	879	140,782	24,853,853	1,929	143,838
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	24,265,454	879	140,782	24,853,853	1,929	143,838
2. Equity instruments	1,803,584	-	281,686	1,034,693	-	282,473
3. Loans	-	-	-	-	-	-
Total	**26,069,038**	**879**	**422,468**	**25,888,546**	**1,929**	**426,311**

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

Banco BPM holds, among level 3 equity instruments, 4,541 stakes in the Bank of Italy's share capital, corresponding to 1.5137% of the entire share capital. The book value of 113.5 million is obtained by applying the value of 25,000 Euro to each unit. Note that these shares derive from the capital increase operation carried out by the Bank of Italy in 2013 as an effect of Italian Decree Law 133 of 30 November 2013, converted with Italian Law 5 of 29 January 2014, leading to the issuing of new shares, with a value of 25,000 per unit.

The following tables provide the breakdown by "Banking Group" and "Insurance companies".

3.1 Financial assets measured at fair value through other comprehensive income: breakdown by product (of which: Banking Group)

Items/Amounts	Total 30/06/2026			Total 31/12/2025		
	L1	L2	L3	L1	L2	L3
1. Debt securities	**13,868,271**	**879**	**-**	**14,710,363**	**1,929**	**-**
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	13,868,271	879	-	14,710,363	1,929	-
2. Equity instruments	**1,803,102**	**-**	**281,686**	**1,034,287**	**-**	**282,473**
3. Loans	**-**	**-**	**-**	**-**	**-**	**-**
Total	**15,671,373**	**879**	**281,686**	**15,744,650**	**1,929**	**282,473**

3.1 Financial assets measured at fair value through other comprehensive income: breakdown by product (of which: Insurance companies)

Items/Amounts	Total 30/06/2026			Total 31/12/2025		
	L1	L2	L3	L1	L2	L3
1. Debt securities	**10,397,183**	**-**	**140,782**	**10,143,490**	**-**	**143,838**
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	10,397,183	-	140,782	10,143,490	-	143,838
2. Equity instruments	**482**	**-**	**-**	**406**	**-**	**-**
3. Loans	**-**	**-**	**-**	**-**	**-**	**-**
Total	**10,397,665**	**-**	**140,782**	**10,143,896**	**-**	**143,838**

Financial assets at amortised cost – Item 40

4.1 Financial assets at amortised cost: breakdown by product for loans to banks

Transaction type/Amounts	Total 30/06/2026						Total 31/12/2025					
	Book value			Fair value			Book value			Fair value		
	Stage 1 and Stage 2	Stage 3	Acquired or originated impaired	L1	L2	L3	Stage 1 and Stage 2	Stage 3	Acquired or originated impaired	L1	L2	L3
A. Loans to Central Banks	**1,122,779**	**-**	**-**	**-**	**-**	**1,122,779**	**1,097,465**	**-**	**-**	**-**	**-**	**1,097,465**
1. Fixed-term deposits	-	-	-	X	X	X	-	-	-	X	X	X
2. Minimum reserve	1,122,779	-	-	X	X	X	1,095,979	-	-	X	X	X
3. Repurchase agreements	-	-	-	X	X	X	-	-	-	X	X	X
4. Other	-	-	-	X	X	X	1,486	-	-	X	X	X
B. Loans to banks	**4,710,537**	**-**	**-**	**1,454,790**	**804,296**	**2,477,332**	**5,378,315**	**-**	**-**	**1,541,152**	**1,038,938**	**2,827,111**
1. Loans	2,453,626	-	-	-	-	2,467,294	2,801,430	-	-	-	-	2,817,120
1.1 Current accounts	-	-	-	X	X	X	-	-	-	X	X	X
1.2. Fixed-term deposits	209,929	-	-	X	X	X	172,227	-	-	X	X	X
1.3. Other loans:	2,243,697	-	-	X	X	X	2,629,203	-	-	X	X	X
- Reverse repurchase agreements	837,177	-	-	X	X	X	1,162,114	-	-	X	X	X
- Loans for leases	-	-	-	X	X	X	-	-	-	X	X	X
- Other	1,406,520	-	-	X	X	X	1,467,089	-	-	X	X	X
2. Debt securities	2,256,911	-	-	1,454,790	804,296	10,038	2,576,885	-	-	1,541,152	1,038,938	9,991
2.1 Structured securities	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Other debt securities	2,256,911	-	-	1,454,790	804,296	10,038	2,576,885	-	-	1,541,152	1,038,938	9,991
Total	**5,833,316**	**-**	**-**	**1,454,790**	**804,296**	**3,600,111**	**6,475,780**	**-**	**-**	**1,541,152**	**1,038,938**	**3,924,576**

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

4.2 Financial assets at amortised cost: breakdown by product for loans to customers

Transaction type/Amounts	Total 30/06/2026						Total 31/12/2025					
	Book value			Fair value			Book value			Fair value		
	Stage 1 and Stage 2	Stage 3	Acquired or originated impaired	L1	L2	L3	Stage 1 and Stage 2	Stage 3	Acquired or originated impaired	L1	L2	L3
1. Loans	**100,029,847**	**1,043,335**	**88,546**	**-**	**-**	**100,150,048**	**98,417,323**	**1,211,597**	**86,611**	**-**	**-**	**99,032,997**
1. Current accounts	7,297,378	88,038	668	X	X	X	7,396,400	94,207	631	X	X	X
2. Reverse repurchase agreements	4,046,692	-	-	X	X	X	4,041,222	-	-	X	X	X
3. Mortgage loans	75,110,818	601,036	24,148	X	X	X	74,504,640	772,379	26,506	X	X	X
4. Credit cards, personal loans and salary-backed loans	359,694	2,206	29	X	X	X	371,676	2,944	35	X	X	X
5. Loans for leases	184,856	16,788	-	X	X	X	234,576	3,697	-	X	X	X
6. Factoring	42,051	-	-	X	X	X	47,275	89	-	X	X	X
7. Other loans	12,988,358	335,267	63,701	X	X	X	11,821,534	338,281	59,439	X	X	X
2. Debt securities	**30,766,657**	**713,665**	**-**	**29,157,205**	**214,473**	**1,986,356**	**28,569,661**	**764,895**	**-**	**27,239,302**	**186,404**	**1,873,842**
1. Structured securities	-	-	-	-	-	-	-	-	-	-	-	-
2. Other debt securities	30,766,657	713,665	-	29,157,205	214,473	1,986,356	28,569,661	764,895	-	27,239,302	186,404	1,873,842
Total	**130,796,504**	**1,757,000**	**88,546**	**29,157,205**	**214,473**	**102,136,404**	**126,986,984**	**1,976,492**	**86,611**	**27,239,302**	**186,404**	**100,906,839**

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

As at 30 June 2026, the breakdown into risk stages of loans to customers is provided in the table below (purchased or originated impaired loans were classified in the relative risk stages; the contribution of the insurance companies is included):

Exposure types/risk stages	Stage 1	Stage 2	Stage 3	Total
Bad loans	-	-	326,919	**326,919**
Unlikely to pay	-	-	698,387	**698,387**
Non-performing past-due exposures	-	-	19,729	**19,729**
Non-performing exposures	**-**	**-**	**1,045,035**	**1,045,035**
Performing exposures	**93,052,205**	**7,064,489**	**-**	**100,116,694**
of which: purchased or originated credit impaired	**-**	**86,847**	**1,699**	**88,546**
Total loans to customers	**93,052,205**	**7,064,489**	**1,045,035**	**101,161,729**

For further details on the credit risk of loans to customers, please refer to the "Results" section of the Interim report on operations.

Interests in associates and joint ventures – Item 70

Interest in associates and joint ventures as at 30 June 2026 amounted to 1,450.2 million, compared with 1,452.6 million as at 31 December 2025.

The change recorded in the half year refers chiefly to the effects resulting from the measurement at equity of interests in associates, specifically:

- the increase attributable to the Group's share of the results achieved by its investee companies during the period (+51.4 million);
- the decrease relating to the effect of the distribution of dividends (-62.2 million).

In addition, during the half-year, the 20% interest in BP Holding S.p.A. was acquired, as part of the restructuring of Banca Progetto, for a total of 8.5 million.

7.1 Interests in associates and joint ventures: information on investment relationships

Company name	Registered office	Operational headquarters	Type of relationship (a)	Investment relationship		Available % votes
				Holder	% held	
A. Companies subject to joint control						
N/A						
B. Companies subject to significant influence						
1. Agos Ducato S.p.A. Share capital € 638,655,160.00	Milan	Milan	1	Banco BPM	39.000%	39.000%
2. Alba Leasing S.p.A. Share capital € 357,953,058.13	Milan	Milan	1	Banco BPM	39.189%	39.189%
3. Aosta Factor S.p.A. Share capital € 14,993,000.00	Aosta	Aosta	1	Banco BPM	20.690%	20.690%
4. BP Holding S.p.A. Share capital € 42,500,000.00	Milan	Milan	1	Banco BPM	20.000%	20.000%
5. Calliope Finance S.r.l. in liquidation Share capital € 600,000.00	Milan	Milan	1	Banco BPM	50.000%	50.000%
6. Etica SGR S.p.A. (*) Share capital € 4,500,000.00	Milan	Milan	1	Banco BPM	19.444%	19.444%
7. Gardant Liberty Servicing S.p.A. Share capital € 150,000.00	Rome	Rome	1	Banco BPM	30.000%	30.000%
8. GEM Hospitality S.r.l. (*) Share capital € 10,000.00	Milan	Milan	1	Life	80.000%	80.000%

Company name		Registered office	Operational headquarters	Type of relationship (a)	Investment relationship		Available % votes
					Holder	% held	
9	GEMA Magazzini Generali BPV-BSGSP S.p.A.	Castelnovo Sotto (RE)	Castelnovo Sotto (RE)	1	Banco BPM	33.333%	33.333%
	Share capital € 3,000,000.00						
10.	S.E.T.A. Società Edilizia Tavazzano S.r.l. in liquidation	Milan	Milan	1	Banco BPM	32.500%	32.500%
	Share capital € 20,000.00						
11.	PiùVera Assicurazioni S.p.A.	Milan	Milan	1	Banco BPM Vita	35.000%	35.000%
	Share capital € 63,500,000.00						
12.	Vorvel SIM S.p.A.	Milan	Milan	1	Banco BPM	20.000%	20.000%
	Share capital € 7,300,000.00						
13.	Numia Group S.p.A.	Milan	Milan	1	Banco BPM	28.570%	28.570%
	Share capital € 140,000.00						

(a) Type of relationship:
1 = interest in share capital
(*) Company subject to significant influence based on partnership agreements or shareholders' agreements with other shareholders.

7.2 Significant interests in associates and joint ventures: book value, fair value and dividends received

Company name		Book value	Fair value	Dividends received
A.	**Companies subject to joint control**			
	N/A			
B.	**Companies subject to significant influence**			
	Agos Ducato S.p.A.	800,448	-	55,770
	Alba Leasing S.p.A.	191,002	-	-
	Total	**991,450**	**-**	**55,770**

Please note that dividends received during the half year were recognised as decreasing the book value of the interest in associates and joint ventures, in that the profits, which gave rise to them, were already indicated in the financial statements as at 31 December 2025, as a result of measuring the investment using the equity method.

Interests in associates and joint ventures: impairment testing to determine whether there has been a permanent loss in value

In application of international accounting standards, the estimate of the recoverable value and the consequent comparison with the relative book value must be made exclusively for interests in associates or JVs, for which evidence of a potential impairment loss has emerged (impairment indicator). As at 30 June 2026, in accordance with the measurement criteria, assumptions, metrics and methodologies used to conduct the impairment test applicable to the financial statements as at 31 December 2025, there were no indicators of impairment on the interests.

Commitments relating to interests in jointly controlled companies and subject to significant influence

Commitments deriving from agreements with Crédit Agricole for consumer loans

On 28 June 2019, in execution of the agreements signed at the end of 2018 by Banco BPM, Crédit Agricole Consumer Finance S.A., Crédit Agricole S.A. and Agos Ducato S.p.A., the reorganisation of the Group's consumer credit segment was completed. The reorganisation, which confirms the partnership between Banco BPM Group and Crédit Agricole for the next 15 years:

- formalised, inter alia: (a) a new Shareholders' Agreement, (b) a new Distribution Agreement, and (c) a new Funding Agreement;
- resulted in the transfer of ProFamily to Agos Ducato, through the finalisation of a demerger of ProFamily's non-captive operations in favour of a newly established company, which retained the name ProFamily, 100%-owned by Banco BPM and subsequently merged into Banco BPM.

On 18 December 2020, an Amendment Agreement between the parties was signed, with a view to further consolidating the existing partnership related to the consumer finance activities in Italy of Agos Ducato, through which some changes were made to the agreements signed in 2018. Those amendments, inter alia, extended by an additional 24 months, and therefore, up to 31 July 2023, the term for the exercise of the put option referring to a 10% investment in the capital of Agos Ducato held by Banco BPM, at the previously agreed strike price of 150 million.

As part of the Banco BPM's bancassurance evolution project, which includes a 20-year commercial partnership with Crédit Agricole Assurances S.A. in the Non-Life and Protection segment, on 12 May 2023, the term for the exercise of the put option was extended for a further two years, i.e. until 31 July 2025 (this further extension was conditional on the closing of the transaction for the acquisition by Crédit Agricole Assurances of the interests in Banco BPM Assicurazioni and in Vera Assicurazioni, finalised on 14 December 2023).

Lastly, at the Agreement expiry date and, more specifically, on 28 June 2024, the renewal until 28 June 2029 of the Shareholders' Agreement relating to the company Agos Ducato was formalised between Banco BPM on one hand and Crédit Agricole S.A. and Crédit Agricole Consumer Finance on the other. In this context, the right of Banco BPM to exercise the unconditional put option on 10% of the share capital of Agos Ducato was extended by another three years (with an exercise period from 1-31 July 2025 to 1-31 July 2028), at an already agreed strike price of 150 million.

In the new Shareholders' Agreement, the previous change of control clause was also extended, through the recognition in favour of Crédit Agricole Consumer Finance of a call option on the entire 39% share in Agos Ducato held by Banco BPM, in the event of the acquisition of a controlling interest of Banco BPM, through any extraordinary transaction, by certain specifically identified banks that carry out consumer credit activities potentially competing with the business of Agos Ducato. If the call option is exercised by Crédit Agricole Consumer Finance, there will be an automatic termination of both the Distribution Agreement, and therefore Banco BPM may be considered free from the exclusive commitments with Agos for consumer credit products, and the Funding Agreement.
The exercise price will be determined on the basis of the Agos fair market value at the exercise of the option, determined by excluding the distribution agreement with Banco BPM which will be terminated.

In addition, the new Shareholders' Agreement simplified the potential listing process of Agos Ducato, through the establishment of a single procedure to be implemented at the request of Banco BPM starting from 1 July 2025, until the expiry date of the Shareholders' Agreement.

The agreements also envisage, in the event that an extraordinary transaction is finalised (understood as: acquisition of control of Banco BPM by a third party operator or several third party operators in concert; merger of Banco BPM with third party operators; acquisition by Banco BPM of another bank or other distribution channels; or acquisition by Banco BPM of a third party operator in the consumer credit segment), or if the extraordinary transaction qualifies as a "BBPM Change of Control" pursuant to the Shareholders' Agreement and Crédit Agricole Consumer Finance issues a written declaration of its intention not to exercise the purchase option, or Crédit Agricole Consumer Finance fails to exercise the purchase option by the deadlines envisaged in the Agreement, the parties shall discuss in good faith, inter alia, depending on the case: i) the possible acquisition by Agos Ducato, at market value, of the entity which, due to the extraordinary transaction, operates in the consumer credit segment; ii) the extension of the new Distribution Agreement to the third party consumer credit operator's distribution network; or iii) the inclusion of the additional distribution channel acquired in the distribution network of Banco BPM Group.

Commitments deriving from bancassurance agreements with Crédit Agricole Assurances S.A.

On 14 December 2023, the Group completed the sale to Crédit Agricole Assurances of shares representing 65% of the share capital of Vera Assicurazioni S.p.A. (which holds 100% of the share capital of Vera Protezione S.p.A.) and 65% of the share capital of Banco BPM Assicurazioni, previously held by Banco BPM and Banco BPM Vita, respectively.
It should be noted that, with effect from 1 September 2025, Vera Assicurazioni S.p.A. and Vera Protezione S.p.A. changed their company names to PiùVera Assicurazioni S.p.A. and PiùVera Protezione S.p.A., respectively. In addition, on 1 November 2025, the merger by incorporation of Banco BPM Assicurazioni S.p.A. into PiùVera Assicurazioni S.p.A. became effective.

The sale agreement calls for possible adjustments with respect to the overall consideration collected by Banco BPM, equal to 265 million, by way of earn-out and claw-back in the event of situations of "Overperformance" or "Underperformance" of the production levels, respectively, within the terms and conditions set forth in the agreements between the parties.

That being said, the Shareholders' Agreement relating to the aforementioned interests held in PiùVera Assicurazioni S.p.A. and, indirectly, PiùVera Protezione S.p.A., contemplated by the partnership with Crédit Agricole Assurances S.A., envisages, among other things, the granting of a Put Option to Crédit Agricole Assurances S.A. and a Call Option to Banco BPM referring to the entire interest held by Crédit Agricole Assurances S.A. in the share capital of the companies, exercisable upon the occurrence of certain exceptional events (known as "triggering events"). In particular, Crédit Agricole Assurances S.A. and Banco BPM S.p.A. may exercise the Put Option and the Call Option, inter alia, in the following cases:

- change of control of the respective counterparty (and/or, in relation to Crédit Agricole Assurances S.A., of the parent company);
- termination of the Distribution Agreement;
- in the event of significant Underperformance, in relation to which the corrective actions have not led to an improvement in company performance.

The exercise prices of the Put and Call Options will be determined according to pre-established mechanisms linked to the valuation of the residual business of the companies, envisaged by the agreements between the parties.

Commitments deriving from e-money business agreements with Numia Group S.p.A.

On 30 September 2024, Numia, Banco BPM, BCC Iccrea Group and FSI completed the transaction[1] relating to the strategic partnership, which led to creation of the no. 2 player in the e-money sector in Italy. On conclusion of the transaction, Banco BPM holds an interest of 28.57% in Numia Group S.p.A., a company in turn holding the entire share capital of Numia S.p.A., together with FSI which holds 42.86% and Iccrea Banca S.p.A. the remaining 28.57%.

The partnership in question is governed by the Framework Agreement signed on 24 December 2023 between Banco BPM, Numia Group, Numia, FSI Holding, FSI SGR S.p.A. and BCC Banca Iccrea, as well as by the Agreement for the placement of acquiring and issuing products signed on 30 September 2024 between Banco BPM, on the one hand, and Numia and Tecmarket Servizi, on the other.

The Framework Agreement envisages, inter alia, an adjustment mechanism for the sale price of the interest in Numia, for a total value of 500 million, in favour of Banco BPM (Earn Out), for up to a maximum 80 million, linked to Numia's achievement of certain economic objectives.

The Placement agreement also envisages that, if one or more parties should acquire control of Banco BPM as a result of an extraordinary transaction carried out by other banks, credit institutions or any other entity (Controlling Entity), Banco BPM must ensure that, following completion of the aforementioned transaction, (i) any distribution networks of the Controlling Entity are kept separate, for contractual purposes, from the distribution networks of Banco BPM and therefore operate with the exclusion of any prohibition or limitation on integration of e.g. an administrative or functional nature and (ii) the Controlling Entity and any distribution networks of the Controlling Entity (a) do not in any manner solicit the customers of Banco BPM's distribution networks to terminate the contractual relationship with Numia S.p.A. and (b) do not solicit any customers and/or do not provide any e-money products or services to exclusive customers of the Banco BPM distribution networks as at the date of completion of the related extraordinary transaction.

For the provisions for risks and charges to cover commitments arising from the sale of interests in associates and joint ventures and any related partnership agreements, reference should be made to the following section "Liability provisions - Items 90 and 100".

[1] Under the transaction, Banco BPM transferred the following to Numia S.p.A.: i) the business unit for the performance of activities relating to acquiring and issuing services of electronic payment instruments; ii) a 100% interest in Tecmarket Servizi S.p.A. At the same time, Numia carried out a share capital increase of 500 million, with the exclusion of the option right, to be released against the above contribution in kind by Banco BPM.

Property, plant and equipment – Item 90

Property, plant and equipment totalled 2,396.1 million as at 30 June 2026, compared with the amount of 2,481.2 million of the previous year. In detail, the aforementioned assets are represented by:

- property, plant and equipment used in operations valued at cost of 738.1 million, mainly concerning rights of use relating to property rental contracts;
- property used in operations and valuable works of art measured on the basis of the restatement of values of 1,287.5 million;
- property held for investment purposes measured at fair value of 370.5 million.

For further details on the composition of property, plant and equipment, please refer to the following tables.

As at 30 June 2026, there were no commitments for the purchase of property or other property, plant and equipment of a significant amount.

9.1 Property, plant and equipment used in operations: breakdown of assets at cost

Asset/Amounts	Total 30/06/2026	Total 31/12/2025
1. Owned assets	**88,961**	**92,336**
a) land	-	-
b) buildings	-	-
c) furniture	8,601	9,144
d) electronic systems	75,583	77,917
e) other	4,777	5,275
2. Rights of use acquired through leases	**649,106**	**682,182**
a) land	-	-
b) buildings	587,287	610,744
c) furniture	34	52
d) electronic systems	53,985	62,936
e) other	7,800	8,450
Total	**738,067**	**774,518**
of which: obtained through the enforcement of guarantees received	-	-

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

As at 30 June 2026, as well as at 31 December of last year, the Group does not hold property, plant and equipment for investment purposes valued at cost. Therefore, the related table is omitted.

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

Asset/Amounts	Total 30/06/2026			Total 31/12/2025		
	L1	L2	L3	L1	L2	L3
1. Owned assets	**-**	**-**	**1,287,520**	**-**	**-**	**1,293,722**
a) land	-	-	911,022	-	-	911,080
b) buildings	-	-	333,936	-	-	340,088
c) furniture	-	-	-	-	-	-
d) electronic systems	-	-	-	-	-	-
e) other	-	-	42,562	-	-	42,554
2. Rights of use acquired through leases	**-**	**-**	**-**	**-**	**-**	**-**
a) land	-	-	-	-	-	-
b) buildings	-	-	-	-	-	-
c) furniture	-	-	-	-	-	-
d) electronic systems	-	-	-	-	-	-
e) other	-	-	-	-	-	-
Total	**-**	**-**	**1,287,520**	**-**	**-**	**1,293,722**
of which: obtained through the enforcement of guarantees received	-	-	18,895	-	-	18,918

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

The changes that occurred during the half year, aside from the normal deterioration process for 9.6 million, include the following:

- the effects resulting from the fair value measurement of the Group's real estate assets, for a positive 1.5 million. Said effects are reported in the statement of comprehensive income for 1.4 million and in the income statement item "260. Fair value gains (losses) on property, plant and equipment and intangible assets" for 0,1 million;
- transfers of certain properties for business use, no longer used for the business activities of Group companies, to investment properties for 1.0 million;
- capitalised costs for the extraordinary maintenance of properties used for business activities for 2.9 million.

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

Asset/Amounts	Total 30/06/2026			Total 31/12/2025		
	L1	L2	L3	L1	L2	L3
1. Owned assets	**-**	**-**	**370,515**	**-**	**-**	**412,918**
a) land	-	-	213,592	-	-	232,171
b) buildings	-	-	156,923	-	-	180,747
2. Rights of use acquired through leases	**-**	**-**	**-**	**-**	**-**	**-**
a) land	-	-	-	-	-	-
b) buildings	-	-	-	-	-	-
Total	**-**	**-**	**370,515**	**-**	**-**	**412,918**
of which: obtained through the enforcement of guarantees received	-	-	219,977	-	-	238,733

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

The changes that occurred during the half year include the following in particular:

- transfers of several properties from assets used in operations for a book value of 1.0 million;
- transfers of certain buildings, with a net book value of 35 million, to and from assets held for sale;

- net changes in fair value for a total negative amount of 9.2 million euro recognised under income statement item "260. Fair value gains (losses) on property, plant and equipment and intangible assets".

The remaining changes relate to capitalised costs for extraordinary maintenance of properties, the total amounts of which are insignificant.

For the activities carried out in the first half of the year for the fair value measurement of real estate assets, please refer to what is described in the "*Significant accounting policies and uncertainties regarding the use of estimates in the preparation of consolidated condensed interim financial statements*" section in "Part A - Accounting policies".

Intangible assets – Item 100

10.1 Intangible assets: breakdown by type of asset

Asset/Amounts	Total 30/06/2026		Total 31/12/2025	
	Finite life	Indefinite life	Finite life	Indefinite life
A.1 Goodwill	**X**	**1,606,106**	**X**	**1,606,106**
A.1.1 attributable to the Group	X	1,606,106	X	1,606,106
A.1.2 attributable to non-controlling interests	X	-	X	-
A.2 Other intangible assets	**985,422**	**595,696**	**1,012,313**	**595,696**
of which: software	526,992	-	524,454	-
A.2.1 Assets at cost:	985,422	595,696	1,012,313	595,696
a) Internally generated intangible assets	16,803	-	11,748	-
b) Other assets	968,619	595,696	1,000,565	595,696
A.2.2 Assets at fair value:	-	-	-	-
a) Internally generated intangible assets	-	-	-	-
b) Other assets	-	-	-	-
Total	**985,422**	**2,201,802**	**1,012,313**	**2,201,802**

Intangible assets with a finite life are represented by:

- capitalised costs relating to the development and purchase of software, amounting to 527.0 million (524.5 million as at 31 December 2025); from 2025 onwards, this amount includes the costs of IT personnel directly involved in carrying out projects relating to software development for 16.8 million (11.7 million as at 31 December 2025);
- the valuation of the Client Relationships acquired as part of the various business combinations, for a total of 433.5 million, of which 69.7 million refers to the combination with the former Banca Popolare Italiana Group, 110.0 million to the business combination with the former Banca Popolare di Milano Group and 253.8 million to the acquisition of the Anima Group;
- the Value of Business Acquired (VoBA), resulting from the PPA process of the insurance companies acquired for a total of 22.5 million (24.9 million as at 31 December 2025);
- the trademarks of the companies Kairos SGR and Vita S.r.l., recognised as part of the acquisition of the Anima Group, for a total amount of 2.4 million.

For the aforementioned assets, the analyses carried out on the evolution of flows and spreads, used as a reference for the verification of the recoverability of value, did not bring to light any critical issues.

As at 30 June 2026, the intangible assets with an indefinite life recognised in the financial statements amounted to a total of 2,201.8 million, unchanged compared to the figures as at 31 December 2025. They refer to:

- goodwill for 1,606.1 million. The assets in question arise from the business combination of Banca Popolare Italiana in 2007 (42.9 million allocated to the Bancassurance Protection CGU), the acquisition of the controlling interest in Oaklins Italy S.r.l. in 2021 (2.6 million), the acquisition of control of Banco BPM Vita in 2022 (10.0 million) and the acquisition of control of Anima Holding in 2025 (1,550.6 million);

- business trademarks for 595.7 million, recognised as part of business combinations with the former Banca Popolare Italiana Group in 2007 (222.2 million), with the former BPM Group in 2017 (282.1 million) and with Anima Holding in 2025 (91.4 million). The assets in question were mostly allocated to the Retail CGU, with the exception of 18.6 million relating to the Banca Akros trademark, and attributed to the relative CGU and 91.4 million assigned to the Anima CGU in relation to the relative trademark.

Intangible assets with an indefinite life: impairment testing to determine whether there has been a permanent loss in value

Reference values for the impairment test

As at 30 June 2026, the Group's intangible assets with an indefinite life, for which it is necessary to verify the existence of any indicators of impairment, amounted to 2,201.8 million, represented for 595.7 million by trademarks and for 1,606.1 million by goodwill.

As at 31 December 2025, the recoverability checks relating to the aforementioned intangible assets were conducted on the basis of their allocation to the following Cash Generating Units (CGUs):

- Retail CGU, comprising the Private Customer and Retail Business segments, consistent with 2025 Segment Reporting, to verify the trademarks recognised following the business combination with the former Banca Popolare Italiana Group in 2007 (222.2 million) and with the former Banca Popolare di Milano Group in 2017 (263.5 million);
- Banca Akros CGU, comprising Banca Akros S.p.A., included in the "Corporate & Investment Banking" operating segment, net of the interest in Oaklins, to verify the trademark recognised following the business combination with the former Banca Popolare di Milano Group in 2017 (18.6 million);
- Oaklins CGU, comprising Oaklins, included in the "Corporate & Investment Banking" operating segment, acquired by Banca Akros in 2021, to verify the recoverability of goodwill (3.8 million, net of the impairment loss of 1.2 million recognised at the end of 2025);
- Bancassurance Protection CGU, coinciding with the interest held in the associate PiùVera Assicurazioni S.p.A. (formerly Vera Assicurazioni, which incorporated Banco BPM Assicurazioni in November 2025), to verify the recoverability of goodwill recognised as part of the business combination with the former Banca Popolare Italiana Group in 2007 (42.9 million);
- Banco BPM Vita CGU, coinciding with Banco BPM Vita (net of the components relating to the interests in Vera Vita, BBPM Life DAC, PiùVera Assicurazioni and Anima Holding), for impairment testing on goodwill (10.0 million) and on the VoBA (13.7 million) recognised as part of the acquisition of control of Banco BPM Vita in 2022;
- BBPM Life CGU, coinciding with the subsidiary BBPM Life Dac, for impairment testing on the VoBA recognised in 2022 following the acquisition of control (11.2 million);
- Anima CGU, coinciding with Anima Holding and its subsidiaries (for the portion held by Banco BPM Group), for impairment testing of goodwill (1,550.6 million) and of the trademark (91.4 million), recorded in 2025 following the acquisition of control of the Anima Group.

The impairment test carried out as at 31 December 2025 could benefit from the following valuation margins ("headroom"):

- Retail CGU: 10,432 million, equal to the excess between the recoverable value of the CGU (13,857 million) and the relative book value (3,425 million);
- Banca Akros CGU: 40 million, equal to the excess between the recoverable value of the trademarks (58 million) and the relative book value (19 million);
- Oaklins CGU: -1.2 million, equal to the difference between the recoverable value of the CGU (5 million) and its book value (6 million); this negative difference resulted in the recognition of an impairment loss of 1.2 million as at 31 December 2025;
- Bancassurance Protection CGU: 54 million, equal to the excess between the recoverable value of the CGU (236 million) and the relative book value (182 million);
- Banco BPM Vita CGU: 60 million, equal to the excess between the recoverable value of the CGU (418 million) and the relative book value (358 million);
- BBPM Life CGU: 47 million, equal to the excess between the recoverable value of the CGU (177 million) and the relative book value (131 million);

- Anima CGU: 1,357 million, equal to the excess between the recoverable value of the CGU (3,565 million) and the relative book value (2,208 million).

Procedures for verifying the existence of any indications of impairment

On the basis of the provisions of IAS 36, the results of the last annual impairment test can be considered valid for subsequent interim reports if the intervening elements and circumstances (potential impairment triggers) do not cast doubt on the underlying hypotheses and assumptions and therefore the recoverability of the values. Otherwise, should a probable loss in value emerge from this verification, it would be necessary to carry out an actual impairment test.

External factors

For the purposes of preparing these consolidated condensed financial statements, valuations have been carried out by taking into account the economic value of the CGUs, derived from their prospective earnings capacity. As at 30 June 2026, this capacity is adequately reflected in the valuations expressed by the financial markets.
In particular, as at 30 June 2026, the Group's consolidated shareholders' equity, net of equity instruments, amounted to 14.4 billion, against a Stock market capitalisation of 22.9 billion, determined on the basis of market prices recorded at the same date. For comparative purposes, as at 31 December 2025, the Group's consolidated shareholders' equity, net of equity instruments, was 13.7 billion, while the stock market capitalisation, calculated on the basis of market prices recorded on that date, stood at 19.7 billion.
The trend observed in the first half of 2026 is in keeping with the growth path that began in 2025. During the half-year, the 16% increase in market capitalisation was significantly higher than the 4% increase in the Group's book equity; consequently, the ratio of market capitalisation to book equity rose from 1.44 as at 31 December 2025 to 1.61 as at 30 June 2026.
This trend represents an indicator of the confidence expressed by the market regarding the Group's ability to maintain a high and sustainable profitability profile over time, as well as to pursue profit distribution policies consistent with a solid capacity to generate capital organically.
In light of the evidence referred to above and the information available at the reporting date, no external indicators of impairment of intangible assets were therefore identified.

Internal factors - flows

For the "Retail" CGU, to which almost the entire value of the trademarks is attributed, the value in use as at 31 December 2025 was determined by applying the Dividend Discount Model (DDM) analytical methodology, in the Excess Capital variant. This model establishes that the economic value of a business is considered equal to the sum of: (i) the present value of future cash flows (expected dividends) generated over the selected planning time horizon and distributable to shareholders, while maintaining an adequate level of capitalisation to guarantee expected development, and (ii) the perpetual capitalisation of the normalised dividend of the last year of the forecast.
Given that the cash flows for the purposes of the impairment test relating to the 2025 financial statements were prepared on the basis of multi-scenario projections developed internally to support the half-yearly capital and liquidity adequacy review (half-yearly ICAAP and ILAAP), approved by the Board of Directors, for the purposes of preparing the consolidated interim report as at 30 June 2026, the analyses carried out regarding changes in these income flows during the first half of the year did not reveal any elements that might call into question the recoverability of the values subject to formal review as at 31 December 2025. In fact, the final figures are mostly in line with the forecasts assumed in the cash flow projections used in the 2025 impairment test. Therefore, there are no indications of impairment and it is not necessary to repeat the impairment test for the trademark in question.

With reference to the Banca Akros trademark, the recoverability of which was verified as at 31 December 2025 with the "Royalties Rate" methodology, there are no significant changes in the projections of operating income, which represent the flows used as a reference for the impairment test with the above-mentioned method. In particular, to prepare the consolidated interim report as at 30 June 2026, the analyses carried out on the evolution of these income flows during the first half of the year did not highlight elements that could call into question the recoverability of the values subject to formal testing as at 31 December 2025. In fact, the available final figures are higher than the forecasts assumed in the cash flow projections used in the 2025 impairment test. Therefore, there are no indications of impairment and it is not necessary to repeat the impairment test for the trademark in question.

With reference to the Oaklins goodwill, in order to prepare the consolidated interim report as at 30 June 2026, the analyses carried out on the evolution of these income flows during the first half of the year did not highlight elements that could call into question the recoverability of the values subject to formal testing as at 31 December 2025. Therefore, there are no indications of impairment and it is not necessary to repeat the impairment test for the goodwill in question.

For the Anima CGU, the goodwill and brand arising from the completion of the takeover bid, which concluded in April 2025, were tested for the first time in December 2025. The expected flows of the Anima Group are consistent with the findings of the half-yearly review of the Banco BPM Group's capital and liquidity adequacy. In fact, the latest final figures available are higher than the forecasts assumed in the cash flow projections used in the 2025 impairment test; consequently, there are no potential indicators of impairment. With regard to Banco BPM Vita and BBPM Life DAC, as at 31 December 2025, the fair value of the insurance CGUs was deemed to be equal to their own funds, and the figures available as at June 2026 are higher than those at the end of 2025, with no impairment indicators.

Lastly, as regards the Bancassurance Protection CGU, the production performance in the first half of 2026 is substantially in line with the business plan approved by the Company; therefore, no negative elements emerge with regard to the recoverability of the values of the CGU.

Internal factors - other valuation parameters

As regards the profile of the valuation parameters, a Cost of Equity was used for the 2025 test consistent with the return required for investments with characteristics similar to that subject to valuation.
The Cost of Equity (Ke) was determined on the basis of the Capital Asset Pricing Model (CAPM), based on which the return of a risk asset should be equal to the sum of a risk-free rate (Rf) and a risk premium (MRP), considering the specific risk of the asset (ß) (Ke = Rf + ß x (MRP)).

In detail, in the impairment test as at 31 December 2025:
- the risk-free (Rf) component, which in any case encompasses the so-called "Country risk", was determined using the 1-year average of the yields of Italian 10-year BTP government bonds;
- the beta coefficient (ß), which measures the risk of the specific company or operating sector in terms of the correlation between the actual return of a share and the overall return of the reference market, was determined using: (i) for the Retail CGU: the average indicator relating to a sample of comparable companies (Italian listed banks), (ii) for the Banca Akros and Oaklins CGUs, the average indicator relating to a sample of companies active in Investment Banking, (iii) for the Bancassurance Protection CGU, the average indicator relating to a sample of companies active in the insurance sector and (iv) for the Anima CGU, the Anima Holding indicator;
- the market risk premium (MPR) was determined with a methodology aligned with valuation practice.

These parameters were updated with reference to 30 June 2026, using the same methodologies.
It should be noted that, with respect to the impairment test as at 31 December 2025:
- the risk-free component (Rf) remains unchanged at 3.57%;
- the beta coefficient (ß): for the Retail CGU, this went from 1.17 to 1.16; for the Banca Akros and Oaklins CGU, it went from 1.13 to 1.15; for the Bancassurance Protection CGU, it went from 0.86 to 0.88 and for the Anima CGU, it went from 1.00 to 0.96;
- the market risk premium (MRP) went from 5.2% to 5.1%.

With the update of the parameters, as at 30 June 2026, the cost of equity (Ke) relating to the various CGUs therefore changes as follows:
- that relating to the Retail CGU went from 9.65% to 9.48%;
- that relating to the Banca Akros and Oaklins CGUs remained unchanged at 9.43%;
- that relating to the Bancassurance Protection CGU remained unchanged at 8.05%;
- that relating to the Anima CGU went from 8.76% to 8.45%.

As regards the other valuation parameters, there are no changes with respect to what was approved for the 2025 impairment test.

Conclusions on the existence of potential indications of impairment

In light of the above, taking into account the changes in the "Ke" discount rate and the sensitivity analyses carried out for the 2025 impairment test, no potential indication of impairment was identified.

As regards the Banco BPM Vita CGU and the BBPM Life CGU, it should be noted that the impairment test was conducted by using the Own Funds of each insurance company, limited to the Tier1 Unrestricted and Tier3 capital components as at 31 December 2025 as reference, which are considered representative of a good estimate of the Fair Value. The value of BBPM Life's and Banco BPM Vita's own funds grew during 2026; therefore, there were no signs of impairment.

Below, for the Retail CGU, the Banca Akros and Oaklins CGU, the Bancassurance Protection CGU and the Anima CGU, a mere update is provided of the sensitivity analyses with respect to those indicated in the 2025 financial statements, updating the "Ke" discount rate, with all other factors and parameters remaining the same (for example: income flows, "g" long-term growth rate, time reference).

For the Retail CGU, the following tables show that, with the mere updating of the cost of equity to 9.48%, all other factors and parameters being equal, the positive difference between the recoverable value and the book value would be 10.7 billion, up from 10.4 billion recorded as at 31 December 2025.
The rate of 38.31%, which would lead to the elimination of the margin, remains unchanged, all other factors being equal.

With regard to the sensitivity analyses of changes in income flows, the change in profit leading to an elimination of the margin went from -80.4% to -80.9%; this scenario, combined with a Ke discount rate of 11.04%, would lead to a complete devaluation of the intangibles (trademarks) associated with the CGU.

Sensitivity analysis Ke/g - results of test on Retail CGU

		(Ke)			
		9.48%		38.31%	
		Differential		Differential	
		Absolute value	% impact on recoverable value	Absolute value	% impact on recoverable value
(g)	1.00%	9,633	68.0%	-8	-0.1%
	2.00%	10,733	75.8%	0	0.0%
	2.50%	11,401	80.5%	4	0.0%

Sensitivity analysis Ke/profit - results of test on Retail CGU

		Ke			
		9.48%		11.04%	
		Differential		Differential	
		Absolute value	% impact on recoverable value	Absolute value	% impact on recoverable value
Profit	5.00%	11,397	80.5%	8,940	63.1%
	0.00%	10,733	75.8%	8,391	59.3%
	-5.00%	10,070	71.1%	7,842	55.4%
	-80.9%	0	0.0%	-486	-3.4%

For the Banca Akros CGU, the following table shows that, with the mere updating of the cost of equity, which remained unchanged at 9.43%, whilst all other factors and parameters remained the same, the positive difference between the recoverable value and the book value would amount to 39.7 million, in line with the result of the impairment test as at 31 December 2025.
The rate of 25.13%, which would lead to the elimination of the margin, remains unchanged, all other factors being equal.

Sensitivity analysis Ke/g - results of test on Banca Akros CGU:					
		(Ke)			
		9.43%		25.13%	
		Differential		Differential	
		Absolute value	% impact on recoverable value	Absolute value	% impact on recoverable value
(g)	1.00%	34	57.7%	-0.5	-0.9%
	2.00%	40	68.1%	0.0	0.0%
	2.50%	43	74.3%	0.3	0.5%

For Oaklins, the impairment test as at 31 December 2025 led to the need to recognise a write-down of intangible assets with an indefinite useful life of 1.2 million, related to the goodwill allocated to the CGU. The margins shown in the table below have been calculated on the basis of the figure as at 31 December 2025, adjusted by an amount of 1.2 million. The table shows that, with the mere updating of the cost of equity, which remained unchanged at 9.43%, whilst all other factors and parameters remained the same, the positive difference between the recoverable value and the book value would amount to 0 million, in line with the post-impairment value recorded as at 31 December 2025. All other factors being equal, the rate of 17.67%, which would result in the complete write-down of the intangible assets (goodwill) associated with the CGU, remains unchanged.

Sensitivity analysis Ke/g - results of test on Oaklins					
		(Ke)			
		9.43%		17.67%	
		Differential		Differential	
		Absolute value	% impact on recoverable value	Absolute value	% impact on recoverable value
(g)	1.00%	-0.5	-10.3%	n.a.	n.a.
	2.00%	0.0	0.0%	-2.5	-52.4%
	2.50%	0.3	6.2%	-2.5	-51.2%

For the Bancassurance Protection CGU, the following tables show that, with the mere updating of the cost of equity, which remained unchanged at 8.05%, all other factors and parameters being equal, the positive difference between the recoverable value and the book value would be 54 million, in line with the figure at 31 December 2025.
The rate of 10.10%, which would lead to the elimination of the margin, remains unchanged, all other factors being equal.
With regard to the sensitivity analyses of changes in income flows, the change in profit leading to an elimination of the margin remained unchanged at -23.52%.

Sensitivity analysis Ke/g - results of test on Bancassurance Protection CGU					
		(Ke)			
		8.05%		10.10%	
		Differential		Differential	
		Absolute value	% impact on recoverable value	Absolute value	% impact on recoverable value
(g)	1.00%	34	14.5%	-10	-4.1%
	2.00%	54	22.9%	0	0.0%
	2.50%	66	28.2%	6	2.4%

Sensitivity analysis Ke/profit - results of test on Bancassurance Protection CGU					
		(Ke)			
		8.05%		10.10%	
		Differential		Differential	
		Absolute value	% impact on recoverable value	Absolute value	% impact on recoverable value
Profit	10.00%	77	32.6%	17	7.2%
	0.00%	54	22.9%	0	0.0%
	-10.00%	31	13.2%	-17	-7.2%
	-23.52%	0	0.0%	-40	-16.8%

For the Anima CGU, the following tables show that, with the mere updating of the cost of equity to 8.45%, all other factors and parameters being equal, the positive difference between the recoverable value and the book value would be 1,505 million, up from 1,357 million recorded as at 31 December 2025.
The rate of 14.05%, which would lead to the elimination of the margin, remains unchanged, all other factors being equal.
With regard to the sensitivity analyses of changes in income flows, the change in flow leading to an elimination of the margin went from -38.49% to -40.98%.

Sensitivity analysis Ke/g - results of test on Anima CGU					
		(Ke)			
		8.45%		14.05%	
		Differential		Differential	
		Absolute value	% impact on recoverable value	Absolute value	% impact on recoverable value
(g)	1.00%	1,144	30.8%	-95	-2.6%
	2.00%	1,505	40.5%	0	0.0%
	2.50%	1,731	46.6%	54	1.4%

Sensitivity analysis Ke/Flow - results of test on Anima CGU					
		(Ke)			
		8.45%		14.05%	
		Differential		Differential	
		Absolute value	% impact on recoverable value	Absolute value	% impact on recoverable value
Flow	5.00%	1,688	45.5%	108	2.9%
	0.00%	1,505	40.5%	0	0.0%
	-5.00%	1,321	35.6%	-108	-2.9%
	-40.98%	0	0.0%	-888	-23.9%

Tax assets - Item 110

Deferred tax assets

A. Deferred tax assets – breakdown

As at 30 June 2026, total DTAs amounted to 2,251.0 million (2,650.6 million as at 31 December 2025), of which 1,991.4 million had an impact on the income statement, while 259.6 million was recorded as a balancing entry in shareholders' equity, in accordance with the entries referred to. For a review of the breakdown of these DTAs, please see the table "11.1 Deferred tax assets: breakdown".

In greater detail, as at 30 June 2026, the deferred tax assets that meet the requirements of Italian Law no. 214 of 22 December 2011 ("Law 214/2011") for convertibility into tax credit amounted to 1,032.4 million (1,089.2 million as at 31 December 2025). The provisions under this law and, subsequently, under Italian Law 147/2013 (2014 Stability Law), provide for the conversion of DTAs into tax credits in the case of a "statutory loss", a "tax loss" for IRES purposes

and a "net negative value of production" for IRAP purposes. For the purposes of these regulations, write-downs on loans not yet deducted based on temporal limits in effect at the time pursuant to Art. 106, paragraph 3 of the Italian Consolidated Tax Law (TUIR) are included, as are negative components relative to goodwill and other intangible assets, not yet deducted according to the temporal limits in effect at the time (known as "eligible DTAs").
Specifically, as at 30 June 2026, the Group's eligible DTAs derive from:

- temporary deductible differences relative to write-downs on loans exceeding immediate deductibility limits envisaged in the tax regulations solely with reference to credit and financial entities for 555.8 million (597.4 million as at 31 December 2025);
- temporary deductible differences relative to goodwill and other intangible assets recognised in previous years for 476.6 million (491.8 million as at 31 December 2025).

It should be specified that, specifically with reference to these DTAs, their continued convertibility to tax credits is subordinate to the payment of the fee pursuant to Decree Law 59 of 3 May 2016, amended and converted into law with Law no. 119 of 30 June 2016. Italian Law no. 15 of 17 February 2017, converting the "Salva risparmio" Decree Law postponed the period for which the fee is due to 31 December 2030. In order to guarantee the convertibility of DTAs into tax credit and avoid the negative impacts that would otherwise result on Own Funds, Banco BPM Group availed of the option by paying said fee, where due. For the first time, in respect of the 2026 financial year, the Group did not pay any DTA fee, as the taxes paid exceeded the qualifying DTA that could be converted into tax credits.

As at 30 June 2026, residual deferred tax assets (non-convertible DTAs) amounted to 1,218.7 million (1,561.4 million as at 31 December 2025), of which 340.3 million deriving from IRES tax losses, which can be carried forward (575.7 million as at 31 December 2025) and 878.4 million deriving from costs and value adjustments deductible in years subsequent to those recognised in the financial statements (985.7 million as at 31 December 2025).

B. Deferred tax assets – recoverability checks

In compliance with the provisions of IAS 12 and the ESMA communication of 15 July 2019, Banco BPM Group recognised Deferred Tax Assets (DTAs), after verifying that the values recognised were supported by judgements that it was probable they could be recovered. In order to make these judgements, the current tax provisions were taken into consideration, in particular with reference to rules regarding whether certain deferred tax assets can be converted into tax credits, and the Group's capacity to generate future taxable income, also taking the "tax consolidation" option into account.

As regards eligible DTAs that can be converted into tax credits, equal to 1,032.4 million - corresponding to 45.9% of the total DTAs posted in the financial statements as at 30 June 2026 - the tax regulations introduced by Italian Law 214/2011, along with the exercise of the option for the annual fee regime illustrated above make their recoverability certain. This treatment is in line with the indications contained in the Bank of Italy/CONSOB/ISVAP document no. 5 of 15 May 2012 "Accounting treatment of deferred tax assets deriving from Italian Law 214/2011".
The recognition and subsequent maintenance in the financial statements of the remaining tax assets (non-convertible DTAs), totalling 1.218,7 million, strictly depends on the ability of the Group and/or the single companies to generate future taxable income ("tax capability").

To that end non-convertible DTAs were subject to three separate recoverability tests, based on a model that predicts future taxable income, as illustrated below:

- IRES taxable income resulting from the consolidated financial statements for the ordinary IRES tax rate (24%);
- IRES taxable income at individual level for Banco BPM, for the purpose of the additional IRES tax rate applicable to banks (3.5%);
- IRAP value of production at individual level for Banco BPM, for the purposes of IRAP.

The recoverability test was conducted based on the following information and assumptions:

- Banco BPM and its subsidiaries that have recorded DTAs reflected in the consolidated financial statements operate in Italy and, as a result, reference was made to the tax regulations in force in that country;
- implementation of the tax changes introduced by the 2026 Budget Law (limit of 35% of previous tax losses in the 2026 tax period and of 42% in the 2027 tax period on so-called incremental income, partial postponement of convertible DTAs and of ECL quotas from former IFRS 9 FTAs pertaining to 2027 on a straight-line basis to 2028 and 2029; non-deductibility of interest expense to the extent of 4% in 2026, 3% in 2027, 2% in 2028 and 1% in subsequent years);

- said tax regulations do not establish time limits on the recovery of the IRES tax loss (Art. 84, paragraph 1 of Presidential Decree 917 of 22 December 1986);
- IAS 12 does not set out a maximum time horizon for forecasting taxable income;
- the estimates of future taxable income have been made using a multi-scenario approach, by taking as a reference the most recent cash flow projections of Banco BPM Group or Banco BPM for the 2026-2028 period;
- the estimates referred to in the previous point have been adjusted to take account of the uncertainty that characterises the actual realisation of long-term forecasts, applying a discount factor defined on the basis of a risk premium (so-called Risk-adjusted profit approach), in line with the recommendations set out by ESMA in the aforementioned Communication of 15 July 2019;
- Deferred Tax Liabilities (DTLs) were offset by DTAs in the event that their reversal over time is expected to occur in the same year.

Below is detailed information on the assumptions used for probability testing, their outcomes and sensitivity analysis.

B.1 Estimated future taxable income

The estimate of future taxable income was based on the most recent income projections of Banco BPM and the Group for the years 2026-2028.

Considering the current context of uncertainty, these projections have been made with reference to three separate macroeconomic scenarios at the date on which the above-mentioned scenarios were developed, to which a different probability of occurrence has been attributed. In detail, alongside a baseline scenario, an adverse scenario and a favourable scenario were drawn up, to which probabilities of occurrence of 50%, 35% and 15% respectively were assigned, in line with the weightings applied for the purpose of calculating expected credit losses as at 30 June 2026.

For long-term profitability, starting from 2029, we took as reference the expected income in 2028, determined by weighting the three scenarios indicated, appropriately normalised to take account of a number of components considered non-recurring. This income has been projected, starting from 2030, with an annual growth rate (g) of 2%, equal to the nominal growth forecasts for the national economy.

B.2 Adjustment of future taxable income

In order to take into account the uncertainty that characterises the actual realisation of long-term forecasts, a discount factor of 5.91% has been introduced. This factor has been defined as a function of the risk premium required by the market (MRP - Market Risk Premium), equal to 5.1%, multiplied by the Beta coefficient (ß), equal to 1.159%, i.e. the coefficient that expresses the specific riskiness of the Group's business.
In more detail, the adjustment of taxable income is obtained by discounting each year's forecasts for the discount factor of 5.91%, applied according to the compound capitalisation formula, from 2029 onwards. This formula therefore makes it possible to adjust future forecasts according to an increasing abatement factor depending on the time horizon of the estimated taxable flows.

The growth rate (g), and the parameters to factor in the uncertainty of forecasts (MRP and ß) are consistent with those considered for the impairment test of intangible assets with an indefinite life; related to the Retail CGU, as illustrated in more detail in the previous section "10 - Intangible assets - Item 100".

B.3 Outcomes of the probability test and sensitivity analysis

Based on the valuation exercise carried out in accordance with the methodologies described in paragraphs B.1 and B.2 above, the results of the probability test relating to the main categories of deferred tax assets (DTAs) recognised by the Group are set out below. These consist of the IRES DTAs in the consolidated financial statements, calculated at a rate of 24%, IRES DTAs subject to the additional rate of 3.5%, and IRAP DTAs recognised in Banco BPM's separate financial statements, which together account for almost all of the deferred tax assets recognised in the consolidated financial statements.
The consolidated IRES DTAs recognised as at 30 June 2026, which are recoverable through the taxable income generated by Group companies, amount to a total of 910.1 million, of which 263.7 million relate to tax losses carried forward. The results of the probability test confirm the full recoverability of the recognised DTAs. In particular, the DTAs

relating to tax losses are estimated to be recoverable by 2027, in line with the assessments carried out as at 31 December 2025. The remaining DTAs from temporary differences, amounting to 646.4 million, are fully recoverable on the basis of the expected repayment of the related temporary differences, which is fully absorbed by the expected taxable income.
The IRES DTAs subject to the 3.5% surcharge, which are recoverable exclusively through taxable income generated in Banco BPM's separate financial statements, amounted to 154.9 million as at 30 June 2026, of which 76.6 million related to carry-forward tax losses. Here, too, the probability test confirms the full recoverability of the assets recognised. In particular, the DTAs on tax losses are estimated to be recoverable by 2029, one year in advance with respect to the assessments made as at 31 December 2025. The remaining DTAs from temporary differences, amounting to 78.3 million, are fully recoverable as the expected repayment of the related temporary differences is included in the expected taxable income.
Lastly, with regard to the IRAP DTAs recognised in Banco BPM's separate financial statements, amounting to 120.7 million as at 30 June 2026, the projections of taxable income show, for each financial year considered, the full capacity to absorb the maturing temporary differences, thereby confirming the full recoverability of the related deferred tax assets.
The estimates of recoverability and the related time profile for the use of DTAs reflect the current regulatory framework, including the effects of the 2026 Budget Law, as illustrated above. Although no further measures are currently envisaged in this regard, any future changes to the rules governing the use of tax losses could reduce the annual absorption capacity and result in an extension of the recovery time horizons currently considered.

Sensitivity analysis of the consolidated IRES DTAs based on the tax rate of 24%

With regard to the IRES DTAs recognised at a rate of 24%, amounting to 910.1 million as at 30 June 2026, specific sensitivity analyses were carried out on the key assumptions used in the valuation model. In particular, the effects of changes in the discount rate, the long-term growth rate (g) and estimated taxable income beyond the explicit planning period were analysed.
The results of the analyses carried out show that reasonably possible changes to these parameters do not result in changes to the recovery time frames set out in paragraph B.3 above. In the scenarios considered, in fact, no further DTAs on tax losses emerge beyond those already recognised in the financial statements and, consequently, there are no effects on the related recovery periods.
A factor that could potentially affect the recovery time frames, however, is the trend in expected taxable income over the three-year period 2026-2028. In particular, a 15% reduction in projected taxable income would result in a one-year deferral of the recovery of the DTAs relating to tax losses, which would be expected by 2028 rather than by 2027, whilst a 30% reduction would extend the recovery horizon to 2030.
Even under these adverse scenarios, the deferred tax assets currently recognised would remain fully recoverable, given the unlimited carry-forward of IRES tax losses and the Group's prospective ability to generate, over the period under consideration, taxable profits sufficient to utilise these losses in line with the expected use profile.

B.4 Considerations on DTAs relating to IRES tax losses that can be carried forward

DTAs from tax losses, which amounted to 340.3 million as at 30 June 2026, stem from extraordinary and non-recurring events that occurred in previous financial years, mainly attributable to initiatives to reduce non-performing loans and to the costs associated with the business combination that gave rise to the Group. These losses were not regarded as indicative of a structural inability to generate positive taxable income, but rather the result of exceptional circumstances not expected to recur. Consequently, their existence was not considered to preclude the recognition of the related DTAs, given the Group's prospective ability to ensure their recovery, as confirmed by the results of the probability test.

11.1 Deferred tax assets: breakdown

	IRES	IRAP	Other taxes	30/06/2026	31/12/2025
A) As a balancing entry in the Income Statement					
A.1) Convertible DTAs pursuant to Italian Law 214/2011	**876,904**	**155,481**	**-**	**1,032,385**	**1,089,170**
Write-downs of loans deductible in subsequent years	498,031	57,739	-	555,770	597,418
Costs deductible in subsequent years deriving from the tax relief on goodwill and other intangible assets	378,873	97,742	-	476,615	491,752
A.2) DTAs - Other types	**858,431**	**100,598**	**-**	**959,029**	**1,265,281**
Tax losses that can be carried forward	340,281	-	-	340,281	575,692
ECL adjustments of FTAs pursuant to IFRS 9 on loans to customers deductible in the subsequent years	141,803	36,156	-	177,959	183,749
Provisions and value adjustments deductible in subsequent years	68,527	923	-	69,450	78,499
Personnel expenses and provisions for employee severance pay deductible in subsequent years	83,442	16,211	-	99,653	133,588
Value adjustments to real estate deductible in subsequent years	169,827	35,686	-	205,513	233,959
Book values lower than the recognised tax values resulting from value adjustments to goodwill and other intangible assets	23,306	5,747	-	29,053	31,356
Book values lower than the recognised tax values resulting from fair value measurement of financial assets	480	14	-	494	484
Other cases of misalignment between book and tax values	30,765	5,861	-	36,626	27,954
Total A	**1,735,335**	**256,079**	**-**	**1,991,414**	**2,354,451**
B) As a balancing entry in Shareholders' Equity					
Book values lower than the recognised tax values deriving from fair value measurement of financial assets measured as a balancing entry in shareholders' equity	179,272	42,513	-	221,785	237,174
Other cases of misalignment between book and tax values	32,706	5,145	-	37,851	58,966
Total B	**211,978**	**47,658**	**-**	**259,636**	**296,140**
Total (A+B)	**1,947,313**	**303,737**	**-**	**2,251,050**	**2,650,591**

The following tables provide details of the breakdown of deferred tax assets by "Banking Group" and "Insurance companies".

11.1 Deferred tax assets: breakdown (of which: Banking Group)

		IRES	IRAP	Other taxes	30/06/2026	31/12/2025
A)	**As a balancing entry in the Income Statement**					
	A.1) Convertible DTAs pursuant to Italian Law 214/2011	**876,904**	**155,481**	**-**	**1,032,385**	**1,089,170**
	Write-downs of loans deductible in subsequent years	498,031	57,739	-	555,770	597,418
	Costs deductible in subsequent years deriving from the tax relief on goodwill and other intangible assets	378,873	97,742	-	476,615	491,752
	A.2) DTAs - Other types	**829,598**	**96,080**	**-**	**925,678**	**1,238,117**
	Tax losses that can be carried forward	340,256	-	-	340,256	575,665
	ECL adjustments of FTAs pursuant to IFRS 9 on loans to customers deductible in the subsequent years	141,763	36,156	-	177,919	183,749
	Provisions and value adjustments deductible in subsequent years	68,439	923	-	69,362	78,395
	Personnel expenses and provisions for employee severance pay deductible in subsequent years	83,442	16,211	-	99,653	133,588
	Value adjustments to real estate deductible in subsequent years	163,175	35,604	-	198,779	227,645
	Book values lower than the recognised tax values resulting from value adjustments to goodwill and other intangible assets	23,306	5,747	-	29,053	31,356
	Book values lower than the recognised tax values resulting from fair value measurement of financial assets	480	14	-	494	484
	Other cases of misalignment between book and tax values	8,737	1,425	-	10,162	7,235
	Total A	**1,706,502**	**251,561**	**-**	**1,958,063**	**2,327,287**
B)	**As a balancing entry in Shareholders' Equity**					
	Book values lower than the recognised tax values deriving from fair value measurement of financial assets measured as a balancing entry in shareholders' equity	128,252	28,015	-	156,267	187,605
	Other cases of misalignment between book and tax values	32,706	5,145	-	37,851	58,966
	Total B	**160,958**	**33,160**	**-**	**194,118**	**246,571**
	Total (A+B)	**1,867,460**	**284,721**	**-**	**2,152,181**	**2,573,858**

11.1 Deferred tax assets: breakdown (of which: insurance companies)

		IRES	IRAP	Other taxes	30/06/2026	31/12/2025
A)	**As a balancing entry in the Income Statement**					
	A.1) Convertible DTAs pursuant to Italian Law 214/2011	**-**	**-**	**-**	**-**	**-**
	Write-downs of loans deductible in subsequent years	-	-	-	-	-
	Costs deductible in subsequent years deriving from the tax relief on goodwill and other intangible assets	-	-	-	-	-
	A.2) DTAs - Other types	**21,929**	**4,419**	**-**	**26,348**	**20,536**
	Tax losses that can be carried forward	-	-	-	-	-
	ECL adjustments of FTAs pursuant to IFRS 9 on loans to customers deductible in the subsequent years	40	-	-	40	-
	Provisions and value adjustments deductible in subsequent years	-	-	-	-	-
	Personnel expenses and provisions for employee severance pay deductible in subsequent years	-	-	-	-	-
	Value adjustments to real estate deductible in subsequent years	47	-	-	47	45
	Book values lower than the recognised tax values resulting from value adjustments to goodwill and other intangible assets	-	-	-	-	-
	Book values lower than the recognised tax values resulting from fair value measurement of financial assets	-	-	-	-	-
	Other cases of misalignment between book and tax values	21,842	4,419	-	26,261	20,491
	Total A	**21,929**	**4,419**	**-**	**26,348**	**20,536**
B)	**As a balancing entry in Shareholders' Equity**					
	Book values lower than the recognised tax values deriving from fair value measurement of financial assets measured as a balancing entry in shareholders' equity	51,020	14,498	-	65,518	49,569
	Other cases of misalignment between book and tax values	-	-	-	-	-
	Total B	**51,020**	**14,498**	**-**	**65,518**	**49,569**
	Total (A+B)	**72,949**	**18,917**	**-**	**91,866**	**70,105**

Other information

Group tax situation

For an examination of the risks associated with existing disputes with the Tax Authorities and the relative developments during the first half of 2026 (new disputes arising or disputes concluded and/or settled), please see that found in the section "Liability provisions - Items 90 and 100" of the liabilities, which provide details of provisions carried out against liabilities judged to be probable, pursuant to that required under the reference accounting standard IAS 37.

Global minimum tax

The OECD "Tax Challenges Arising from the Digitalisation of the Economy - Global Anti-Base Erosion Model Rules (Pillar Two)" and Council Directive (EU) 2022/2523 of 14 December 2022 introduced legislation aimed at ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups (global minimum tax).
The global minimum tax consists of 3 taxes:

- minimum domestic taxation applicable by the country in which the companies of the multinational group pay a low tax if that country has chosen to introduce a Qualified Domestic Minimum Top-Up Tax (QDMTT);
- minimum top-up taxation applicable by the country of location of the direct or indirect participant, taking into account any amount withdrawn through a minimum domestic tax (IIR - Income Inclusion Rule);
- minimum top-up taxation (UTPR - Under-Taxed Payments Rule) applicable by countries that adopt the GloBE, in which the multinational group is present with other companies, in the cases in which the top-up taxation due in relation to the companies of the group subject to low taxation was not withdrawn or only partially.

From the 2024 tax period, Banco BPM Group is included in the scope of application of Pillar 2/GloBE rules. In particular, these rules entered into force in Italy on 1 January 2024 through Italian Legislative Decree 209/2023, implementing Directive 2523/2022/EU.
In a nutshell, the Pillar 2 rules envisage that Group entities (wherever located) are subject to an effective income tax of at least 15%, to be determined on the basis of a complex calculation based on accounting and tax data of such entities, aggregated by country. If the level of taxation in a given country is less than 15%, this results in the application of a "Top-Up Tax" to bring the value up to 15%.
As required by IAS 12 (in particular, by the "*Amendments to IAS 12 Income Taxes - International Tax Reform - Pillar Two Model Rules*") as well as by the amended version of OIC 25, the Group, using data available at the reporting date, carried out an analysis to identify the scope of application and potential impact of the Pillar 2 regulations on countries included in its scope of consolidation, also making use of the transitional safe harbours ("TSH") applicable in the three-year transitional period 2024-2026 as required by relevant regulations.
These rules envisage that no top-up tax is due if one of the following tests is passed (to be carried out in relation to each country in which the Group is present):

- *De minimis test*: met if revenues in the jurisdiction are less than 10 million and the aggregate profit before tax is less than a million euro;
- *Simplified effective tax rate test*: met if the effective tax rate is at least 17% (for 2026), as determined on the basis of the ratio between the aggregate values of profit (loss) before tax (denominator) and income taxes (numerator). In this regard, the numerator represents the value of current and deferred income taxes (with certain specific adjustments) recognised in the reporting packages of the subsidiaries in a given jurisdiction;
- *Routine profit test*: met if the aggregate value of the "Substance-based income exclusion" or "SBIE" envisaged in Pillar 2 rules is higher than the aggregate amount of profit (loss) before tax. As required by the OECD guidelines, if a jurisdiction records a loss before tax, the test is considered met.

If none of the tests are passed for a specific jurisdiction, the Group is required to calculate the level of effective taxation on the basis of the entire set of Pillar 2 rules, i.e. by making specific adjustments to the accounting data of the entities located in that jurisdiction, also in order to determine - if its effective tax rate is below 15% - the amount of top-up tax due.
Based on current data, Banco BPM assumes the role of Ultimate Parent Entity.
The Group is present in 3 jurisdictions that have implemented Pillar 2 regulations (Italy, Ireland and Switzerland).
The Group carried out an analysis in relation to the possible exposure to Pillar 2 taxes, taking into account the data for the first half of 2026.
Based on data available to date, for the first half of 2026 (in line with 2025) the Group benefits from the TSHs in Italy (where the Simplified ETR Test is verified) and in Switzerland (where the De Minimis Test is verified). As regards Ireland, having not met the requirements to benefit from the TSH simplification in 2024, it cannot exercise the relative option for subsequent years according to the OECD principle of *"once out, always out"*.
Through its local consultants, the Group therefore performed a calculation to verify whether any Pillar 2 taxes were due in that country. This analysis showed that, in relation to the first half of 2026, the Group will be required to pay approximately 342 thousand euro as domestic top-up tax.

Exemption from recognition of Pillar 2 deferred tax

Note that Banco BPM Group has applied the temporary exemption envisaged by the amendment to IAS 12, issued by the International Accounting Standards Board ("IASB") on 23 May 2023 (implementing Commission Regulation (EU) 2023/2468 of 8 November 2023), concerning the recognition and related reporting in the financial statements regarding deferred tax assets and liabilities deriving from application of the Global Minimum Tax envisaged in Directive (EU) 2022/2523 of 14 December 2022, as part of the Anti-Base Erosion Global Rules Model (Pillar Two). Consequently, the Group will not recognise or disclose information on deferred tax assets and liabilities relating to pillar 2 income taxes.

Non-current assets and disposal groups held for sale and associated liabilities – Item 120 in the assets and Item 70 in the liabilities

12.1 Non-current assets and disposal groups held for sale: breakdown by type of asset

	Total 30/06/2026	Total 31/12/2025
A. Assets held for sale		
A.1 Financial assets	84,284	50,701
A.2 Interests in associates and joint ventures	-	-
A.3 Property, plant and equipment	112,446	145,948
of which: obtained through the enforcement of guarantees received	52,844	52,362
A.4 Intangible assets	-	-
A.5 Other non-current assets	1,376	-
Total A	**198,106**	**196,649**
of which at cost	85,660	50,701
of which at fair value level 1	-	-
of which at fair value level 2	-	-
of which at fair value level 3	112,446	145,948
B. Discontinued operations		
B.1 Financial assets at fair value through profit and loss	-	-
- Financial assets held for trading	-	-
- Financial assets designated at fair value	-	-
- Other financial assets mandatorily measured at fair value	-	-
B.2 Financial assets measured at fair value through other comprehensive income	-	-
B.3 Financial assets at amortised cost	-	-
B.4 Interests in associates and joint ventures	-	-
B.5 Property, plant and equipment	-	-
of which: obtained through the enforcement of guarantees received	-	-
B.6 Intangible assets	-	-
B.7 Other assets	-	-
Total B	**-**	**-**
of which at cost	-	-
of which at fair value level 1	-	-
of which at fair value level 2	-	-
of which at fair value level 3	-	-
C. Liabilities associated with assets classified as held for sale		
C.1 Payables	(5)	-
C.2 Securities	-	-
C.3 Other liabilities	(1,220)	-
Total C	**(1,225)**	**-**
of which at cost	(1,225)	-
of which at fair value level 1	-	-
of which at fair value level 2	-	-
of which at fair value level 3	-	-
D. Liabilities associated with discontinued operations		
D.1 Financial liabilities at amortised cost	-	-
D.2 Financial liabilities held for trading	-	-
D.3 Financial liabilities designated at fair value	-	-
D.4 Provisions	-	-
D.5 Other liabilities	-	-
Total D	**-**	**-**
of which at cost	-	-
of which at fair value level 1	-	-
of which at fair value level 2	-	-
of which at fair value level 3	-	-

As at 30 June 2026, assets held for sale and the related liabilities include the following items, which are specifically classified under the relevant sub-item according to their nature.

Financial assets attributable to loans classified as bad and unlikely to pay are shown in item A.1 "Financial assets". Specifically, these comprise positions already classified under this item as at 31 December 2025, for which the disposal had not yet been finalised as at the reporting date, amounting to 6.7 million, as well as further exposures for which the disposal was approved during the half-year, amounting to 76.6 million.

With reference to property, plant and equipment, the item includes owned properties for which ongoing sales negotiations suggest that the relevant disposals are likely to be finalised in the short term. As part of the "Project Square", whose properties were classified under this item as at 31 December 2025, disposals totalling 41.9 million were finalised during the half-year, thereby almost fully completing the disposal relating to this transaction.
As regards the other properties already classified as assets held for sale at the end of the previous financial year, disposals totalling 21.0 million were finalised during the half-year.

Lastly, this item includes the assets and liabilities attributable to the subsidiary Sagim, following negotiations aimed at the Group's disposal of its interest in the company.

Other assets – Item 130

The balance of this item as at 30 June 2026 stood at 4,200.1 million, compared with 4,987.8 million as at 31 December 2025.

"Other assets" consist of more than 70% receivables from tax authorities, amounting to 2,988.7 million as at 30 June 2026, compared with 4,018.8 million as at 31 December 2025. The main component of this category is tax credits arising from non-recourse purchases completed during the first half of 2026 and in previous financial years, predominantly relating to building incentives such as the Superbonus, Sismabonus and other similar schemes. These credits amounted to 2,021.3 million as at 30 June 2026, compared with 2,953.6 million as at 31 December 2025. The portion still recognised in the financial statements is expected to be fully recovered by offsetting against tax payables of Banco BPM or by assignment to subsidiaries or third-party purchasers.

LIABILITIES

Financial liabilities at amortised cost – Item 10

1.1 Financial liabilities at amortised cost: breakdown by product for amounts due to banks

Transaction type/Amounts	Total 30/06/2026				Total 31/12/2025			
	BV	Fair Value			BV	Fair Value		
		L1	L2	L3		L1	L2	L3
1. Due to central banks	**1,005,472**	X	X	X	**3,003,852**	X	X	X
2. Due to banks	**8,477,717**	X	X	X	**3,642,203**	X	X	X
2.1 Current accounts and demand deposits	1,216,227	X	X	X	821,702	X	X	X
2.2 Fixed-term deposits	85,556	X	X	X	148,105	X	X	X
2.3 Loans	6,636,785	X	X	X	2,249,319	X	X	X
2.3.1 Repurchase agreements	6,622,595	X	X	X	2,165,103	X	X	X
2.3.2 Other	14,190	X	X	X	84,216	X	X	X
2.4 Payables for commitment to repurchase own capital instruments	-	X	X	X	-	X	X	X
2.5 Lease payables	3,924	X	X	X	-	X	X	X
2.6 Other payables	535,225	X	X	X	423,077	X	X	X
Total	**9,483,189**	**-**	**-**	**9,483,189**	**6,646,055**	**-**	**-**	**6,646,055**

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

"Due to central banks" includes refinancing operations with the European Central Bank. As at 30 June 2026, there are refinancing operations for a nominal value of 1.0 billion (nominal 3.0 billion as at 31 December 2025).

1.2 Financial liabilities at amortised cost: breakdown by product for amounts due to customers

Transaction type/Amounts	Total 30/06/2026				Total 31/12/2025			
	BV	Fair Value			BV	Fair Value		
		L1	L2	L3		L1	L2	L3
1. Current accounts and demand deposits	103,648,237	X	X	X	103,814,790	X	X	X
2. Fixed-term deposits	2,105,907	X	X	X	1,275,069	X	X	X
3. Loans	11,399,386	X	X	X	3,000,770	X	X	X
3.1 Repurchase agreements	10,905,801	X	X	X	2,504,942	X	X	X
3.2 Other	493,585	X	X	X	495,828	X	X	X
4. Payables for commitment to repurchase own capital instruments	-	X	X	X	-	X	X	X
5. Lease payables	647,928	X	X	X	673,347	X	X	X
6. Other payables	1,177,088	X	X	X	1,178,373	X	X	X
Total	**118,978,546**	**-**	**-**	**118,978,546**	**109,942,349**	**-**	**-**	**109,942,349**

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

1.3 Financial liabilities at amortised cost: breakdown by product for debt securities in issue

Type of securities/ Amounts	Total 30/06/2026				Total 31/12/2025			
	BV	Fair Value			BV	Fair Value		
		L1	L2	L3		L1	L2	L3
A. Securities								
1. bonds	21,720,962	14,631,248	7,252,549	-	23,121,850	13,660,788	9,716,855	-
1.1 structured	-	-	-	-	-	-	-	-
1.2 other	21,720,962	14,631,248	7,252,549	-	23,121,850	13,660,788	9,716,855	-
2. other securities	738	-	-	738	796	-	-	796
2.1 structured	-	-	-	-	-	-	-	-
2.2 other	738	-	-	738	796	-	-	796
Total	**21,721,700**	**14,631,248**	**7,252,549**	**738**	**23,122,646**	**13,660,788**	**9,716,855**	**796**

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

Debt securities in issue as at 30 June 2026 amounted to 21.7 billion (23.1 billion as at 31 December 2025).

In January, the placement of a Social Senior Preferred bond issue aimed at institutional investors, worth 500 million and maturing in February 2031, was completed.
In addition, in the first half year, Banco BPM concluded the placement of a new issue of a European Covered Bond (Premium) for an amount of 1.0 billion and maturity in February 2032.

It should be noted that, during the period, bonds with a nominal value of approximately 1 billion matured or were redeemed, mainly attributable to the early redemption of subordinated securities.

Financial liabilities held for trading – Item 20

2.1 Financial liabilities held for trading: breakdown by product

Transaction type/Amounts	Total 30/06/2026					Total 31/12/2025				
	NV	Fair Value			Fair Value*	NV	Fair Value			Fair Value*
		L1	L2	L3			L1	L2	L3	
A. On-balance sheet liabilities										
1. Due to banks	4,315,407	1,206,005	2,955,648	-	4,161,653	11,501,470	1,035,630	9,739,021	-	10,774,651
2. Due to customers	7,487,635	3,251,536	4,246,272	-	7,497,808	9,926,821	1,512,672	8,210,611	-	9,723,283
3. Debt securities	259,485	-	271,025	-	266,790	444,102	-	462,694	-	455,651
3.1 Bonds	-	-	-	-	-	-	-	-	-	-
3.1.1 Structured	-	-	-	-	X	-	-	-	-	X
3.1.2 Other bonds	-	-	-	-	X	-	-	-	-	X
3.2 Other securities	259,485	-	271,025	-	266,790	444,102	-	462,694	-	455,651
3.2.1 Structured	259,485	-	271,025	-	X	444,102	-	462,694	-	X
3.2.2 Other	-	-	-	-	X	-	-	-	-	X
Total (A)	**12,062,527**	**4,457,541**	**7,472,945**	**-**	**11,926,251**	**21,872,393**	**2,548,302**	**18,412,326**	**-**	**20,953,585**
B. Derivative instruments										
1. Financial derivatives	-	190,906	1,517,247	-	-	-	112,800	1,143,641	-	-
1.1 Held for trading	X	190,906	1,517,225	-	X	X	112,800	1,143,579	-	X
1.2 Connected with the fair value option	X	-	-	-	X	X	-	-	-	X
1.3 Other	X	-	22	-	X	X	-	62	-	X
2. Credit derivatives	-	-	5,846	-	-	-	-	4,511	-	-
2.1 Held for trading	X	-	5,846	-	X	X	-	4,511	-	X
2.2 Connected with the fair value option	X	-	-	-	X	X	-	-	-	X
2.3 Other	X	-	-	-	X	X	-	-	-	X
Total (B)	**X**	**190,906**	**1,523,093**	**-**	**X**	**X**	**112,800**	**1,148,152**	**-**	**X**
Total (A+B)	**X**	**4,648,447**	**8,996,038**	**-**	**X**	**X**	**2,661,102**	**19,560,478**	**-**	**X**

NV = nominal or notional value
L1 = Level 1
L2 = Level 2
L3 = Level 3
*Fair value * = Fair value calculated excluding changes in value due to changes in the issuer's credit risk with respect to the issue date*

Financial liabilities designated at fair value – Item 30

3.1 Financial liabilities designated at fair value: breakdown by product

Transaction type/Amounts	Total 30/06/2026					Total 31/12/2025				
	NV	Fair value			Fair value*	NV	Fair value			Fair value*
		L1	L2	L3			L1	L2	L3	
1. Due to banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Structured	-	-	-	-	X	-	-	-	-	X
1.2 Other	-	-	-	-	X	-	-	-	-	X
of which:										
- commitments to disburse funds	-	X	X	X	X	-	X	X	X	X
- financial guarantees given	-	X	X	X	X	-	X	X	X	X
2. Due to customers	**4,372,869**	**956,862**	**3,416,007**	**-**	**4,372,869**	**4,005,177**	**5,777**	**3,999,400**	**-**	**4,005,177**
2.1 Structured	-	-	-	-	X	-	-	-	-	X
2.2 Other	4,372,869	956,862	3,416,007	-	X	4,005,177	5,777	3,999,400	-	X
of which:										
- commitments to disburse funds	-	X	X	X	X	-	X	X	X	X
- financial guarantees given	-	X	X	X	X	-	X	X	X	X
3. Debt securities	**3,660,108**	**-**	**3,797,109**	**-**	**3,727,857**	**4,132,924**	**-**	**4,323,985**	**-**	**4,240,133**
3.1 Structured	3,660,108	-	3,797,109	-	X	4,132,924	-	4,323,985	-	X
3.2 Other	-	-	-	-	X	-	-	-	-	X
Total	**8,032,977**	**956,862**	**7,213,116**	**-**	**8,100,726**	**8,138,101**	**5,777**	**8,323,385**	**-**	**8,245,310**

FV = Fair Value
FV = FV calculated excluding changes in value due to changes in the issuer's credit risk with respect to the issue date*
NV = nominal value
L1 = Level 1
L2 = Level 2
L3 = Level 3

The total amount of "Financial liabilities designated at fair value" as at 30 June 2026 was 8,170.0 million (8,329.2 million as at 31 December 2025) and is attributable for 3,797.1 million to the "Banking Group" and for 4,372.9 million to the "Insurance companies"; as at 31 December 2025, these amounts stood at 4,324.0 million and 4,005.2 million, respectively.

Sub-item "2. Due to customers" for 4,372.9 million (4,005.2 million as at 31 December 2025) refer essentially to insurance company liabilities for the issue of Unit-linked policies.

In item "3. Debt securities", structured debt securities refer chiefly to certificates with guaranteed capital.
The use of the fair value option is due to the characteristic of a complex contract containing one or more embedded derivatives capable of significantly modifying the cash flows of said contract.
The remaining positions refer to certain bond issues, also structured, hedged using derivatives, for which recourse to the fair value option was used to eliminate or significantly reduce an accounting asymmetry with respect to the valuation criteria of management hedging derivatives, as an alternative to the accounting treatment of hedge accounting.

It should be noted that, during the half year, certificates for a nominal amount of approximately 1,000 million arrived at maturity.

The following tables provide the breakdown of the item in question by "Banking Group" and "Insurance companies".

3.1 Financial liabilities designated at fair value: breakdown by product (of which: Banking Group)

Transaction type/Amounts	Total 30/06/2026					Total 31/12/2025				
	NV	Fair value			Fair value*	NV	Fair value			Fair value*
		L1	L2	L3			L1	L2	L3	
1. Due to banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Structured	-	-	-	-	X	-	-	-	-	X
1.2 Other	-	-	-	-	X	-	-	-	-	X
of which:										
- commitments to disburse funds	-	X	X	X	X	-	X	X	X	X
- financial guarantees given	-	X	X	X	X	-	X	X	X	X
2. Due to customers	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Structured	-	-	-	-	X	-	-	-	-	X
2.2 Other	-	-	-	-	X	-	-	-	-	X
of which:										
- commitments to disburse funds	-	X	X	X	X	-	X	X	X	X
- financial guarantees given	-	X	X	X	X	-	X	X	X	X
3. Debt securities	**3,660,108**	**-**	**3,797,109**	**-**	**3,727,857**	**4,132,924**	**-**	**4,323,985**	**-**	**4,240,133**
3.1 Structured	3,660,108	-	3,797,109	-	X	4,132,924	-	4,323,985	-	X
3.2 Other	-	-	-	-	X	-	-	-	-	X
Total	**3,660,108**	**-**	**3,797,109**	**-**	**3,727,857**	**4,132,924**	**-**	**4,323,985**	**-**	**4,240,133**

3.1 Financial liabilities designated at fair value: breakdown by product (of which: Insurance companies)

Transaction type/Amounts	Total 30/06/2026					Total 31/12/2025				
	NV	Fair value			Fair value*	NV	Fair value			Fair value*
		L1	L2	L3			L1	L2	L3	
1. Due to banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Structured	-	-	-	-	X	-	-	-	-	X
1.2 Other	-	-	-	-	X	-	-	-	-	X
of which:										
- commitments to disburse funds	-	X	X	X	X	-	X	X	X	X
- financial guarantees given	-	X	X	X	X	-	X	X	X	X
2. Due to customers	**4,372,869**	**956,862**	**3,416,007**	**-**	**4,372,869**	**4,005,177**	**5,777**	**3,999,400**	**-**	**4,005,177**
2.1 Structured	-	-	-	-	X	-	-	-	-	X
2.2 Other	4,372,869	956,862	3,416,007	-	X	4,005,177	5,777	3,999,400	-	X
of which:										
- commitments to disburse funds	-	X	X	X	X	-	X	X	X	X
- financial guarantees given	-	X	X	X	X	-	X	X	X	X
3. Debt securities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
3.1 Structured	-	-	-	-	X	-	-	-	-	X
3.2 Other	-	-	-	-	X	-	-	-	-	X
Total	**4,372,869**	**956,862**	**3,416,007**	**-**	**4,372,869**	**4,005,177**	**5,777**	**3,999,400**	**-**	**4,005,177**

Liability provisions – Items 90 and 100

As at 30 June, liability provisions amount to 726.1 million (861.1 million as at 31 December of last year) and include the provisions for employee severance pay of 187.8 million (193.8 million at the end of last year), pension plans of

70.9 million (73.0 million as at 31 December 2025), risk provisions for commitments and guarantees given of 89.8 million (103.6 million as at 31 December 2025) and other provisions for risks and charges of 377.5 million (490.7 million at the end of 2025).

The latter include:

- provisions for legal and tax disputes amounting to 67.9 million;
- provisions for personnel expenses for 242.3 million;
- other provisions for risks and charges for 67.3 million.

as illustrated in detail in the following paragraphs 10.6.1, 10.6.2 and 10.6.3.

10.1 Provisions for risks and charges: breakdown

Items/Components	Total 30/06/2026	Total 31/12/2025
1. Provisions for credit risk relating to commitments and financial guarantees given	30,859	38,395
2. Provisions for other commitments and guarantees given	58,976	65,214
3. Company pension funds	70,899	73,003
4. Other provisions	377,489	490,657
4.1 legal and tax disputes	67,905	71,230
4.2 personnel expenses	242,318	348,507
4.3 other	67,266	70,920
Total	**538,223**	**667,269**

10.6 Provisions for risks and charges – other provisions

10.6.1 Other provisions - legal and tax disputes

The Group operates in a legal and regulatory context that exposes it to a wide range of legal disputes, connected, for example, with the terms and conditions applied to its customers, to the nature and characteristics of the financial products and services provided, administrative errors, bankruptcy clawback actions and labour law disputes.

Banco BPM, the companies whose merger gave rise to the Group, the incorporated subsidiaries and the subsidiaries also underwent various audits by the Tax Authorities. Those activities regarded the determination of the taxable income reported for the purposes of income taxes, VAT, registration tax and, more generally, the methods of applying tax regulations in force at the specific time. As a result of those audits, Banco BPM Group is involved in several disputes.

Furthermore, during its standard business activities, the Group was subject to inspections conducted by various Supervisory Authorities. More specifically, within the European system of banking supervision (Single Supervisory Mechanism), the Group is subject to the prudential supervision and, following the acknowledgement of financial conglomerate status, to the supplementary supervision of the European Central Bank (ECB); with regard to specific matters, supervision is the direct responsibility of the Bank of Italy and CONSOB and, as regards the Group's insurance companies, of the Institute for Insurance Supervision (IVASS).
As part of its operations, the Group is also exposed to proceedings by public authorities, including the Supervisory Authorities mentioned above, the outcome of which is uncertain and which could lead to the possible imposition of sanctions, the amount of which cannot be reliably estimated, especially during the initial part of the procedures.

Legal and tax disputes are specifically analysed by the Group, in order to distinguish those whose settlement is expected to require the use of resources which will generate economic benefits and, as a result, will require the recognition of provisions, from the rest of the "contingent liabilities". "Contingent liabilities" are those disputes which correspond to the following, for which no provisions are recognised:

- possible obligations, meaning that it has not been confirmed whether the entity has a current obligation that may result in the use of resources embodying economic benefits;
- actual obligations which, however, do not meet all the conditions for recognition set out in IAS 37 (because it is not likely that resources embodying economic benefits will be required to settle the obligation, or because no sufficiently reliable estimate may be made of the amount of the obligation).

It is noted that the information provided below regarding the claims connected with the main disputes represent the maximum risk exposure, irrespective of the opinion expressed by the Group regarding the relative degree of adverse outcome. For several of these disputes, the Group deems that there are limited risk profiles and, thus, as these are not probable but just possible liabilities, it has not allocated any provisions.

For disputes for which the entity is retained to have a current obligation that may lead to the use of resources embodying economic benefits, the disclosure on the amount of the allocation to provisions for risks and charges is not provided for single dispute in order not to cause harm to the Group in the evolution of the dispute with the counterparty, either in court or by way of settlement. In any event, the total amount of the allocations broken down by type of dispute is provided where the disputes can be grouped into categories of similar nature.
Furthermore, as permitted by paragraph 92 of the reference international accounting standard (IAS 37), the disclosure set out below does not include the information that could harm the position of the Group banks involved in the actions to protect their position in the case and in the pending disputes.
As indicated in the paragraph "Significant accounting policies and uncertainties regarding the use of estimates in the preparation of consolidated condensed interim financial statements" contained in Part A of these Explanatory Notes, to which reference is made, the complexity of the situations and corporate transactions that form the basis of the disputes entail significant elements of judgement which may involve the existence and the amount, and the related timing for the liabilities to arise. In that regard, to the extent that the estimates made by the Group are deemed reliable and compliant with the reference accounting standards, it cannot be ruled out that the charges which may arise from the settlement of disputes may differ, also by significant amounts, from the amount of the provisions allocated.

The provisions allocated against all existing legal and tax disputes, including cases associated with clawback actions, total 67.9 million. As detailed below, these provisions relate entirely to disputes with customers, whilst no provisions were required for tax disputes.

<u>Legal disputes with customers</u>

The high number of disputes prevents us from providing a detailed list, while their diverse nature makes it extremely difficult, if not impossible, to group them into categories of similar nature.

Below, a brief description is provided of the main legal disputes pending as at 30 June 2026, whose settlement is deemed could entail a probable or possible use of financial resources:

- On 20 December 2019, Banco BPM was summoned before the court, together with a pool of banks, by the receivership of the company Privilege Yard for alleged abusive lending. The receivership requested that the liability of the banks be verified for collusion in the mala gestio (poor management) by the directors of Privilege Yard, ordering them to jointly pay compensation for the damages of around 97 million (Banco BPM share 27 million). With a ruling dated 11 October 2022, the Court of Rome ordered the banks, jointly and severally, to pay 57.1 million. Banco BPM complied with the ruling for its own amount due. Pending the appeal proceedings, an agreement was reached with the receivership that enabled the Bank to settle the dispute, allowing for the recovery of a large part of the sum paid in accordance with the first instance ruling;
- On 23 December 2022, the extraordinary receivers of Società Italiana per Condotte d'Acqua S.p.A. summoned the members of its Management and Supervisory Boards, the auditing firm and the banking community, including Banco BPM, and a number of factoring companies to court, to obtain a joint and several order for all defendants to pay the sum of over 389 million. The amount is requested by way of compensation for the alleged damages also caused by the abusive granting of credit by the banking class, which would have allowed the company to continue to operate despite the crisis situation, also causing the serious impoverishment of the company's net assets. The lawsuit is still pending in the initial stage before the Court of Rome;
- In 2020 Atlantia S.p.A. and Autostrade per l'Italia S.p.A. initiated a compensation claim against Astaldi S.p.A. on their own behalf and with a mandate to represent a grouping of companies, of the former subsidiary Bipielle Real Estate and of S.C.C. S.r.l. as assignees of the original contractors in the construction of some motorway sections in the province of Genoa by virtue of a contract signed in 1991. The case originates from the sentence of the above plaintiffs in a parallel dispute still pending before the Court of Cassation, brought by the defendants in 1993 for partial non-fulfilment of the contract. The compensation claim was made jointly and severally against only the three defendant companies convened with the exclusion of the other participants in the consortium. The Rome Court of Appeal ruling of 10 January 2025 upheld the claim for reimbursement proposed by Atlantia S.p.A. and Autostrade per l'Italia S.p.A., ordering

the defendants, jointly and severally, to reimburse approximately 29.2 million plus interest. The cases brought before the Court of Cassation by Banco BPM are still pending;

- On 23 June 2026, the receivership of FTL Rossi S.r.l. summoned Banco BPM before the Court of Varese, together with two other banks, to request, in relation to Banco BPM, a declaration of nullity with respect to the loan of 1.15 million disbursed by the Bank in 2020 and secured by an MCC guarantee and, jointly and severally, with the other banks, compensation for damages quantified at 16.9 million for abusive granting of credit;
- On 11 November 2016, the extraordinary receivers of Impresa S.p.A. summoned the members of its Management and Supervisory Boards, the auditing firm and the banking community, which had granted a syndicated loan, with Banco BPM participating to the extent of 8%, to obtain a joint and several order for all defendants to pay the sum of over 167 million. The amount is requested by way of compensation for the alleged damages caused by the abusive granting of credit by the banking class, which would have allowed the company to continue to operate despite the crisis situation, causing the serious impoverishment of the company's net assets. The case is pending before the Court of Rome, pending the findings of the supplementary expert report authorised by the judge, which will be discussed at the next hearing; in the meantime, however, the lawyer is assessing the possibility of settling the matter out of court;
- The subsidiary Partecipazioni Italiane in liquidation, as the former owner of land located in Pavia that was the industrial site of the former Necchi S.p.A., (which ceased business operations many years ago), was the subject of an order of the Province of Pavia which requested that the subsidiary, as the party "historically" responsible, along with another party, carry out the reclamation and containment of that area, which for many years now has been owned by third parties outside Banco BPM Group.
  This order became final on 4 September 2024, following the rejection by the Council of State of the appeal filed by the subsidiary.
  With regard to one of the portions of the site, on 7 March 2022, a settlement agreement was finalised with one of the current owners, regarding the reclamation of the portion of the former Necchi area it owns. The agreement envisages, inter alia, the contribution of Partecipazioni Italiane to bearing the reclamation costs for an amount of 1.4 million plus VAT (half of which already paid at the time of finalisation of the agreement and half to be paid to the counterparty on announcement of the start of the reclamation activities), already accounted for in the financial statements as at 31 December 2021. In order to present the risk analysis and the operational project for reclamation and permanent securing by the counterparty, additional checks and additions to the project are underway, also following the launch by the Office for the Protection of Cultural Heritage of a procedure for the declaration of cultural interest for a property located in the former Necchi area.
  Lastly, it should be noted that, during the first half of 2026, there were no updates to the estimate of the costs necessary for the remediation of the areas included in the former Necchi site in Pavia and, therefore, no additional allocations were made in the investee's financial statements beyond those already provided for as at 31 December 2025.

In light of the successful outcomes in the courts of first instance and/or the existence of valid grounds on which to challenge the claims made by the claimants with regard to proceedings underway, the claims classified as possible but unlikely amount to a total of 662.1 million.

Claims classified as probable amount to a total of 295.7 million, against which 67.9 million has been allocated under the item Provisions for risks and charges.

<u>Tax disputes</u>

On 16 January 2025, the Court of Cassation filed its ruling that ended the dispute initiated by the Bank to obtain cancellation of the notices of assessment issued on 19 December 2011 to the former Banco Popolare and concerning the 2005 tax period of the former Banca Popolare Italiana. The notices of assessment concerned the alleged non-deductibility for IRES and IRAP purposes of costs and value adjustments to receivables relating to facts or actions classified as offences (offences of false corporate reporting, obstructing supervision and market disturbance alleged to have been committed by Banca Popolare Italiana in relation to the attempted takeover of Banca Antonveneta). The appeals against the notices of assessment had been rejected by the Provincial Tax Commission of Milan with a ruling filed on 15 October 2014. The appeal before the Lombardy Regional Tax Commission was also rejected with a ruling filed on 19 May 2015. As a result of the aforementioned rulings, the Bank had been required to pay the tax demands issued for a total amount, including interest and tax collection fees, of 199.8 million. This amount, given its nature as

a security deposit and pending the final ruling on the appeal filed with the Court of Cassation on 18 December 2005, was recorded under the asset item "Other assets". The Court of Cassation, through the aforementioned ruling, acknowledged the validity of the reasons for the appeal filed by the Bank and set aside the ruling of the Lombardy Regional Tax Commission, and upheld the original appeal filed, definitively cancelling the notices of assessment. Since it cannot be challenged by ordinary means, the aforementioned ruling is final and, as a result of the same, the Bank has obtained full repayment of the 199.8 million provisionally paid pending the final judgement, in addition to 35.9 million in interest that was credited to the income statement for the first quarter of 2025.
On 16 July 2025, the Office of the Attorney General, on behalf of the Revenue Agency, nevertheless notified the Bank of the appeal submitted to the Court of Cassation for the revocation of the aforementioned ruling. An appeal for revocation of a judgement, provided for by Article 391-bis of the Code of Civil Procedure (CPC), is exceptional and its eligibility is limited to specific cases, including when the judgement is the result of an error as to the facts resulting from the deeds or documents of the case.
Based on the analysis conducted, the Bank retains that the notified appeal is unfounded and inadmissible. The Bank therefore filed its counter-appeal on 24 September 2025.
Relating to the above-indicated dispute, there are also claims still pending deriving from the notices of assessment for the 2006-2009 tax periods, these too concerning the alleged non-deductibility for IRES purposes of the costs considered attributable to events or acts qualifying as offences. More specifically, they regard value adjustments on loans already disputed with reference to tax year 2005. Said value adjustments, although recognised by Banca Popolare Italiana in its financial statements for 2005, were deductible on a straight-line basis over the following 18 financial years pursuant to the version in effect at the time of Art. 106, paragraph 3 of Italian Presidential Decree no. 917 of 22 December 1986. Therefore, the notices of assessment challenge the claimed non-deductibility of the portions of those adjustments to loans deducted in 2006, 2007, 2008 and 2009. Total claims amount to 15.8 million. The appeal filed by the Bank before the Tax Justice Commission of Venice of the first instance against these notices is still pending, as the aforementioned Commission had suspended proceedings until the final ruling of the Court of Cassation on the notices of assessment relating to 2005. Following the application for reinstatement submitted by the Bank at the hearing of 9 October 2025, the Commission postponed the discussion of the case to 5 March 2026 and then, subsequently, to 24 September 2026.
In light of the positive outcome relating to 2025, it is believed that the risk of a negative outcome of the proceedings relating to subsequent years can be considered remote. In relation to the aforementioned disputes, the amount of 2.1 million already paid as a security deposit against the tax demands issued is recorded under the item "Other assets".

Excluding the application for revocation described above, the total amount of claims made by the Tax Authorities as part of the tax disputes initiated involving Banco BPM and its subsidiaries amounted to 46.8 million as at 30 June 2026[1] (42.6 million as at 31 December 2025).
Below, a description is provided of the other main disputes pending as at 30 June 2026, whose settlement is deemed could entail a probable or possible use of financial resources:

- Banca Akros - Formal notification received in December 2021 relating to the alleged infringement of the transmission obligations to the Italian Revenue Agency envisaged by Article 1, of Italian Decree Law 167 of 1990 with the application of the minimum sanction envisaged by Art. 5, paragraph 1. On 30 November 2022, the Office served a decision to impose penalties with which it rejected the defensive arguments made by the Bank and imposed a penalty of 2.3 million against it. Considering the reasons contained in the decision contradictory and unfounded, on 30 January 2023, the Bank filed an appeal to the Milan Tax Court of first instance. On 16 January 2024, the ruling confirming the imposition of sanctions was filed. The Bank, fully convinced that its reasons have not been adequately taken into consideration in the first instance proceedings, filed an appeal on 2 August 2024 with the competent Tax Court of Lombardy requesting annulment of the ruling. The Second-Instance Tax Court of Lombardy has set the hearing to hear the case for 25 September 2026. Pending the outcome of the aforementioned dispute, the amount of 1.6 million already paid as a security deposit against the tax demand issued is recorded under the item "Other assets". In light of the assessments carried out, in the consolidated financial statements as at 30 June 2026, no provision is recognised against a potential negative outcome of the dispute;

[1] Amount that includes the claims deriving from the notices of assessment for the 2006-2009 tax periods, regarding the alleged non-deductibility for IRES purposes of the costs considered attributable to events or acts qualifying as offences for an amount equal to 15.8 million, as previously described.
Note that the total amount of the claims does not include the disputes with an immaterial unit amount, mainly comprised of local taxes. Also note that the estimate of contingent liabilities relating to the notices of assessment does not include any interest payable in the event of loss. The estimate of contingent liabilities relating to formal reports on findings served or being served other than those classified as probable does not include interest or fines.

- Banca Aletti - At the end of an assessment relating to tax year 2018, on 30 July 2024, the Italian Revenue Agency - Regional Directorate of Lombardy, served a report on findings that contains a single charge in relation to the IRAP tax treatment of the economic result of the Corporate & Investment Banking business unit, which was spun off in favour of Banca Akros in 2018. On 3 March 2025, the Italian Revenue Agency issued the notice of assessment requiring the Bank to pay a total of 1.9 million, including interest. With a ruling issued on 10 December 2025, filed on 22 January 2026, Milan Tax Court of first instance upheld the appeal filed by the Bank, cancelling the notice of assessment. On 20 July 2026, the Italian Revenue Agency lodged an appeal against the first instance ruling. Also in light of the positive outcome of the first instance ruling, no provision is recognised in the consolidated financial statements as at 30 June 2026 for a possible unfavourable outcome of the dispute, while, under the item "Other assets", a provisional amount of 0.4 million was recorded;
- Anima SGR - The tax disputes still not settled relate to the notices of assessment relating to the years from 2006 to 2008 and referring to the IRES tax issued by the Italian Revenue Agency - Regional Department of Lombardy following the outcome of the audit carried out in 2010 on Prima SGR, later incorporated into Anima SGR. With these notices, advancing a violation of the accrual principle, the Italian Revenue Agency recovered the amounts paid by Prima SGR to its employees as bonuses in 2006, 2007 and 2008, and for 2006 alone costs deemed to be not pertinent. The higher taxes claimed amounted to approximately 8.3 million, plus interest and penalties of 11.5 million.
  Anima SGR challenged the notices of assessment before the Milan Tax Commission. After two levels of proceedings concluded differently[1], in 2018, the proceedings were brought before the Court of Cassation, where they are still pending.
  In the financial statements as at 30 June 2026, no provision was recognised against a potential negative outcome of the dispute. In this regard, it should be noted that in this case, for the years 2006, 2007 and partially for 2008, the indemnity clauses envisaged by the agreements signed between Banca Monte dei Paschi di Siena and Anima Holding for the purchase of the interest in Prima SGR would be applicable[2]. The item "Other assets" includes the provisional amount paid of 10 million, while the item "Other liabilities" includes the provisional amount paid by Banca Monte dei Paschi di Siena, of 5.5 million.

Auditing activities

Banco BPM

On 25 March 2026, the Italian Revenue Agency – Large Taxpayers Office – launched an audit of Banco BPM S.p.A., focusing on direct taxes, IRAP and withholding tax obligations relating to the 2020 and 2023 tax years.
At present, the officials of the Revenue Agency have not raised any objections or made any comments in the daily reports. The audit is still in progress.

Banca Akros

On 20 May 2026, the Italian Revenue Agency – Large Taxpayers Division – announced the launch of a tax audit of Banca Akros, commencing on 8 June 2026, to examine activities relating to the Common Reporting Standard (CRS) for the 2024 tax year. The audit concerns the Bank's compliance with the report made as part of the international exchange of information between tax authorities. The audit is still in progress.

10.6.2 Other provisions – personnel expenses

These amounted to 242.3 million and include a total of 136.0 million for: i) provisions (net of disbursements already made) allocated in 2024 for the charges envisaged for the use of extraordinary benefits from the Solidarity Fund and for early retirement incentives following the agreements reached with the trade unions on 19 December 2024, ii) the

[1] For the year 2006, the Revenue Agency filed an appeal to the Court of Cassation for the rejection of the second instance ruling which, confirming the first instance ruling, had declared the recovery of the tax relating to costs for bonuses to the employees unfounded. In turn, Anima SGR disputed with a counter-appeal and filed a cross-appeal to obtain the overturning of the second instance ruling in the part in which it confirmed the finding relating to the costs allegedly deemed to be not pertinent. Otherwise, for the years 2007 and 2008, the appeal to the Court of Cassation was filed by Anima SGR against the ruling of the Regional Tax Commission which, in rejecting the first instance ruling, had declared, with regard to bonus costs, the violation of the accrual principle.

[2] The possible charge for Anima SGR, in the event of an unexpected unfavourable ruling by the Court of Cassation for the year 2008, net of the contractual guarantees received, is estimated as less than 2 million.

residual provisions relating to the Solidarity Fund allocated in 2020 and iii) the provisions made in 2025 for voluntary redundancy incentive schemes for personnel close to qualifying for pension rights.

In addition to the above, the item also includes: i) the estimated expense deriving from the expected payment of variable remuneration in compliance with the provisions of the Group's incentive systems; and ii) the estimate relating to other disbursements planned in favour of the staff (e.g., loyalty bonuses, non-competition agreements, etc.).

10.6.3 Other provisions – other

This residual category of provisions amounted to a total of 67.3 million and mainly includes allocations against the following liabilities:

a) risks relating to disputes and claims, both pending and expected, linked to operations with customers (13.4 million);
b) estimate of probable reimbursements of fees consequent to the possible early termination of insurance policies by customers (24.7 million);
c) risks associated with guarantees given for sales of non-performing loans already finalised as at 30 June 2026 (8.0 million);
d) estimate of the probable charges deriving from the execution of agreed works on some properties falling within the scope of the project to streamline the investment property portfolio (project "Square") for an amount of 6.2 million;
e) estimate of future charges deriving from the commercial network streamlining programme launched in late 2025 (4.2 million).

Category a) includes the provision made against residual risks associated with reporting activities carried out of customers interested in purchasing diamonds to the specialised company Intermarket Diamond Business S.p.A. ("IDB"), conducted following the merger from which Banco BPM was formed.
These operations resulted over time in the receipt of a high number of complaints from the Group customers involved and the launch of civil court disputes. In this regard, also with a view to being close to its customers, the Group has implemented a broad customer care initiative over the last few years, aimed, where appropriate, at completing transactions. As at 30 June 2026, 24,512 claims had been received, and 1,473 disputes notified (partly preceded by a claim) for total relief sought of around 721.9 million.
At the same date, due to the previously illustrated management and customer care activities, claims and disputes were resolved, through a settlement or the issue of a final ruling, for total relief sought of 683.8 million.
Against the claims and disputes, both those not yet resolved and those potentially estimated, the sub-item in question includes the specific provision recognised against the above disputes with customers.

Category a) also includes the provision for possible changes in the interpretation of certain rules governing banking activities, including those relating to consumer credit, not least in light of the ruling of the Court of Justice of the European Union in Case C-383/18 (Lexitor) of 11 September 2019.

Item b) represents the provision allocated in application of that established under accounting standard IFRS 15 against the risk of having to return a portion of commissions received for the placement of insurance policies with customers, in the case that these customers decide to close the insurance coverage in advance.

Item d) refers to the amount allocated to cover probable future financial disbursements for guarantees granted as part of assignments of non-performing loans finalised in previous years.

Item d) refers to the amount allocated against the estimate of charges relating to renovation works on some properties falling within the broader scope envisaged as part of the "Square" transaction, finalised in 2024, in view of the streamlining of the segment of properties owned by the Bank but not for use in operations.

Item e) refers to the expected future charges for the streamlining of the branch network at the end of December 2025.

Lastly, it should also be noted that, in the context of the contracts signed at the time of the sale of interests or business units finalised in previous years, as well as any correlated partnership agreements, there are investment protection and guarantee mechanisms for the buyer. In detail, those mechanisms provide for the possible payment of indemnities to the buyer/partner in the event that specific business targets are not reached, setting out limits, deductibles, grace

periods and exceptions in favour of Banco BPM Group. Certain protection and guarantee mechanisms shall remain in force until the end of the partnership.
A list is provided below of the main operations finalised for which the sale agreements and/or related partnership agreements envisage obligations for Banco BPM Group to pay potential indemnities:

- sale finalised in 2017 of the controlling interest in Aletti Gestielle SGR to Anima Holding;
- the sale finalised in 2018 of the contracts relating to delegated insurance asset management mandates placed through Banco BPM Group network to Anima SGR;
- the sale of a business unit relative to custodian bank activities to BNP Paribas Securities Services in 2018 and the consequent revision of the obligations established at the time of the sale of the custodian bank business unit of the former Banca Popolare di Milano to the same buyer in 2010;
- sale completed on 14 December 2023 of a 65% stake in the insurance companies Vera Assicurazioni and Banco BPM Assicurazioni to Crédit Agricole Assurances;
- transfer to Numia of the E-Money business unit and resulting partnership agreements finalised on 30 September 2024.

Where, based on the objectives reached and reported and the future projections of their evolution, it is deemed probable that indemnity will be paid to the buyer counterparty, the amount of the estimated liability has been allocated to the provisions for risks and charges in question.

As at 30 June 2026, no provisions are required for the sale of interests or business units.

Disclosure of provisions for employee severance pay and pension funds

Items/Components	Total 30/06/2026	Total 31/12/2025
Provisions for severance pay	187,834	193,796
Company pension funds	70,899	73,003
Total	**258,733**	**266,799**

Below is an illustration of the main changes that occurred in employee severance pay (balance sheet item 90) and in the pension funds (included in balance sheet item 100 "Provisions for risks and charges", the details of which were illustrated in point 10.1 above).
The provisions for employee severance pay are equal to 187.8 million (193.8 million as at 31 December 2025). The change is ascribable to negative changes for liquidations (-11.7 million) and positive changes due to the revision of actuarial assumptions (3.2 million) and the allocation to the income statement for the half year of 3.7 million.
The changes in the actuarial assumptions, which caused a 3.2 million increase in the employee severance pay provision, are attributable almost exclusively to the difference between the previous actuarial assumptions used and what actually occurred over the period.

Pension funds amount to 70.9 million (73.0 million as at 31 December 2025). As with the employee severance pay provision, the change is due both to settlements (-3.7 million) and to positive changes resulting from the revision of actuarial assumptions (0.4 million) and provisions recognised in the income statement (1.2 million). The changes in the actuarial assumptions are attributable almost exclusively to the difference between the previous actuarial assumptions used and what actually occurred.

The changes due to modifications in actuarial assumptions set forth above, which overall amount to 3,6 million, are recognised as a decrease in the relative valuation reserve of shareholders' equity "Actuarial gains (losses) on defined benefit plans" and are reported in the statement of comprehensive income. Net of the tax effect, the decreases in this reserve amount to 2,7 million.

The main actuarial assumptions used as at 30 June 2026, compared with those used as at 31 December 2025, on the funds of the Parent Company Banco BPM (which represents 93% of the provision for employee severance pay and 100% of the pension funds) are given below.

Main actuarial assumptions for measuring provisions for employee severance pay	
Demographic assumptions	
Employee mortality rate	IPS55 with Age-Shifting.
Frequency and amount of advances on employee severance pay	0.5%
Frequency of turnover	1.50%

Financial assumptions	30/06/2026	31/12/2025
Yearly discount rate:	weighted average of the rates in the Eur Composite AA curve (*)	
	3.43%	3.24%
Yearly inflation rate	weighted average of the rates in the European Zero-Coupon Inflation-Indexed Swap curve (**)	
	2.10%	1.80%

(*) weighted average of the rates of the Eur Composite AA curve on the reporting date, using as weights the ratios of the amount paid and advanced for each maturity to the total amount to be paid and advanced up to the discharge of the population considered.
(**) weighted average rate taken as the weighted average of the rates of the European Zero-Coupon-Inflation-Indexed Swap curve on the reporting date, using as weights the ratios of the amount paid and advanced for each maturity to the total amount to be paid and advanced up to the discharge of the population considered (with reference to all the Companies in Banco BPM Group).

Main actuarial assumptions used for the valuation of pension funds		
Demographic assumptions		
Employee mortality rate		IPS55 with Age-Shifting
Financial assumptions	**30/06/2026**	**31/12/2025**
Yearly discount rate	weighted average of the rates in the Eur Composite AA curve depending on the duration of the plan (*)	
	from 3.09% to 3.55%	from 2.76% to 3.42%
Yearly inflation rate	weighted average of the rates in the European Zero-Coupon Inflation-Indexed Swap curve (**)	
	2.10%	1.90%

(*) Weighted average of the rates of the Eur Composite AA curve on the reporting date, using as weights the ratios of the amount paid and advanced for each maturity to the total amount to be paid and advanced up to the discharge of the population considered.
(**) Weighted average rate taken as the weighted average of the rates of the European Zero-Coupon-Inflation-Indexed Swap curve on the reporting date, using as weights the ratios of the amount paid and advanced for each maturity to the total amount to be paid and advanced up to the discharge of the population considered (with reference to all the Companies in Banco BPM Group).

Information on amounts, timing and uncertainties of cash flows

As required under IAS 19, a sensitivity analysis was performed for the obligations relative to provisions for employee severance pay and pension funds of the Parent Company Banco BPM, with the hypothesis of a 50 basis point increase or decrease in the discount rate and the inflation rate. The purpose of the analysis is to identify how much the liability would vary in relation to reasonably possible fluctuations in this actuarial assumption.

	Change in employee severance pay in absolute terms (*)	Change in employee severance pay in percentage terms
Change in actuarial assumption:		
- Discount rate:		
+0.5%	(4,536)	(2.58%)
-0.5%	4,732	2.70%
- Inflation rate:		
+0.5%	3,211	1.83%
-0.5%	(3,142)	(1.79%)

(*) the amounts in parentheses indicate a decrease in the provision.

	Changes in defined benefit funds in absolute terms (*)	Changes in defined benefit funds in percentage terms
Change in actuarial assumption:		
- Discount rate:		
+0.5%	(1,869)	(2.64%)
-0.5%	1,940	2.74%
- Inflation rate:		
+0.5%	1,231	1.74%
-0.5%	(1,178)	(1.66%)

(*) the amounts in parentheses indicate a decrease in the provision.

Insurance liabilities - Item 110

As at 30 June 2026, item "110. Insurance liabilities" consists exclusively of insurance contracts constituting liabilities, issued by the subsidiaries Banco BPM Vita and BBPM Life, amounting to 14,668.2 million (14,167.3 million as at 31 December 2025), as there were no reinsurance transactions, either for the current year or for the previous financial year.

Insurance liabilities – breakdown by measurement model

Items/Components	Total 30/06/2026	Total 31/12/2025
VFA - Variable Fee Approach	14,655,112	14,156,620
GMM - General Measurement Model (Building Block Approach)	10,885	8,797
PAA - Premium Allocation Approach	2,169	1,894
Total	**14,668,166**	**14,167,311**

It should be noted that the contracts valued with the VFA method refer to basis of aggregation 1 (insurance contracts issued with direct participation features) and that the contracts valued with the GMM method refer to basis of aggregation 2 (insurance contracts issued without direct participation features). No disclosure is provided for contracts measured using the GMM method and the PAA method, as this is not material to the Group.

11.1 Trends in the book value of insurance contracts issued - GMM or VFA - liabilities for remaining coverage and for claims

The book value of the insurance contracts recognised using the GMM or VFA methods totals 14,666.0 million (14,165.4 million as at 31 December 2025) and refers to:

- insurance contracts issued with direct participation features - Life business segment for 14,655.1 million (14,156.6 million as at 31 December 2025);
- insurance contracts issued without direct participation features - Life business segment for 10.9 million (8.8 million as at 31 December 2025).

The following table shows the changes in the book value relating to contracts issued with direct participation features (basis of aggregation 1) relating to the life business segment.

11.1 a) Basis of aggregation 1 = Insurance contracts issued with direct participation features - Life business segment

Items/Liabilities	Liabilities for remaining coverage 30/06/2026		Liabilities for claims 30/06/2026	Total 30/06/2026	Liabilities for remaining coverage 31/12/2025		Liabilities for claims 31/12/2025	Total 31/12/2025
	Net of loss	Loss			Net of loss	Loss		
A. Opening book value								
1. Insurance contracts issued - liabilities	13,996,202	1,209	159,209	14,156,620	12,724,926	1,856	147,277	12,874,059
2. Insurance contracts issued - assets	(63)	-	-	(63)	(63)	-	-	(63)
3. Net book value as at 1 January	**13,996,139**	**1,209**	**159,209**	**14,156,557**	**12,724,863**	**1,856**	**147,277**	**12,873,996**
B. Insurance revenues	**(115,251)**	**-**	**-**	**(115,251)**	**(195,432)**	**-**	**-**	**(195,432)**
C. Costs for insurance services								
1. Claims and other directly attributable costs	-	-	57,924	57,924	-	-	92,474	92,474
2. Changes in liabilities for claims	-	-	1,008	1,008	-	-	1,227	1,227
3. Losses and related recoveries on onerous contracts	-	780	-	780	-	(647)	-	(647)
4. Amortisation of contract acquisition costs	3,660	-	-	3,660	7,868	-	-	7,868
5. Total	**3,660**	**780**	**58,932**	**63,372**	**7,868**	**(647)**	**93,701**	**100,922**
D. Profit (loss) on insurance services (B+C)	**(111,591)**	**780**	**58,932**	**(51,879)**	**(187,564)**	**(647)**	**93,701**	**(94,510)**
E. Net costs/revenues of a financial nature								
1. Relating to insurance contracts issued	314,441	-	-	314,441	496,573	-	-	496,573
1.1 Recorded in the income statement	353,514	-	-	353,514	505,562	-	-	505,562
1.2 Recorded in the statement of comprehensive income	(39,073)	-	-	(39,073)	(8,989)	-	-	(8,989)
2. Effects associated with changes in exchange rates	-	-	-	-	-	-	-	-
3. Total	**314,441**	**-**	**-**	**314,441**	**496,573**	**-**	**-**	**496,573**
F. Investment components	**(1,209,522)**	**-**	**1,209,522**	**-**	**(2,004,495)**	**-**	**2,004,495**	**-**
G. Total amount recorded in the income statement and the statement of comprehensive income (D+E+F)	**(1,006,672)**	**780**	**1,268,454**	**262,562**	**(1,695,486)**	**(647)**	**2,098,196**	**402,063**
H. Other changes	**(6,884)**	**(448)**	**(3)**	**(7,335)**	**(4,884)**	**-**	**2,392**	**(2,492)**
I. Cash movements								
1. Premiums received	1,515,377	-	-	1,515,377	3,005,356	-	-	3,005,356
2. Payments associated with contract acquisition costs	(16,509)	-	-	(16,509)	(30,639)	-	-	(30,639)
3. Claims paid and other cash outflows	-	-	(1,258,583)	(1,258,583)	-	-	(2,088,656)	(2,088,656)
4. Other movements	3,043	-	-	3,043	(3,071)	-	-	(3,071)
5. Total	**1,501,911**	**-**	**(1,258,583)**	**243,328**	**2,971,646**	**-**	**(2,088,656)**	**882,990**
L. Closing net book value (A.3+G+H+I.4)	**14,484,494**	**1,541**	**169,077**	**14,655,112**	**13,996,139**	**1,209**	**159,209**	**14,156,557**
M. Closing book value								
1. Insurance contracts issued - liabilities	14,484,557	1,541	169,077	14,655,175	13,996,202	1,209	159,209	14,156,620
2. Insurance contracts issued - assets	(63)	-	-	(63)	(63)	-	-	(63)
3. Closing net book value	**14,484,494**	**1,541**	**169,077**	**14,655,112**	**13,996,139**	**1,209**	**159,209**	**14,156,557**

The Companies manage most of their business using the VFA method, the related insurance liabilities for which amounted to 14,655.1 million as at 30 June 2026 (14,156.6 million as at 31 December 2025).
The book value as at 30 June 2026 of liabilities for remaining coverage is 14,484.5 million (13,996.1 million as at 31 December 2025).
Lastly, the book value of liabilities for claims classified using the same model totalled 169.1 million as at 30 June 2026 (159.2 million as at 31 December 2025).

11.3 Trends in the book value of insurance contracts issued broken down by elements underlying the measurement

The following table shows the changes in the book value, broken down by underlying components, relating to contracts issued with direct participation features (basis of aggregation 1).

11.3 a) Basis of aggregation 1 = Insurance contracts issued with direct participation features - Life business segment

Items/Elements underlying measurement	Elements underlying the measurement of the book value of insurance contracts issued				Elements underlying the measurement of the book value of insurance contracts issued			
	Present value of cash flows 30/06/2026	Adjustment for non-financial risks 30/06/2026	Contractual service margin 30/06/2026	Total 30/06/2026	Present value of cash flows 31/12/2025	Adjustment for non-financial risks 31/12/2025	Contractual service margin 31/12/2025	Total 31/12/2025
A. Opening book value								
1. Insurance contracts issued - liabilities	13,662,666	50,971	442,983	14,156,620	12,517,902	28,945	327,212	12,874,059
2. Insurance contracts issued - assets	(63)	-	-	(63)	(63)	-	-	(63)
3. Net book value as at 1 January	**13,662,603**	**50,971**	**442,983**	**14,156,557**	**12,517,839**	**28,945**	**327,212**	**12,873,996**
B. Changes relating to current services								
1. Contractual service margin recorded in the income statement	-	-	(48,348)	(48,348)	-	-	(80,261)	(80,261)
2. Change for past due non-financial risks	-	(4,649)	-	(4,649)	-	(5,606)	-	(5,606)
3. Changes related to experience	(670)	-	-	(670)	(9,224)	-	-	(9,224)
4. Total	**(670)**	**(4,649)**	**(48,348)**	**(53,667)**	**(9,224)**	**(5,606)**	**(80,261)**	**(95,091)**
C. Changes relating to future services								
1. Changes in the contractual service margin	23,748	6,134	(29,882)	-	50,077	23,652	(73,728)	1
2. Losses on groups of onerous contracts and related recoveries	776	4	-	780	(648)	1	-	(647)
3. Effects of contracts initially recognised in the reference year	(53,980)	2,452	51,528	-	(99,494)	3,949	95,545	-
4. Total	**(29,456)**	**8,590**	**21,646**	**780**	**(50,065)**	**27,602**	**21,817**	**(646)**
D. Changes relating to past services								
1. Adjustments to liabilities for claims	1,008	-	-	1,008	1,227	-	-	1,227
E. Profit (loss) on insurance services (B+C+D.1)	**(29,118)**	**3,941**	**(26,702)**	**(51,879)**	**(58,062)**	**21,996**	**(58,444)**	**(94,510)**
F. Costs/revenues of a financial nature								
1. Relating to insurance contracts issued	258,451	19	55,971	314,441	322,328	31	174,214	496,573
1.1 Recorded in the income statement	258,809	19	94,686	353,514	322,328	31	183,203	505,562
1.2 Recorded in the statement of comprehensive income	(358)	-	(38,715)	(39,073)	-	-	(8,989)	(8,989)
2. Effects associated with changes in exchange rates	-	-	-	-	-	-	-	-
3. Total	**258,451**	**19**	**55,971**	**314,441**	**322,328**	**31**	**174,214**	**496,573**
G. Total amount of changes recorded in the income statement and the statement of comprehensive income (E+F)	**229,333**	**3,960**	**29,269**	**262,562**	**264,266**	**22,027**	**115,770**	**402,063**
H. Other changes	**(7,336)**	**1**	**-**	**(7,335)**	**(2,492)**	**(1)**	**1**	**(2,492)**
I. Cash movements								
1. Premiums received	1,515,377	-	-	1,515,377	3,005,356	-	-	3,005,356
2. Payments associated with contract acquisition costs	(16,509)	-	-	(16,509)	(30,639)	-	-	(30,639)
3. Claims paid and other cash outflows	(1,258,583)	-	-	(1,258,583)	(2,088,656)	-	-	(2,088,656)
4. Other movements	3,043	-	-	3,043	(3,071)	-	-	(3,071)
5. Total	**243,328**	**-**	**-**	**243,328**	**882,990**	**-**	**-**	**882,990**
L. Closing net book value (A.3+G+H+I.5)	**14,127,928**	**54,932**	**472,252**	**14,655,112**	**13,662,603**	**50,971**	**442,983**	**14,156,557**
M. Closing book value								
1. Insurance contracts issued - liabilities	14,127,991	54,932	472,252	14,655,175	13,662,666	50,971	442,983	14,156,620
2. Insurance contracts issued - assets	(63)	-	-	(63)	(63)	-	-	(63)
3. Closing net book value	**14,127,928**	**54,932**	**472,252**	**14,655,112**	**13,662,603**	**50,971**	**442,983**	**14,156,557**

With reference to the present value of cash flows as at 30 June 2026, equal to 14,127.9 million (13,662.6 million as at 31 December 2025), the item includes liabilities for remaining coverage and for claims. The adjustment for non-financial risks, on the other hand, is equal to 54.9 million, up compared to 31 December 2025 (51.0 million).
Lastly, with reference to the contractual service margin, this amounted to 472.3 million as at 30 June 2026, also up compared to the end of the previous year (443.0 million).

Group Equity - Items 120, 130, 140, 150, 160, 170 and 180

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

As at 30 June 2026, share capital was 7,100 million, consisting of 1,515,182,126 ordinary shares subscribed and fully paid up.

The "own shares" item is represented by 9,341,227 shares of the Parent Company, fully held by the same, for a book value of 53.4 million.

13.2 Share capital – Number of shares of the Parent Company: annual changes

Items/Types	Ordinary	Other
A. Outstanding shares at the beginning of the year	**1,515,182,126**	**-**
- fully paid-up	1,515,182,126	-
- not fully paid-up	-	-
A.1 Own shares (-)	(11,808,522)	-
A.2 Shares in issue: opening balances	1,503,373,604	**-**
B. Increases	2,467,295	**-**
B.1 New issues	-	-
- against payment:	-	-
- business combinations	-	-
- conversion of bonds	-	-
- exercise of warrants	-	-
- other	-	-
- free of charge:	-	-
- to employees	-	-
- to directors	-	-
- other	-	-
B.2 Sale of own shares	2,467,295	-
B.3 Other changes	-	-
C. Decreases	**-**	**-**
C.1 Cancellation	-	-
C.2 Purchase of own shares	-	-
C.3 Disposal of companies	-	-
C.4 Other changes	-	-
D. Shares in issue: closing balances	1,505,840,899	**-**
D.1 Own shares (+)	9,341,227	-
D.2 Outstanding shares at the end of the year	1,515,182,126	-
- fully paid-up	1,515,182,126	-
- not fully paid-up	-	-

Item B.2 includes shares assigned during the period to employees, implementing remuneration and incentive policies.

For further details, please refer to Part I of these Explanatory Notes.

Information relating to issues and purchases/sales of shares issued by the Bank

During the half year, there were no changes in the breakdown of the share capital.

Information relating to issues and purchases/sales of convertible bonds issued by the Bank

As at 30 June 2026, no convertible bond instruments issued by the bank were in circulation.

Equity instruments: breakdown

Additional Tier 1 (AT 1) equity instruments outstanding as at 30 June 2026 amounted to 1,389.7 million (1,787.1 million at the end of the previous year) and are represented by 4 issues of securities for a total nominal amount of 1.4 billion:

- April 2022 issue for 300 million;
- November 2023 issue for 300 million;
- July 2024 issue for 400 million;
- May 2025 issue for 400 million.

These issues are calculated in the Group's Own Funds for a value of 1,389.7 million.

Also note that, in January 2026, the Parent Company proceeded with the early redemption of an issue of AT 1 securities, which took place in January 2021 for 400 million.

Such issues are classifiable as equity instruments under the terms of the accounting standard IAS 32. The price received from the issue, after deducting the directly attributable transaction costs net of the tax effect was recognised in the item "140. Equity instruments".

In line with the nature of the instrument, during the year, they were recognised as a decrease of shareholders' equity (item "150. Reserves"):

- the coupons paid for an amount of 64.7 million (46.9 million, net of the related tax effect);
- the negative effects, equal to -2.6 million, relating to the repayment of the residual portion of the January 2021 issue, as highlighted above.

For further details on the above-mentioned transactions, refer to the paragraph entitled "Other significant aspects relating to Group accounting policies" contained in "Part A - Accounting Policies" of these Explanatory Notes.

Valuation reserves: breakdown

The following table shows the breakdown of valuation reserves.

(thousands of euro)	30/06/2026	31/12/2025
Financial assets measured at fair value through other comprehensive income	292,312	42,204
Property, plant and equipment	399,767	359,739
Foreign investment hedges	(1,460)	(1,500)
Cash flow hedges	(5,861)	(9,150)
Exchange rate differences	12,699	12,350
Financial liabilities designated at fair value through profit and loss (changes to its own credit risk)	(46,451)	(56,130)
Actuarial gains/(losses) on defined benefit pension plans	(56,680)	(54,068)
Share of valuation reserves related to interests in associates and joint ventures carried at equity	(410)	(485)
Revenues or costs of a financial nature relating to insurance contracts issued	(8,170)	(34,437)
Total	**585,746**	**258,523**

As regards financial assets measured at fair value through other comprehensive income of the banking Group, the reserves resulting from the fair value measurement of debt securities totalled a negative 256.4 million euro as at 30

June 2026, net of taxes, with -269.6 million euro referring to government securities (-20.0 million euro relating to Italian government securities and -249.6 million euro to securities of other countries).

Reserves: other information

Group Reserves recognised under item 150 of the Balance sheet liabilities amount to a total of 5,540.7 million, classified as follows:

- profit reserves of 4,961.5 million;
- other reserves of 579.2 million.

Please refer to the Statement of Changes in Consolidated Shareholders' Equity for information on the evolution of the Reserves during the first half of 2026.

Lastly, note that the Parent Company has a "Legal Reserve" within its own capital reserves, established in accordance with the provisions of Art. 2430 of the Italian Civil Code, which corresponds to one fifth of share capital, and amounts to 1,420.0 million.

PART C – INFORMATION ON THE CONSOLIDATED INCOME STATEMENT

Interest – Items 10 and 20

1.1 Interest and similar income: breakdown

Items/Technical forms	Debt securities	Loans	Other transactions	Total I half 2026	Total I half 2025
1. Financial assets at fair value through profit and loss:	83,833	115,969	-	199,802	110,073
1.1 Financial assets held for trading	75,836	104,835	-	180,671	99,003
1.2 Financial assets designated at fair value	-	-	-	-	-
1.3 Other financial assets mandatorily measured at fair value	7,997	11,134	-	19,131	11,070
2. Financial assets measured at fair value through other comprehensive income	337,604	-	X	337,604	315,081
3. Financial assets at amortised cost:	455,207	1,805,707	-	2,260,914	2,411,302
3.1 Loans to banks	39,427	144,456	X	183,883	204,261
3.2 Loans to customers	415,780	1,661,251	X	2,077,031	2,207,041
4. Hedging derivatives	X	X	(10,431)	(10,431)	70,936
5. Other assets	X	X	81,333	81,333	123,566
6. Financial liabilities	X	X	X	18	2
Total	**876,644**	**1,921,676**	**70,902**	**2,869,240**	**3,030,960**
of which: interest income on impaired financial assets	11,105	27,402	-	38,507	47,320
of which: interest income on finance leases	X	4,563	X	4,563	7,110

1.3 Interest and similar expense: breakdown

Items/Technical forms	Payables	Securities	Other transactions	Total I half 2026	Total I half 2025
1. Financial liabilities at amortised cost	(546,706)	(358,839)		(905,545)	(883,258)
1.1 Due to central banks	(16,064)	X	X	(16,064)	(32,980)
1.2 Due to banks	(159,277)	X	X	(159,277)	(124,699)
1.3 Due to customers	(371,365)	X	X	(371,365)	(339,552)
1.4 Debt securities in issue	X	(358,839)	X	(358,839)	(386,027)
2. Financial liabilities held for trading	(228,665)	-	-	(228,665)	(306,491)
3. Financial liabilities designated at fair value	-	(17,974)	-	(17,974)	(22,171)
4. Other liabilities and provisions	X	X	(5,709)	(5,709)	(5,440)
5. Hedging derivatives	X	X	(19,183)	(19,183)	(69,525)
6. Financial assets	X	X	X	(46)	(4)
Total	**(775,371)**	**(376,813)**	**(24,892)**	**(1,177,122)**	**(1,286,889)**
of which: interest expense relating to lease payables	(9,273)	X	X	(9,273)	(5,616)

Item "1.1 Due to Central Banks" refers essentially to refinancing operations (as at 30 June 2025, the balance comprised 2.2 million in interest on US dollar-denominated loans and 30.8 million relating to MRO/TLTRO operations).

Fees and commissions – Items 40 and 50

2.1 Fee and commission income: breakdown

Service type/Amounts	Total I half 2026	Total I half 2025
a) Financial instruments	142,059	118,413
1. Placement of securities	59,772	44,267
1.1 With underwriting commitments and/or on the basis of an irrevocable commitment	10,379	9,692
1.2 Without irrevocable commitment	49,393	34,575
2. Receipt and transmission of orders and execution of orders for customers	59,085	53,915
2.1 Receipt and transmission of orders for one or more financial instruments	44,172	39,807
2.2 Execution of orders for customers	14,913	14,108
3. Other fees and commissions relating to activities associated with financial instruments	23,202	20,231
of which: own account trading	-	-
of which: individual portfolio management	19,822	17,053
b) Corporate Finance	3,792	2,453
1. Merger and acquisition advisory services	3,357	2,105
2. Treasury services	435	348
3. Other fees and commissions with corporate finance services	-	-
c) Investment advisory activities	4,354	3,074
d) Offsetting and settlement	-	-
e) Collective portfolio management	693,840	339,123
f) Custody and administration	8,867	7,916
1. Custodian bank	-	-
2. Other fees and commissions related to custody and administration activities	8,867	7,916
g) Central administrative services for collective portfolio management	-	-
h) Trust activities	639	799
i) Payment services	207,401	202,806
1. Current accounts	116,964	112,693
2. Credit cards	83	88
3. Debit cards and other payment cards	26	89
4. Bank transfers and other payment orders	89,328	89,459
5. Other fees and commissions relating to payment services	1,000	477
j) Distribution of third party services	232,101	338,633
1. Collective portfolio management	61,018	171,586
2. Insurance products	71,598	74,477
3. Other products	99,485	92,570
of which: individual portfolio management	8	348
k) Structured finance	510	150
l) Servicing for securitisation transactions	-	-
m) Commitments to disburse funds	-	-
n) Financial guarantees given	49,307	52,283
of which: credit derivatives	-	-
o) Financing operations	113,791	127,212
of which: for factoring transactions	5	-
p) Foreign currency trading	1,998	1,921
q) Commodities	-	-
r) Other fee and commission income	160,954	161,462
of which: for management of multilateral trading facilities	-	-
of which: for management of organised trading facilities	-	-
Total	**1,619,613**	**1,356,245**

2.2 Fee and commission expense: breakdown

Type of services/Amounts	**Total I half 2026**	**Total I half 2025**
a) Financial instruments	(17,275)	(9,535)
of which: financial instrument trading	(7,634)	(7,983)
of which: placement of financial instruments	(8,844)	(1,334)
of which: individual portfolio management	(797)	(217)
- Own	(797)	(217)
- Delegated to third parties	-	-
b) Offsetting and settlement	(1,745)	(1,971)
c) Collective portfolio management	(208,224)	(136,627)
1. Own	(208,224)	(136,733)
2. Delegated to third parties	-	-
d) Custody and administration	(8,245)	(8,044)
e) Collection and payment services	(4,367)	(4,885)
of which: credit cards, debit cards and other payment cards	-	-
f) Servicing for securitisation transactions	-	-
g) Commitments to receive funds	-	-
h) Financial guarantees received	(62,615)	(55,845)
of which: credit derivatives	-	-
i) Off-site offer of financial instruments, products and services	(1,269)	(2,267)
j) Foreign currency trading	(2)	(8)
k) Other fee and commission expense	(11,456)	(14,924)
Total	**(315,198)**	**(234,106)**

The balances of fee and commission income, period on period, are not fully comparable as they include the contribution of Anima Holding and its subsidiaries, only from the second quarter of 2025 onwards.

Net trading income – Item 80

4.1 Net trading income: breakdown

Transactions/Income components	Capital gains (A)	Trading income (B)	Capital losses (C)	Trading losses (D)	Net result [(A+B) - (C+D)]
1. Financial assets held for trading	**39,207**	**85,508**	**(50,140)**	**(42,864)**	**31,711**
1.1 Debt securities	11,670	17,442	(29,605)	(14,903)	(15,396)
1.2 Equity instruments	27,373	67,345	(20,296)	(27,478)	46,944
1.3 UCIT units	161	223	(101)	(395)	(112)
1.4 Loans	3	-	(138)	-	(135)
1.5 Other	-	498	-	(88)	410
2. Financial liabilities held for trading	**21,254**	**26,736**	**(19,260)**	**(24,748)**	**3,982**
2.1 Debt securities	-	-	-	-	-
2.2 Payables	16,894	23,056	(16,035)	(15,874)	8,041
2.3 Other	4,360	3,680	(3,225)	(8,874)	(4,059)
3. Financial assets and liabilities: exchange rate differences	**X**	**X**	**X**	**X**	**22,798**
4. Derivative instruments	**473,236**	**1,574,314**	**(372,765)**	**(1,646,066)**	**19,172**
4.1 Financial derivatives:	472,052	1,572,376	(371,430)	(1,643,125)	20,326
- On debt securities and interest rates	166,734	832,036	(68,148)	(828,484)	102,138
- On equity instruments and share indices	296,831	558,210	(296,567)	(631,937)	(73,463)
- On currencies and gold	X	X	X	X	(9,547)
- Other	8,487	182,130	(6,715)	(182,704)	1,198
4.2 Credit derivatives	1,184	1,938	(1,335)	(2,941)	(1,154)
of which: natural hedges connected with the fair value option	X	X	X	X	-
Total	**533,697**	**1,686,558**	**(442,165)**	**(1,713,678)**	**77,663**

Fair value gains/losses on hedging derivatives – Item 90

5.1 Fair value gains/losses on hedging derivatives: breakdown

Income components/Amounts	Total I half 2026	Total I half 2025
A. Income relating to:		
A.1 Fair value hedging derivatives	189,946	167,392
A.2 Hedged financial assets (fair value)	707,685	1,112,749
A.3 Hedged financial liabilities (fair value)	144,691	46,580
A.4 Cash flow hedging derivatives	5,692	12,718
A.5 Assets and liabilities in foreign currency	270	-
Total gains on hedging derivatives (A)	**1,048,284**	**1,339,439**
B. Charges relating to:		
B.1 Fair value hedging derivatives	(195,894)	(140,366)
B.2 Hedged financial assets (fair value)	(804,043)	(1,070,886)
B.3 Hedged financial liabilities (fair value)	(38,635)	(114,888)
B.4 Cash flow hedging derivatives	(6,049)	(2,399)
B.5 Assets and liabilities in foreign currency	(270)	-
Total losses on hedging derivatives (B)	**(1,044,891)**	**(1,328,539)**
C. Fair value gains/losses on hedging derivatives (A - B)	**3,393**	**10,900**
of which: gains/losses of hedging on net positions	-	-

Gains (losses) on disposal/repurchase – Item 100

6.1 Gains (losses) on disposal/repurchase: breakdown

Items/Income components	Total I half 2026			Total I half 2025		
	Gains	Losses	Net result	Gains	Losses	Net result
Financial assets						
1. Financial assets at amortised cost	90,739	(40,067)	50,672	107,011	(41,621)	65,390
1.1 Loans to banks	3,678	(2,074)	1,604	1,804	(805)	999
1.2 Loans to customers	87,061	(37,993)	49,068	105,207	(40,816)	64,391
2. Financial assets measured at fair value through other comprehensive income	22,314	(60,283)	(37,969)	9,367	(107,162)	(97,795)
2.1 Debt securities	22,217	(60,186)	(37,969)	9,367	(107,162)	(97,795)
2.2 Loans	97	(97)	-	-	-	-
Total assets (A)	**113,053**	**(100,350)**	**12,703**	**116,378**	**(148,783)**	**(32,405)**
Financial liabilities at amortised cost	-	-	-	-	-	-
1. Due to banks	-	-	-	-	-	-
2. Due to customers	-	-	-	-	-	-
3. Debt securities in issue	3,447	(703)	2,744	4,748	(226)	4,522
Total liabilities (B)	**3,447**	**(703)**	**2,744**	**4,748**	**(226)**	**4,522**

The result shown for sub-item "1.2 Loans to customers" includes profits and losses, with a positive balance of 54.8 million, deriving from the sale of securities classified in the portfolio of loans to customers, the largest part of which relates to Italian and foreign government securities.
Excluding this component, the net loss of that sub-item is 5.7 million due to the disposal of the portfolio of bad and unlikely to pay loans.
For further details on the disposal of securities classified within the customer loan portfolio, refer to the paragraph entitled "Other significant aspects relating to Group accounting policies" contained in Part A - "Accounting Policies" of these Explanatory Notes.

The result of the disposal of financial assets measured at fair value through other comprehensive income mainly refers to the sale of Italian and foreign government securities.

Net gains (losses) from other financial assets and liabilities measured at fair value through profit and loss – Item 110

7.1 Net change in value of other financial assets and liabilities measured at fair value through profit and loss: breakdown of financial assets and liabilities designated at fair value

Transactions/Income components	Capital gains (A)	Gains on disposal (B)	Capital losses (C)	Losses on disposal (D)	Net result [(A+B) - (C+D)]
1. Financial assets	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-
1.2 Loans	-	-	-	-	-
2. Financial liabilities	**39,065**	**5,079**	**(50,362)**	**(55,261)**	**(61,479)**
2.1 Debt securities in issue	39,065	5,079	(50,362)	(55,261)	(61,479)
2.2 Due to banks	-	-	-	-	-
2.3 Due to customers	-	-	-	-	-
3. Financial assets and liabilities in foreign currency: exchange rate differences	X	X	X	X	**-**
Total	**39,065**	**5,079**	**(50,362)**	**(55,261)**	**(61,479)**

7.2 Net change in value of other financial assets and liabilities measured at fair value through profit and loss: breakdown of other financial assets mandatorily measured at fair value

Transactions/Income components	Capital gains (A)	Gains on disposal (B)	Capital losses (C)	Losses on disposal (D)	Net result [(A+B) - (C+D)]
1. Financial assets	**299,123**	**1,182,637**	**(103,615)**	**(1,196,609)**	**181,536**
1.1 Debt securities	1,065	1,118	(5,018)	(245)	(3,080)
1.2 Equity instruments	6,712	6,867	(8,453)	(1)	5,125
1.3 UCIT units	255,984	1,170,270	(81,035)	(1,192,610)	152,609
1.4 Loans	35,362	4,382	(9,109)	(3,753)	26,882
2. Financial assets in foreign currency: exchange rate differences	**X**	**X**	**X**	**X**	**1,057**
Total	**299,123**	**1,182,637**	**(103,615)**	**(1,196,609)**	**182,593**

Net credit impairment losses/recoveries – Item 130

8.1 Net credit impairment losses related to financial assets at amortised cost: breakdown

Transactions/ Income components	Impairment losses (1)						Recoveries (2)				Total I half 2026 (1) +(2)	Total I half 2025
	Stage 1	Stage 2	Stage 3		Acquired or originated impaired		Stage 1	Stage 2	Stage 3	Acquired or originated impaired		
			Write-offs	Other	Write-offs	Other						
A. Loans to banks	**(816)**	**(259)**	**-**	**-**	**-**	**-**	**187**	**-**	**-**	**-**	**(888)**	**(437)**
- Loans	(343)	(113)	-	-	-	-	3	-	-	-	(453)	(64)
- Debt securities	(473)	(146)	-	-	-	-	184	-	-	-	(435)	(373)
B. Loans to customers	**(9,111)**	**(12,692)**	**(6,225)**	**(272,102)**	**(14)**	**(536)**	**1,866**	**8,012**	**138,149**	**746**	**(151,907)**	**(160,429)**
- Loans	(8,385)	(12,589)	(6,225)	(270,056)	(14)	(536)	1,027	7,909	138,149	746	(149,974)	(163,696)
- Debt securities	(726)	(103)	-	(2,046)	-	-	839	103	-	-	(1,933)	3,267
Total	**(9,927)**	**(12,951)**	**(6,225)**	**(272,102)**	**(14)**	**(536)**	**2,053**	**8,012**	**138,149**	**746**	**(152,795)**	**(160,866)**

8.2 Net credit impairment losses relating to financial assets measured at fair value through other comprehensive income: breakdown

Transactions/ Income components	Impairment losses (1)						Recoveries (2)				Total I half 2026 (1)+(2)	Total I half 2025
	Stage 1	Stage 2	Stage 3		Acquired or originated impaired		Stage 1	Stage 2	Stage 3	Acquired or originated impaired		
			Write-offs	Other	Write-offs	Other						
A. Debt securities	(1,327)	(791)	-	-	-	-	309	927	-	-	(882)	(1,678)
B. Loans	-	-	-	-	-	-	-	-	-	-	-	-
- To customers	-	-	-	-	-	-	-	-	-	-	-	-
- To banks	-	-	-	-	-	-	-	-	-	-	-	-
Total	**(1,327)**	**(791)**	**-**	**-**	**-**	**-**	**309**	**927**	**-**	**-**	**(882)**	**(1,678)**

Profit (loss) on insurance services - Item 160

As at 30 June 2026, the total profit from insurance services amounted to 59.7 million (39.8 million as at 30 June 2025) and refers almost entirely, for both periods, to insurance contracts issued with direct participation features (aggregation basis 1), with the profit from reinsurance transfers being completely marginal.

Insurance revenues and costs as at 30 June 2026 deriving from the insurance contracts issued, broken down by basis of aggregation, are shown below.

10.1 Insurance revenues and costs deriving from insurance contracts issued: breakdown

Items/Basis of aggregation	Basis A1 I half 2026	Basis A2 I half 2026	Basis A3 I half 2026	Basis A4 I half 2026	Basis A5 I half 2026	Total I half 2026	Basis A1 I half 2025	Basis A2 I half 2025	Basis A3 I half 2025	Basis A4 I half 2025	Basis A5 I half 2025	Total I half 2025
A. Insurance revenues deriving from insurance contracts issued valued on the basis of GMM and VFA												
A.1 Amounts associated with changes in liabilities for remaining coverage	**112,026**	**3,468**	**-**	**-**	**-**	**115,494**	**86,046**	**3,722**	**-**	**-**	**-**	**89,768**
1. Claims and other expected costs for insurance services	61,980	2,690	-	-	-	64,670	47,345	2,949	-	-	-	50,294
2. Changes in the adjustment for non-financial risks	4,649	70	-	-	-	4,719	2,689	75	-	-	-	2,764
3. Contractual service margin recorded in the income statement for services provided	48,347	708	-	-	-	49,055	39,100	825	-	-	-	39,925
4. Other amounts	(2,950)	-	-	-	-	(2,950)	(3,088)	(127)	-	-	-	(3,215)
A.2 Insurance contract acquisition cost recoveries	**3,224**	**-**	**-**	**-**	**-**	**3,224**	**2,699**	**-**	**-**	**-**	**-**	**2,699**
A.3 Total insurance revenues deriving from insurance contracts issued valued on the basis of GMM or VFA (A.1 + A.2)	**115,250**	**3,468**	**-**	**-**	**-**	**118,718**	**88,745**	**3,722**	**-**	**-**	**-**	**92,467**
A.4 Total insurance revenues deriving from insurance contracts issued valued on the basis of PAA						**1,403**						**1,631**
- Life business segment	X	X	X	X	X	-	X	X	X	X	X	-
- Non-Life business segment - motor	X	X	X	X	X	-	X	X	X	X	X	-
- Non-Life business segment - non-motor	X	X	X	X	X	1,403	X	X	X	X	X	1,631
A.5 Total insurance revenues deriving from insurance contracts issued (A.3 + A.4)	**115,250**	**3,468**	**-**	**-**	**-**	**120,121**	**88,745**	**3,722**	**-**	**-**	**-**	**94,098**
B. Costs for insurance services deriving from insurance contracts issued – GMM or VFA												
1. Claims and other directly attributable costs	(50,756)	(2,433)	-	-	-	(53,189)	(46,353)	(2,322)	-	-	-	(48,675)
2. Changes in liabilities for claims	(1,008)	(285)	-	-	-	(1,293)	(285)	(96)	-	-	-	(381)
3. Losses on onerous contracts and recoveries of such losses	(780)	(14)	-	-	-	(794)	(804)	(4)	-	-	-	(808)
4. Amortisation of insurance contract acquisition costs	(3,660)	-	-	-	-	(3,660)	(2,196)	-	-	-	-	(2,196)
5. Other amounts	-	-	-	-	-	-	(415)	-	-	-	-	(415)
B.6 Total costs for insurance services deriving from insurance contracts issued – GMM or VFA	**(56,204)**	**(2,732)**	**-**	**-**	**-**	**(58,936)**	**(50,053)**	**(2,422)**	**-**	**-**	**-**	**(52,475)**
B.7 Total costs for insurance services deriving from insurance contracts issued valued on the basis of PAA						**(1,265)**						**(1,551)**
- Life business segment	X	X	X	X	X	-	X	X	X	X	X	-
- Non-Life business segment - motor	X	X	X	X	X	-	X	X	X	X	X	-
- Non-Life business segment - non-motor	X	X	X	X	X	(1,265)	X	X	X	X	X	(1,551)
B.8 Total costs for insurance services deriving from insurance contracts issued (B.6 + B.7)	**(56,204)**	**(2,732)**	**-**	**-**	**-**	**(60,201)**	**(50,053)**	**(2,422)**	**-**	**-**	**-**	**(54,026)**
C. Total net revenues/costs deriving from insurance contracts issued (+/-) (A.5 + B.8)	**59,046**	**736**	**-**	**-**	**-**	**59,920**	**38,692**	**1,300**	**-**	**-**	**-**	**40,072**

Basis of aggregation 1 = Insurance contracts issued with direct participation features - Life business segment
Basis of aggregation 2 = Insurance contracts issued without direct participation features - Life business segment
Basis of aggregation 3 = Insurance contracts issued without direct participation features - Non-Life Motor business segment
Basis of aggregation 4 = Insurance contracts issued without direct participation features - Non-Life Non-Motor business segment
Basis of aggregation 5 = Investment contracts issued with discretionary participation features - Life business segment

Balance of revenues and costs of a financial nature relating to insurance activities - Item 170

11.1 Net costs and revenues of a financial nature relating to insurance contracts issued

Items/Basis of aggregation	Basis A1 I half 2026	Basis A2 I half 2026	Basis A3 I half 2026	Total I half 2026	Basis A1 I half 2025	Basis A2 I half 2025	Basis A3 I half 2025	Total I half 2025
1. Interest accrued	-	-	-	-	-	-	-	-
2. Effects of changes in interest rates and other financial assumptions	-	(70)	-	(70)	-	(2)	-	(2)
3. Changes in fair value of assets underlying contracts valued on the basis of VFA	(353,514)	-	-	(353,514)	(178,067)	-	-	(178,067)
4. Effects of changes in exchange rates	-	-	-	-	-	-	-	-
5. Other	-	-	-	-	-	(32)	(66)	(98)
6. Total revenues/costs of a financial nature relating to insurance contracts issued recorded in account	**(353,514)**	**(70)**	**-**	**(353,584)**	**(178,067)**	**(34)**	**(66)**	**(178,167)**

Basis A1 = Basis of aggregation referring to insurance contracts issued with direct participation features - Life business segment
Basis A2 = Basis of aggregation referring to insurance contracts issued without direct participation features - Life business segment
Basis A3 = Basis of aggregation referring to insurance contracts issued without direct participation features - Non-Life Motor business segment

The table above shows the net balance of financial income and expenses relating to issued insurance contracts, broken down by aggregation basis (353.6 million as at 30 June 2026 and 178.2 million as at 30 June 2025), relating almost entirely to insurance contracts issued with direct participation features – Life business segment.

Other operating expenses/income – Item 230

16.1 Other operating expenses: breakdown

	Total I half 2026	Total I half 2025
Expenses on leased assets	(6,874)	(9,789)
Other	(27,950)	(32,556)
Total	**(34,824)**	**(42,345)**

16.2 Other operating income: breakdown

	Total I half 2026	Total I half 2025
Income on current accounts and loans	2,582	3,013
Tax recoveries	152,975	148,656
Expense recoveries	5,757	13,513
Rental income on real estate	5,927	11,611
Other	17,745	13,203
Total	**184,986**	**189,996**

Gains (losses) of associates and joint ventures – Item 250

The figure as at 30 June 2026 amounts to 51.4 million (269.0 million as at 30 June 2025) and relates to the Group's share of the results achieved by its investees accounted for using the equity method. During the first half of the previous year, the item included the positive effect deriving from the revaluation at fair value of the shareholding held in Anima Holding before the acquisition of control, resulting from the realignment of the book value to the price of the tender offer, equal to a total of 201.8 million net of the related tax effect.

Gains (losses) on disposal of investments – Item 280

During the half year, gains from the sale of property, plant and equipment of 0.1 million were recorded; in the same period of the previous year, gains of 1.2 million were recognised.

Earnings per Share

	30/06/2026		30/06/2025	
	Basic EPS	**Diluted EPS**	**Basic EPS**	**Diluted EPS**
Weighted average of ordinary shares (number)	1,504,603,807	1,504,603,807	1,503,172,265	1,503,172,265
Attributable profit (loss) (thousands of euro)	1,060,292	1,060,292	1,214,465	1,214,465
EPS (euro)	**0.70**	**0.70**	**0.81**	**0.81**

Please note that, as at 30 June 2026, the Basic EPS matched the Diluted EPS given that there were no financial instruments with potential dilution effects.

PART E – INFORMATION ON RISKS AND RELATED HEDGING POLICIES

Introduction

This Part E provides information on the Group's risk profiles, relating to the management and hedging policies for (credit, market, liquidity and operational) risks implemented by the Group, including those relating to operations in derivative financial instruments and insurance companies.

Risk profile and risk management and measurement systems

Risk identification

The *Risk Identification process* identifies the current and future risks to which the Conglomerate is or could be exposed in normal and adverse conditions and is functional to the main strategic processes (RAF, ICLAAP, Strategic Plan, Recovery Plan). This represents a structured and dynamic process that is carried out annually at Group level by the Risk Function, with the involvement of top management and business and control functions, including the main Group companies. The output of the process takes the form of the preparation and/or updating of:

- *Long-list:* represents the list of potential risks and risk factors to which the Financial Conglomerate is or may be exposed;
- *Risk Inventory:* represents the list of major risks to which the Financial Conglomerate is or could be exposed, including those that can be quantified and those managed through organisational controls;
- *Risk Map:* represents the list of only the major risks for the Financial Conglomerate, quantified through internal models or quantifiable with other regulatory measures.

The Parent Company, Banco BPM, guarantees the measurement, monitoring and management of the capital requirements for each type of significant risk and guarantees the supervision and quantification of the capital resources available to the Group to cover risk exposure, in order to fulfil the regulatory obligations of the First and Second Pillar. For more details on the outcome of the 2025 Risk Identification process, please refer to the document "Public Disclosure - Pillar III" (reference date 31 December 2025), prepared in accordance with the applicable external and internal regulations and made available, in accordance with the law, in the Investor Relations section of the website www.gruppo.bancobpm.it.
It should be noted that the 2026 financial year is in progress, and will be disclosed in the document "Annual Financial Report as at 31 December 2026".

Risk Appetite Framework

During the first half of 2026, the Board of Directors of the Parent Company Banco BPM approved the Risk Appetite Framework (hereinafter also "RAF") for the material risk areas that the Financial Conglomerate is or could be exposed to. This framework applies to the various companies of the Financial Conglomerate, also according to relevance[1].

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)".

[1] A Legal Entity relevant for RAF purposes is defined as a Group Company (within both the prudential and insurance scopes) 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. For non-significant companies, not included in the Recovery scope, the possibility of applying a "simplified RAF" is envisaged in order to ensure an adequate risk governance framework within both the Legal Entities and the Parent Company.

In line with the Strategic Plan and the results of the Risk Identification process, especially the Risk Inventory, the Financial Conglomerate identifies the steering dimensions and the relevant risks with respect to which indicators and thresholds are defined, expressing its risk appetite.
The six steering dimensions, at Conglomerate and individual Legal Entity/Business Line level (Banking, Insurance and Asset Management) in which the RAF is developed, are: *Capital Resilience*, *Asset Quality*, *Financial Resilience*, *Business & Strategic Resilience*, *Operating Resilience* and ESG.
The steering dimensions are associated with statements that codify the strategy and risk appetite of the Financial Conglomerate to guide the definition of the indicators and the calibration of the thresholds.

The indicators that summarise the Conglomerate's risk profile for the above steering dimensions are divided into two main clusters, as shown below:

- Strategic direction indicators: metrics through which the risk appetite approved by the Board of Directors is expressed, and which make it possible to guide the Group's strategic choices.
- Operational implementation indicators: metrics, relating to managerial competence, which support the operational implementation of the strategy and make it possible to anticipate/explain the dynamics of the strategic direction indicators.

The system of thresholds is structured as follows:

- *Target*: the level of risk to which the Group intends to be exposed to pursue its strategic medium and long-term objectives, in line with the Group Strategic Plan;
- *Appetite*: the level of risk to which the Group intends to be exposed to pursue its strategic short and medium-term objectives, in line with the Group Budget/Strategic Plan;
- *Trigger:* a threshold which, if exceeded by the strategic direction indicators, triggers the various escalation processes envisaged by the Framework. The area underlying the Trigger and the target threshold (Appetite/Target) defines the risk area that the Bank intends to assume in pursuit of its strategic objectives;
- *Tolerance*: maximum permitted deviation from the Risk Appetite. This deviance underlies the area (Tolerance area) between the Tolerance threshold and the Trigger;
- *Capacity*: the maximum level of risk that the Group can undertake without violating the regulatory requirements or other restrictions imposed by shareholders or the Supervisory Authority. This level underlies the area (Capacity area) between the Capacity threshold and the Tolerance threshold;
- *Alert*: the threshold defined for the operational implementation indicators, in order to anticipate the dynamics of higher-level indicators and/or intercept potential critical issues;
- *R-monitoring*: threshold which, when exceeded, triggers the Recovery Plan escalation process (only for Recovery Monitoring indicators).

In the event that the monitoring activity shows that the thresholds defined for the strategic direction indicators 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 Group Companies also required to report to the Parent Company.

Monitoring of Most Significant Transactions (OMR) and Level II credit controls

From an operating perspective, ex-ante risk management activities are also found in the process to manage the Most Significant Transactions - MST (relating to credit, finance, disposal of loans, etc.), which primarily involve the Risk Function, which must express a prior and non-binding opinion on all transactions categorised as such based on criteria established and regulated internally. In the credit area, the scope of application of the ex-ante opinions of the Risk Function envisages the issue of a prior opinion also for Transactions defined as Significant (ST), allowing the preventive assessment of a significantly higher number of loan transactions, both in the disbursement phase - with reference also to the SME portfolio - and in the phase of classification from higher to lower risk, and vice versa.
The second-level controls, carried out continuously, through comprehensive analysis of the Group's credit portfolios and through the review of individual positions, and independently of the functions responsible for carrying out the activities subject to verification, are aimed at ensuring the correct implementation of the risk management process by verifying performance monitoring for individual exposures, especially non-performing loans, and the assessment of the consistency of classifications, the congruity of provisions and the adequacy of the recovery process, in line with internal and external regulations.

Risk culture

Banco BPM Group promotes the dissemination of a solid risk culture.
In light of the evolution of risks, the regulatory framework and the tools adopted to monitor them, training programmes are activated to support the Group's main projects and the development and updating of personnel skills and/or specific targets.

Every year, in collaboration with the competent Control Functions and Central Structures, the Academy unit prepares Training Plans on the Administrative Liability of Entities, Privacy-GDPR, Product Governance (POG) and Transparency, IVASS, Mifid2 and Anti-Money Laundering, in addition to Physical Security and Cybersecurity.
For the first half of 2026, particular mention should be made of the launch of the courses "Anti-corruption: a commitment to transparency and legality", "Market abuse: regulatory framework, supervision and suspicious transactions" and "Information security in the BBPM Banking Group".
With regard to Italian Legislative Decree 231, the training programme on Whistleblowing is continuing to help understand the value of the tool for the person and for the company, and increasingly promoting cultural evolution in terms of risk management and prevention.
As further reinforcement of the risk culture, the initiative dedicated to Middle Management continues, to improve knowledge and understanding of the RAF and its implications on the Group's operations. Management training activities are also continuing to encourage listening and open communication and promote continuous improvement.
Also in the area of risk culture, an initiative dedicated to Banca Akros was launched.
Training is continuing to support the adoption of AI, which promotes an understanding of new technological trends and an in-depth analysis of the regulatory and ethical aspects related to the introduction of new technologies.
In the Cybersecurity area, initiatives continued to strengthen the skills of specific personnel. The training and refresher programme for IT personnel continues, also thanks to access to contributions from leading universities and institutions at international level.
In addition, simulated phishing campaigns with the participants' identities revealed have also continued, followed by targeted training activities dedicated to specific groups, based on the results of the tests.
With regard to investment services, Banco BPM is continuing with its commitment to guaranteeing transparent and qualified relations with customers and promoting quality of service and the adoption of conduct consistent with investor protection. Training activities to support the DWP - Digital Wealth Platform initiative for the progressive creation of a single Group Consultancy and Advisory model are also worth mentioning.
In the ESG area, the specialist programme for the Compliance and Audit functions is underway, with a regulatory focus. Also worthy of note are the refresher seminars on the evolution of the SFDR - Sustainable Finance Disclosure Regulation (SFRD 2.0).

Monitoring and reporting activities

The risk monitoring and control activities performed by the Risk Function seek to ensure, at Group and individual Legal Entity level, the harmonised supervision of risks, by guaranteeing appropriate and timely information to the Corporate Bodies.
To that end, the Parent Company performs periodic analyses of the main risks to which the Group and the individual Legal Entities are exposed, and conducts a periodic assessment of the risk profile of the RAF indicators on the basis of the indicator's positioning with respect to the thresholds defined in the framework and/or the trend recorded, highlighting any areas for attention and improvement, for which specific analyses are provided which explain the relative trend. The results of the monitoring of the RAF indicators, carried out directly by the Risk Function of the insurance companies and of Anima Holding, are integrated in the Parent Company's reporting, in order to provide information at Conglomerate level.
The positioning analyses (benchmark) provide the Corporate Bodies of the Parent Company and the top management with an at least half-yearly update on the positioning of the risk profile of the Banco BPM Group, at financial conglomerate level, with respect to the main competitors, adopting, where possible, the perspective of the Supervisory Authority.
The benchmark includes several comparative views on the main risk indicators, making it possible to identify any areas of attention and opportunities for improvement in risk management. The analyses refer to the following areas:

- the banking system, considering the scope identified by the EBA Risk Dashboard or a significant European sample comparable with the Banco BPM Group. The analysis leverages the main evidence and risk metrics

reported in the EBA Risk Dashboard, ECB Supervisory Banking Statistics and in the information contained in the Market Disclosure documents (Pillar 3);
- the insurance sector, considering the main solvency metrics posted in the Solvency and Financial Condition Reports (SFCR) published annually by insurance companies and groups, in line with Pillar 3 of the Solvency II regime, as well as the data in the Quantitative Reporting Templates (QRTs), produced by the companies and available on the ANIA InfoQRT portal;
- asset management, considering the main capital, income and liquidity metrics, identified using the Profitability and Efficiency Observatory of Assogestioni SGR as the main data source.

Pillar I and Pillar II capital adequacy

The Internal Capital Adequacy Assessment Process (ICAAP) of the Banco BPM Conglomerate is aimed at ensuring, on an ongoing and forward-looking basis, the availability of adequate capital to cover material risks, in line with the business model, the strategic plan and the Group's risk appetite defined in the Risk Appetite Framework. In line with the reference external regulations, mainly including the EBA guidelines on the SREP and the ECB guidelines on the ICAAP, the Group assesses its capital adequacy profile according to a dual perspective, normative and economic.

From the normative perspective, the assessment is carried out on both a current and forward-looking basis (planning horizon) in relation to the thresholds of the strategic capital indicators of the conglomerate RAF, with reference to the banking business, asset management and the insurance sector. In this perspective:
- the reference capital is the regulatory capital;
- the risks are quantified according to the methods envisaged by prudential regulations and by the internal models authorised by the Supervisory Authority;
- the projections are carried out in a baseline and stressed scenario.

From the economic perspective, the adequacy is assessed in terms of the ability of the capital to absorb unexpected losses deriving from the set of material risks for the Conglomerate and for the banking business. In this context:
- the asset value corresponds to its own Available Financial Resources (AFR);
- the risk perimeter includes all risks identified as material (Risk Map) as part of the Risk Identification process;
- the risk assessment is carried out according to a "point-in-time" approach, appropriately supplemented by Material Future Developments. The management and statistical/quantitative methodologies adopted are mainly attributable to the VaR technique, with a probability level (or "confidence interval") of 99.9% and an annual time horizon.

The two perspectives, normative and economic, inform each other. The capital adequacy assessment is reported to the Corporate Bodies on an annual basis for supervisory purposes and on half-yearly basis in line with internal regulations. This process guarantees a continuous assessment, enabling any vulnerable areas and/or elements relating to the Group to be identified, and at the same time defining the potential actions deemed most appropriate, with a view to maintaining adequate capital buffers to guarantee that the medium/long-term company strategies and objectives can be pursued.

Outcomes of internal validation activities

The Internal Validation Function conducts qualitative and quantitative analyses to assess the soundness and accuracy of Pillar I and Pillar II risk estimates.
It expresses an opinion on the regular functioning, on the predictive capacity, on the performance and on the prudence of the internal risk measurement methods.
From the analyses conducted during the first half of 2026, no significant gaps emerged in the methodologies used by the Group for risk measurement.

Pillar I and Pillar II liquidity adequacy

Banco BPM Group manages the adequacy of the liquidity profile both from a current and forward-looking perspective, with regard to Pillar I and Pillar II, on the basis of the regulatory framework of Basel 3 and the guidelines of the Supervisory Authority.

With regard to Pillar I, the Group's liquidity adequacy is monitored continuously through two indicators:

- *Liquidity Coverage Ratio* (LCR), an indicator whose purpose is to promote the short-term resilience of the Bank's liquidity risk, ensuring that it has sufficient, high-quality liquid resources to overcome an acute stress situation lasting one month;
- *Net Stable Funding Ratio* (NSFR), an indicator whose purpose is to favour longer-term resilience by providing the Bank with greater incentives to finance its activities by drawing, on a structural basis, on more stable funding sources. This structural indicator has a timeline of one year and has been drawn up to guarantee that assets and liabilities have a sustainable structure by maturity.

As part of the Pillar II, these indicators are supplemented by metrics developed internally, complementary to the regulatory liquidity indicators, and by stress tests.
The Group has also set in place an Internal Liquidity Adequacy Assessment Process (ILAAP) and strategy. In fact, the ILAAP is the internal process through which Banco BPM Group manages and monitors liquidity risk at Group level and assesses liquidity adequacy in both the short and medium/long-term. The ILAAP also includes an annual internal self-assessment of its overall liquidity risk management framework, aimed at continuous improvement of the same.

Climate and environmental risks

As part of the periodic update of the Risk Identification process, Banco BPM Group has identified and analysed the main ESG risk factors, distinguishing between factors specifically ascribable to climate and environmental aspects and factors relating to governance and social sustainability areas.

Risk management represents a fundamental component of Banco BPM Group's operating activities. The approach to risk management has progressively evolved in recent years, including in relation to the growing importance of risks related to the effects of climate change and environmental degradation, which are cross-cutting drivers capable of affecting the business model, corporate strategy, risk profiles and the methods of engagement with the various stakeholders.
This development forms part of the broader international and European context drawn, inter alia, by the 2015 Paris Agreements and the European Climate Law (EU Regulation no. 1119 of 30 June 2021), which introduced a binding objective of climate neutrality in the European Union by 2050 and an interim target for reduction of net greenhouse gas emissions by at least 55% by 2030 with respect to the levels recorded in 1990, extended in 2025 to the further objective of a reduction of at least 90% in net greenhouse gas emissions by 2040 compared with the levels recorded in 1990.

In this context, Banco BPM has progressively strengthened its framework for the identification, measurement, management, monitoring and disclosure of risks related to climate change, also taking into account the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) as well as the supervisory expectations of the European Central Bank.
For further details on the management and mitigation of climate and environmental risks, please refer to the information set out in the Sustainability Report, included in the Report on Operations of the latest annual financial statements, and in the Group's latest Pillar III Disclosure.

Integrated approach to the measurement of climate and environmental risk drivers

The Group's approach to measuring climate and environmental risk drivers is consistent with the expectations of the European Central Bank, which requires credit institutions to adopt a strategic, forward-looking and integrated approach to managing climate and environmental risks, with particular reference to their business model, governance, risk appetite, risk management framework and disclosure.
In particular, climate and environmental factors have been integrated into the following macro-areas:

- *Business Model and Strategy*: to take strategic decisions that are consistent with and respect the context in which it operates, Banco BPM Group needs to understand the impact of climate-related and environmental risks. To this end, in the Group's Strategic Plan, the main strategic objectives as regards the management of climate and environmental risks are indicated, as well as the initiatives and ways they can be integrated into the business and operations;
- *Governance and Risk Appetite*: when drawing up business strategy and when establishing business objectives, Banco BPM Group considers the potential impacts of climate and environmental risks, by including specific indicators that represent the exposure to the risk in these areas in its Risk Appetite Framework (RAF),

to support the Corporate Bodies, Management Committees and the main corporate functions involved in the taking of informed decisions;

- *Risk Management*: in order to be able to consider climate-related and environmental risks in the risk management framework, the physical and transition risks to which the Banco BPM Group's loan portfolio and securities are exposed are identified, assessed and monitored, with these factors being gradually integrated into the processes for assessing customer creditworthiness, loan origination, monitoring and pricing. The environmental and climate-related risk components are also adequately considered in processes for defining business continuity plans and in the implementation of operational, reputational, market and liquidity risk management frameworks;
- *Disclosure*: Banco BPM Group publishes the information and results related to climate and environmental risks deemed relevant through the reporting envisaged in the applicable legislation and in line with supervisory and market expectations.

The main initiatives implemented in the first half of 2026

During the first half of 2026, Banco BPM Group continued to strengthen its ESG factor management framework, with particular reference to climate and environmental risks, also in line with the expectations of the ECB and with the EBA Guidelines on the management of ESG risks and prudential transition plans.

With reference to risk management processes, climate and environmental drivers are integrated into the main company processes, including the risk inventory, the Risk Appetite Framework, ICAAP, ILAAP, stress tests and risk assessment processes of credit. During the half-year, activities continued to implement and consolidate the requirements of the EBA Guidelines on ESG risks, with particular attention to the implementation of the Prudential Transition Plans, the analysis of climate and environmental scenarios and the strengthening of monitoring metrics and forward-looking risk assessment methods.

During the first half of 2026, the Bank also consolidated the framework developed to support the implementation of the Net-Zero strategy, continuing to monitor the sectoral targets to 2030 defined for the Automotive, Cement, Coal, Oil & Gas and Power Generation sectors and continuing activities aimed at defining internal objectives for additional segments characterised by high emission intensity. These activities are consistent with the Net-Zero Transition Plans published in May 2025 and with the evolution of the Prudential Transition Plans required by European legislation.
The activities related to the Sustainability Reporting prepared pursuant to the CSRD were further strengthened through the consolidation of the dual materiality analysis and the progressive alignment of the Sustainability Statement, Materiality Assessment, Business Environment Scan and ESG risk management Framework.
During the first half of 2026, Banco BPM also continued to support households and businesses in their respective transition paths through dedicated loans, ESG consultancy and training activities, strengthening the role of the ESG Factory as a lever to support the dissemination of an ESG culture and assessment of the transition needs of counterparties.
Of particular importance was the strengthening of the integrated framework consisting of the *Business Environment Scan*, Scenario Analysis, *Materiality Assessment* of ESG drivers and Prudential Transition Plans. In this context, the Bank has formalised a process for selecting the climate scenarios used in the main company processes, distinguishing between expected scenarios, adverse scenarios and alternative scenarios. The expected scenarios support the BES, accounting processes, planning, credit, Materiality Assessment and Prudential Transition Plans; adverse scenarios are mainly used to support stress testing and risk assessment exercises; alternative scenarios are used for long-term strategic resilience analyses.
The Materiality Assessment of ESG drivers was updated as at 31 December 2025 with monitoring as at 31 March 2026 and made it possible to further refine the climate and environmental risk assessment framework. For climate risks, the scores were based on the NGFS and IPCC scientific climate scenarios selected by the Bank. In particular, the NGFS Net Zero 2050 scenario is used for the assessment of climate transition risks, while the Current Policies scenario supports the assessment of physical and adaptation climate risks. At the same time, safeguards relating to non-climate environmental issues have been strengthened, by incorporating new assessments of water stress and refining the analytical methodologies for nature-related factors.

The Bank continues to assess the materiality of ESG factors by taking into account commercial segmentation, economic sectors and the geographical location of counterparties, production facilities and properties used as collateral, identifying the clusters most exposed to the various climate, environmental, social and governance drivers. The outputs

of the analysis feed into the KPI and KRI estimation models and support the definition of RAF metrics, credit policies, planning processes and Prudential Transition Plans.
The updated results of the analysis confirm that the Group's overall exposure to ESG factors is not very concentrated, while highlighting a greater relevance of transition climate risks in sectors characterised by high emission intensity and a growing focus on physical risks associated with specific geographical areas and the property sector. The evidence that emerged feeds the process of identifying mitigation actions and business opportunities related to the climate and energy transition.

Finally, the Business Environment Scan has been further developed as an integrated tool for analysing the future outlook of the operating environment, combining qualitative analyses of the main macroeconomic, regulatory, technological and social trends with quantitative analyses based on climate, environmental and future outlook scores. This approach supports the assessment of ESG opportunities and risks by sector, geographical area and customer segment, contributing to strategic planning, capital allocation and risk management processes

Wealth Risk Management control framework

During the first half of 2026, Banco BPM Group completed the preparatory activities for the adoption of the new Digital Wealth Platform, aimed at gradual convergence towards a single advisory system and the strengthening of digitalisation processes. The project is divided into several phases and, in June, envisaged the transition to production for customers of the Banco BPM network.
In the same period, guidance and control activities continued with respect to the financial conglomerate, with particular attention to the Product Governance models and processes of the insurance companies and the Anima Group, not least to manage the reputational risks associated with potential instances of mis-selling. With specific reference to the Anima Group, cross-functional round tables were launched to promote consistent methodological approaches to governance for the identification, measurement and monitoring of risks in the design phase of new financial products. Consistent controls were also introduced at conglomerate level for the valuation of illiquid and complex assets, such as structured bonds and Alternative Investment Funds.
Preparatory activities were also launched for the issue of certificates with underlying interest rates, with a particular focus on extending the Product Testing model, in order to monitor the risk of offering products with a risk/return profile not consistent with the related costs and customer needs.
Lastly, standard measurement and monitoring analyses were carried out related to the Product Governance, Pricing and Best Execution macro-processes for the individual Legal Entities concerned (Banca Aletti, Banca Akros and Banco BPM Invest SGR), as well as the ordinary calibration of models relating to investment services.

Data Quality & Aggregation

The Data Governance framework applies to all Pillar I risks (credit and counterparty risk, market risk and operational risk), interest rate and liquidity risks, and numerous non-risk-related data areas.

During the half-year, the 2nd level verification activities were completed for the following areas, all with data quality controls already in place or being improved: Liquidity, Counterparty, Operational, Target Market, Anti-Money Laundering and Anti-Terrorism Risks (AML/CFT), as well as the Sustainability Report. The scope in question was also extended to IT risk for the first time.
Lastly, the specific activities relating to the tables (Data Requests) needed for the development of internal credit risk models have been completed, supporting the Next Application AIRB 2026 application process for the Retail model.

Second-level monitoring of data quality was carried out by applying, where appropriate, the structured KQI-2L (Key Quality Indicator - second level) approach on the focus areas mentioned above, to the extent that this approach is applicable depending on the characteristics of the individual area.

As part of the initiatives to strengthen the Risk Data Aggregation and Risk Reporting (RDARR) capacities, in line with the BCBS 239 principles and with the expectations of the ECB Guide on effective risk data aggregation and risk reporting, work has begun on the independent data validation function, with the preparation of the relevant Methodological Manual. The activities planned for the second half of the year, in line with the defined scope of application (Risk Data Aggregation and Risk Reporting - RDARR) and with the 2026 activity plan, will benefit from this new approach, which will complement the existing methodology.

IT Risk and CyberRisk

During the first half of 2026, the ICT & Security Risk operating unit continued its second-level control activities in the ICT and Security area and carried out quarterly reporting to the Management Committees and Corporate Bodies.
In particular, the annual report entitled "Payment services: results of the analysis of operational and security risks" for 2025 was completed, in collaboration with the competent functions, as required by Bank of Italy Circular no. 285.
In collaboration with the Operational & Other non-financial risks business unit, a third-party risk analysis method was defined that summarises the assessments of all risk areas with respect to regulatory standards. This methodology, in particular, defines a common basis of analysis applicable both to ICT supplies according to the DORA (Digital Operational Resilience Act), and to outsourcing. The methodology provides for the possibility of carrying out an overall risk assessment for third parties.
The methodologies in the ICT and Security risk analysis components were also extended to insurance companies, with the aim of defining a homogeneous framework within the conglomerate.
The methodology for the execution of second-level controls in the ICT and Security area is applied continuously through the relative control framework. These controls were distributed in an annual schedule, divided by quarter and, where possible, supplemented and replaced by automatic controls, examined further in the event that the thresholds are surpassed.
Following the OSI-2023-ITBPM-0220761 inspection on IT and cybersecurity risk in 2023, the preparation of the remediation plan for the findings by the IT and Logical and Physical Security units and the progressive remediation activities continued to be monitored.
During the year, developments were proposed, in collaboration with Risk Governance & Insurance and with the IT and Security functions, for the RAF indicators in the ICT and Security area for 2026, which also concerned the insurance companies.
As part of the broader Group project, the gradual adoption of the requirements of the DORA regulation and the strengthening of the controls linked to ICT risk were implemented.
The process to streamline and consolidate the supplier base, launched in 2020, continued, which, on the one hand, led to a reduction in suppliers considered non-essential and, on the other hand, made it possible to take advantage of new partnerships in the areas of digital innovation and cybersecurity.
Over the same period of time, controls on outsourced services were also strengthened, both within and outside the Group, to ensure adequate control over the stability and quality of services offered by suppliers.
In this regard, in order to implement the measures to combat and maintain the security levels acquired, the cybersecurity strategy continued, in line with the multi-year plan, through cross-functional interventions to develop security measures.
Efforts continued to develop the tools to support the IT risk analysis model, including a tool to support the collection of impacts in the field of strategic and reputational risk.
With a view to the development of human capital and the skills of IT resources, in consideration of process and technological innovation, a development programme is underway to support IT transformation and strengthen the role of Data Quality and IT Security of the Group with a view to up-skilling and re-skilling professional and cross-functional skills.

With reference to the IT Risk Questionnaire 2026, for the period under review, the results of the previous year were mainly unchanged. It should be noted that the activities envisaged by the remedial plan activated by the Bank in response to the 5 requirements contained in the decision relating to the OSI inspection on IT and Cybersecurity risks are still underway.

Stress testing

The Banco BPM Group has adopted a structured stress testing framework, aimed at assessing the Group's vulnerability to exceptional but plausible events, through the coordinated application of quantitative and qualitative techniques. The framework defines methodologies, processes, roles and responsibilities for the preparation of projections under ordinary and adverse conditions, to support risk management processes, strategic planning and regulatory obligations.

The stress tests include sensitivity and scenario analyses, conducted both on individual risk categories and from an integrated perspective (firm-wide), in order to assess the Group's risk profile as a whole and to identify the main vulnerability factors. The results of the stress analyses support the definition of mitigation strategies and action plans.

The macroeconomic scenarios used in the Group processes are subject to periodic monitoring and updating by the Scenario Council, which assesses the evolution of the external context and the possible implementation of scenarios in strategic and management processes. The Group also carries out stress tests with specific purposes to support the main business processes, including the Risk Appetite Framework, strategic planning, ICAAP, ILAAP and the Recovery Plan, also including targeted analyses on individual portfolios and risks.

Credit risk

Banco BPM Group pursues lending policy objectives that seek to:

- support the growth of business activities in the areas it operates in, with the goal of overseeing and managing the development of the Group's positioning, in line with RAF policies and budget and business plan objectives, focusing on the support and development of customer relationships;
- diversify its portfolio, limiting loan concentration on single counterparties/groups and on single sectors of economic activity or geographical areas;
- adopt a uniform and unique credit management model based on rules, methods, processes, IT procedures and internal regulations harmonised and standardised for all Group banks.

To optimise credit quality and minimise the global cost of credit risk for the Group and the individual companies, under the organisational model the Parent Company's Loans Function is in charge of lending policy guidelines for both the banks and companies of the Group.
Guidelines have also been set at Group level, defining conduct with respect to assuming credit risk, to avoid excessive concentrations, limit potential losses and guarantee credit quality. In particular, in the loan approval phase, the Parent Company exercises the role of management, direction and support for the Group.
The above Function monitors the loan portfolio and focuses on analysing the risk profile performance of economic sectors, geographical areas, customer segments and types of credit lines granted, as well as on other dimensions of analysis, which enable any corrective actions to be defined at a central level.
The role of the Parent Company's Risk Function is to support Top Management in planning and controlling the risk of exposure and capital absorption, in order to maintain the stability of the Group, verifying forward-looking capital adequacy and under stressed conditions, as well as compliance with the RAF thresholds, the Group's risk limits and its risk appetite. In particular, the Function's task is to develop, manage and optimise internal rating models (Pillar I), the loan portfolio model (Pillar II) over time, and to supervise - as part of second level controls - the calculation of risk-weighted assets using advanced methods.
Credit risk monitoring at portfolio level is based on an internal portfolio VaR risk estimation model that is applied on a monthly basis to credit exposures of Banco BPM Group.

For an examination of the main initiatives and adjustments made to factor in uncertainties in the reference macroeconomic context and other risk factors not intercepted by expected loss calculation models, please refer to the section "Methods for measuring IFRS 9 expected losses for financial reporting purposes" as well as the Annual Financial Report as at 31 December 2025.

Credit quality

Banco BPM Group uses an elaborate set of instruments to grant and manage credit and to monitor portfolio quality.
Rating plays a key role in loan granting, credit product disbursement, monitoring and performance management processes. In particular, it serves as the starting point in defining credit strategies for customers and for deciding which bodies are competent to approve loans, it also influences the application of the mechanism for the automatic renewal of uncommitted credit facilities, and it contributes to determining automatic interception of the monitoring and management process (Watchlist).
In addition, in the credit granting process, the Credit Policies aim to define the granting guidelines and strategies applicable to the individual counterparties. To this end, in addition to the rating, additional assessment factors are considered, such as sector analysis, ESG assessment and the financial sustainability of the counterparty.
To proactively manage counterparties that show signs of a deterioration of credit risk, the Group utilises a specific platform to intercept, monitor and manage anomalous exposures, as well as a performance scoring model to intercept the first signs of deterioration of the counterparty, before the default event. Considering the new EBA guidelines on the definition of default, applied by the Group from 1 January 2021, the above-cited monitoring platform incorporates the new rules relating to overdue exposures, making provision, from the first few days in which the overdue event materialises, for intervention processes differentiated by counterparty type and level of exposure, according to a management approach which is as business-oriented as possible, to prevent deterioration in credit risk and the

consequent restoration of the ordinary management of the relationship. More specifically, the process currently in place envisages the interception of overdue positions on a daily basis, and their subsequent management according to a structured procedure, which entails clustering the portfolio with anomalies and the subsequent definition of interventions according to a defined scale of priorities.

The methodologies underlying the risk parameters PD (Probability of Default), LGD (Loss Given Default) and EAD (Exposure at Default), are used not only to assess the counterparty when granting, monitoring and renewing credit lines, but also to collectively write down receivables in the financial statements, in compliance with IFRS 9.
The credit assessment to calculate the amount of expected losses of non-performing loans differs according to the status and size of the exposure. The expected credit losses valued analytically by the manager are periodically reviewed.
For prudential purposes, credit risk monitoring at portfolio level is also based on the use of a default model that is applied on a monthly basis to credit exposures of Banco BPM Group. For more information on the general features of this model, please refer to the following paragraph "Models for measuring credit risk for prudential purposes".
For other exposures - other than performing loans with ordinary and financial resident customers - risk is controlled through the use of supervisory regulatory metrics (Standard).

Information on the inclusion of ESG factors in credit processes

The main objective of the credit policies of Banco BPM Group is to guide the growth of volumes, with a view to optimising the risk-return ratio and to containing the future cost of credit risk, by already incorporating various clear ESG-related aspects from 2021. These aspects have been implemented in the loan granting process also through the use of dedicated tools, which envisage acquiring information also relating to factors more linked to the environment and the climate during the proposal and approval stage.

ESG factors have been included in the Group's credit processes in previous years; during 2025, the integration of Credit Policies for the assessment of ESG factors and the impacts of potential risks linked to climate change on the economic and financial outlooks of the companies to which Banco BPM Group is exposed, continued. The risk mitigation actions implemented by the counterparty to which the Group is exposed were also evaluated through an ESG questionnaire. In addition, during 2026, the ESG risk assessment scope was further expanded, extending the analysis to cover not only transition risk and acute physical risk, but also chronic physical risk and environmental risks. Net Zero sectors, so-called "priority" sectors were also focused on as they are characterised by a higher level of emissions and for which precise targets have been set for 2030.
Lastly, project activities continued as part of the implementation of the "EU Taxonomy", with the aim of integrating the alignment of exposures of financed counterparties with the taxonomy into processes and products.

Starting from December 2022, in the estimate of expected credit losses (ECL) on performing credit exposures, the Group introduced a specific adjustment to factor the risks deriving from the exposure of debtor counterparties to climate and environmental factors. In particular, the impacts on the PD and LGD risk parameters of the counterparties were estimated, assuming a transition risk and a physical risk developed on the basis of the scenarios illustrated below.
With reference to transition risk, the Net Zero 2050 scenario of the Network for Greening the Financial System (NGFS) issued in November 2024 (latest available scenario) was considered. With respect to the possible alternative scenarios (Delayed Transition and Current Policies), the selection of the Net Zero 2050 scenario was the most prudent with reference to the time horizon of the credit exposures to be assessed, as it assumes an immediate and stringent intervention of climate policies, as described in more detail below.
In June 2026, the Net Zero 2050 scenario was combined with the Current Policies scenario (that expected at global level) to introduce the acute physical risk component.

This scenario was incorporated into PD parameters by assessing its impact on the financial statement items of business customers not belonging to the agricultural sector, on which the sectoral KPIs are calculated, which are then used as inputs to the satellite PD models, applied to estimate the forward-looking PDs. In addition, the physical risk was also considered in the PD parameter through the total acute physical risk shock, using the devaluation model of property used as collateral (property value) as the share of devaluation that impacts the price index of residential and non-residential properties. These factors also act as drivers of the PD satellite models for the projections of the parameter. In this way, all customers, with the exception of the Public Administration, are impacted by climate risk (both transition and physical).
Conversely and using the same climate scenarios, the LGD parameter is also stressed from a forward-looking perspective through the LGD satellite models. The transition risk is in fact embodied through the sectoral KPIs that

impact the migration to bad loan component, while the physical risk is introduced as for the PD, intervening on the property price index, as a driver to stress the LGD component.
For further details on the methodology for calculating the adjustments in question and the relative impacts, please refer to the paragraph below "Use of post-model adjustment and management overlays".
For a better understanding of the assumptions underlying the transition scenario considered by the Group with respect to the alternative scenarios, an illustration of the main assumptions of each scenario is provided below.
The NGFS Net Zero 2050 scenario, which envisages a maximum increase in global temperature of 1.5°C, through the immediate and gradually more stringent introduction of policies to reduce carbon dioxide emissions, which are considered zero in 2050. In this type of scenario, the transition risk and the physical risk are limited: in fact, the gradual transition ensures that the necessary costs and investments in innovation are minimised. At the same time, the increase in the maximum global temperature of 1.5°C reduces the risk of extreme events.
The NGFS Delayed Transition scenario assumes a delayed and net introduction of climate policies starting from 2030, in order to limit the increase in global temperature to below 2°C; carbon dioxide emissions are therefore higher than in the previous scenario to comply with the objectives of the Paris agreement. The scenario therefore entails a higher transition risk, due to the higher costs required by the delayed introduction of climate policies, while the increase in global temperature increases physical risk in terms of greater frequency and importance of extreme events.
Lastly, the NGFS Current Policies scenario captures the long-term impact of physical risk on the economic and financial system resulting from the failure to introduce emission reduction measures. Although emissions at European level are gradually decreasing, global emissions continue to grow until 2080 with an increase in global temperature of around 3°C. This will lead to greater and more significant natural catastrophes, with a considerable increase in insurance and reconstruction costs linked to these events. In this scenario, there is therefore no transition risk, but the transition costs that would have occurred in previous scenarios are more than offset by the strong impact of extreme physical risk in the economy.

With regard to non-performing loans to be assessed analytically, the risks related to climate and the environment are taken into consideration in the estimate of the present value of forecasted future cash flows, on an essentially discretionary basis and together with other pieces of information.

The Financial Forecast Studio was implemented in 2022, a modular platform, provided by Cerved to support the forward-looking assessment of a company by the manager.
The elements characterising this instrument are:

- accurate data sets:
    - at least every six months, Cerved prepares forecasts for approximately 400 sectors, which can be used as a standard basis for the prospective simulation of the financial statement figures of the individual company;
    - the historical financial statements of the last few years are made available;
    - the CeBi reclassification scheme of Cerved's Financial Reporting Office was adopted;
- assumptions and business simulations:
    - starting from the standard simulations proposed by the provider, an infinite number of alternative scenarios can be replicated by changing the initial assumptions;
    - more than 20 parameters (financial statement items) are available that can be used as modifiable assumptions of the model;
    - through simple data-entry, start-ups/financial statements of partnerships can also be evaluated;
    - an additional ESG module is included for the accurate estimate of the impacts on credit risk of the variables linked to environmental risks;
    - the tool provides a wide range of forecast outputs to support the manager and the decision-maker in the evaluation and granting phase; it also makes it possible to compare multiple scenarios relating to the same company or to different companies (for example, a "best in class" or specific competitor).

Models for measuring credit risk for prudential purposes

When measuring the credit risk of portfolios, the Bank uses an econometric model for management purposes, supported by an extensive set of data and risk variables, known as the Portfolio Model.
Through the use of Credit-VaR metrics, this model enables the distribution of the probability of losses of the loan portfolio to be defined, taking into account the different concentration, migration and default risk components, also in the event of a joint non-fulfilment of counterparties, in a predefined context of correlations between exposures in portfolio. This distribution is used to measure the maximum potential loss over a yearly time period and with a specific level of

confidence of 99.9%. More specifically, in order to obtain this distribution, the model's processing engine uses a Monte Carlo simulation approach, which simulates a sufficiently high number of scenarios so as to provide a good empirical approximation of the theoretical distribution of loan portfolio losses. The maximum potential loss of the portfolio is calculated in terms of the change in the fair value of loans in the event of both the migration and default of customers.
For other residual exposures that are not part of the portfolio model, economic capital is calculated for the purpose of management control of risk through the use of supervisory regulatory metrics.
Lastly, the portfolio model periodically undergoes stress testing to evaluate the credit risk sensitivity of the Group's portfolio to extreme changes in economic-financial and climate factors.
As at 30 June 2026, the expected credit loss, calculated on the Basel 3 validation perimeter (for which Banco BPM was authorised by the Regulator to use internal rating systems to calculate the capital requirements on credit risks), was 0.46% of performing exposures, while the overall loss (measured by the C-VaR method in the 99.9th percentile, the most recent figure available with reference to the performing portfolio model perimeter) amounted to 2.50% of the exposure at default.

The internal models for estimating PD, LGD and EAD are subject to an internal validation process by the relevant Function and to a third-tier control by the Audit Function. The outcome of these processes is outlined in special reports submitted to the Corporate Bodies and sent to the European Central Bank/Bank of Italy.

Methods for measuring IFRS 9 expected losses for financial reporting purposes

With regard to the calculation of expected credit losses (ECL), during the first half of 2026, the process of revising and fine-tuning the current models, which started in 2020, continued, with a view to more accurately reflecting the expected losses of performing exposures, also as a consequence of the economic disruption caused by the situation of international political instability. This process moreover envisaged a series of post model managerial adjustments, in order to factor in certain measurement elements not adequately intercepted by current models. The paragraphs below provide an illustration of the changes introduced to models and to the criteria to calculate expected credit losses following imbalances linked to the economic situation, as well as the changes introduced in 2026 as part of the continuous process of revising models, depending on the type of intervention. With regard to the main methodological developments, for Post Model Adjustments, please refer to the following section "Use of post model adjustments and management overlays".

Measurement of expected credit losses

According to IFRS 9, all financial assets not measured at fair value through profit and loss, represented by debt securities and loans, and off-balance sheet exposures (commitments and guarantees given) must be subject to the impairment model based on expected credit losses (ECL - Expected Credit Losses).

Specifically, the IFRS 9 impairment model is based on the concept of forward-looking valuation, i.e. on the concept of Expected Credit Loss, whether calculated at 12 months (Stage 1) or for the entire residual lifetime of the instrument (lifetime loss for Stage 2 and Stage 3). In particular, the model establishes that financial assets should be classified into three separate stages, corresponding to different measurement criteria:

- Stage 1: to be measured on the basis of expected credit loss over a time horizon of one year. *Stage 1* includes performing financial assets for which no significant impairment of credit risk has been observed with respect to the date of initial recognition;
- Stage 2: to be measured on the basis of expected credit loss over the entire residual life of the financial asset. *Stage 2* includes financial assets that have undergone significant impairment of credit risk with respect to initial recognition;
- Stage 3: to be measured on the basis of an estimate of expected forward-looking loss, based on a 100% probability of default. *Stage 3* includes financial assets considered non-performing.

According to the Expected Credit Loss calculation model, losses must be recorded not only with reference to objective evidence of impairment losses that had already occurred at the reporting date, but also on the basis of expectations of future impairment that is not clear yet, which must reflect:

- the likelihood of different scenarios occurring;
- the effect of discounting using the effective interest rate;
- historical experience and current and future valuations.

Detailed information is provided below on the model used by the Group to verify whether there is a significant deterioration of credit risk (known as "Framework Stage Assignment") and to calculate the forward-looking expected credit loss.

Framework stage assignment

Illustration of the staging model

In order to allocate exposures to the various stages, Banco BPM Group has classified them as follows:
- performing loans in Stages 1 and 2;
- non-performing loans in Stage 3. The analyses conducted led to the conclusion that the relative scope is aligned to that of non-performing exposures, determined in accordance with the definitions contained in current supervisory provisions[1] (bad loans, unlikely to pay, past due exposures), as they are deemed to be consistent with accounting regulations in terms of objective evidence of impairment.

With regard to credit exposures to Group customers (cash loans and unsecured loans), an illustration is provided below of the quantitative and qualitative criteria defined by the Group in order to classify a performing exposure in Stage 1 or Stage 2.
With reference to quantitative criteria, the model developed by the Group uses as reference the parameter of lifetime probability of default (LPD), measured at the reference date, and the same parameter measured at the origination date. The ratio between said parameters is defined as the "Lifetime PD Ratio" (LPDR). More specifically, the chosen metric is based on the "Forward" PD concept. This approach entails identifying the forward PD curve on the Lifetime PD curve observed at the origination date, with the reference date as a node and the residual duration as holding period.
The development of the model has also led to the identification of specific internal thresholds of variation between the two aforementioned probabilities, which are differentiated by the following drivers:
- risk segment (Businesses/Private Customers)[2];
- risk band;
- residual life;
- ageing of the position (interval between the origination date and the reporting date).

Thus, the change in credit risk is measured by comparing the parameter defined as a logarithm of the "Lifetime PD Ratio - LPDR" of individual exposures, as defined above, and the specific estimated internal thresholds. Exceeding the above thresholds, with the exception of cases in which the annualised PD observed at the reference date is lower than the threshold of 0.30% (threshold considered to express a low credit risk - Low Credit Risk Exemption) and in cases where the corporate counterparty is within the investment grade threshold, represents a significant increase in credit risk and the consequent transfer of the individual credit line from Stage 1 to Stage 2. That methodology is thus based on a relative approach, as the allocation between Stage 1 and Stage 2 is guided by the change in credit risk since the origination date.
In developing its operating model, after calculating the logarithm of the LPDR for each position included in the estimate sample, the Group selected the optimal threshold for each cluster (given by the intersection of the risk driver methods considered relevant) that would allow it to optimise the model's performance measured using the Matthews correlation coefficient (MCC). The performance aims to describe the ability of the model to correctly anticipate, with a Stage 2 classification, the positions that, within 12 months from the reference date, show signs of risk represented not only by default but also by additional elements that denote a high level of risk (the presence of a number of consecutive days past-due/overdue exceeding the 30-day threshold, the granting of a forbearance measure, the presence of the counterparty within exposures subject to strict monitoring).
With reference to exposures to banks, the methodology developed is also based on the calculation of the LPDR parameter, using the thresholds developed for the Business segment.
Moreover, it should be noted that exceeding of the SICR threshold - which determines a Stage 2 classification - is observed on positions that show, with respect to the origination date, a relative increase in PD Lifetime included on average in a range from +100% to +200% depending on the risk segment.

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[1] Definitions contained in the Bank of Italy Circular no. 272 of 30 July 2008 and subsequent updates, on the basis of which the scope of non-performing loans corresponds to that of the Non-Performing Exposures of Implementing Regulation (EU) 680/2014, with which the EBA's ITS was incorporated (EBA/ITS/2013/rev1 of 24/07/2014).
[2] With reference to exposures belonging to the scope of "Structured Finance Operations - SFO" (Income Producing Real Estate, Real Estate Development and Project Financing), the same thresholds developed for the Businesses segment are applied.

In addition to the quantitative criterion illustrated above, the stage allocation model adopted by the Group is also founded on qualitative criteria and backstops. In greater detail, the following entails classification in Stage 2:

- the presence of a number of consecutive days past-due/overdue exceeding the threshold;
- the granting of forbearance measures. In greater detail, this includes all exposures affected by forbearance measures which have this attribute still active, regardless of whether the current probation period is regular;
- the inclusion of the counterparty in watchlist exposures subject to strict monitoring, in the presence of situations that suggest high risk (e.g. synthetic judgement of the degree of risk of the individual customer above a certain threshold, prejudicial events);
- the classification of the counterparty in the "High" risk band[1], save for the option of override by the competent corporate functions, which must be suitably justified on a case-by-case basis;
- lack of rating at the origination date, save for the case where the counterparty was assigned a rating on the measurement date that classifies the exposure in the "Low", "Medium-low" or "Medium" risk band;[2]
- where the PD at the valuation date is more than three times that at the inception date (known as the "Threefold" trigger), provided that the exposure does not fall within the scope of the Low Credit Risk Exemption, as defined below.

With regard to the functioning of the model, Banco BPM Group has decided to adopt a symmetrical model of reclassification from Stage 2 to Stage 1: in cases in which the conditions triggering the significant deterioration of credit risk cease to exist on a later valuation date, the financial instrument returns to being measured on the basis of the expected credit loss measured on a time horizon of twelve months. It should also be noted that in the event of a return from Stage 3 to performing exposure status, there is no mandatory transfer of the counterparty's relationships to Stage 2. The classification of performing exposures into stages (Stage 1 or Stage 2) will depend on the automatic application of the stage assignment framework.
In the case of forborne exposures, any return to the calculation of the expected credit loss at one year is made in accordance with the probation period, in line with the time frames set out in the supervisory provisions.
The stage allocation methodology described above is applied to all exposures to customers, excluding debt securities.

Downstream of the stage assignment and ECL calculation process, some Stage manual Adjustments were carried out, with the reclassification of individual positions whose classification deriving from the application of staging allocation methodology (SICR + Backstop) was considered inappropriate by the Loans function. The measure involved the reclassification to Stage 1 of exposures totalling 0.38 billion, resulting in a decrease in Stage 2 ECL of 5.70 million and an increase in Stage 1 ECL of 2.87 million, leading to an overall reduction in ECL of 2.83 million.

With reference to debt securities, the methodology adopted by the Group is based, similarly to that envisaged for exposures represented by loans, on the LPDR parameter, calculated as the ratio of the lifetime probability of default measured at the valuation date to the corresponding probability recorded at the date of purchase of the instrument. The probabilities of default used are determined on the basis of information provided by the rating agency Moody's, through access to the CreditEdge platform.
For this scope of application, the thresholds of significant increase in credit risk (SICR), after which the exposure is reclassified as Stage 2, were defined through a distribution approach and correspond to the 95th percentile of the distribution of the LPDR parameter observed on the reference portfolio as at December 2025.
If the LPDR[3]parameter is not available, the Group applies the Low Credit Risk Exemption ("LCRE"), using the practical expedient envisaged by IFRS 9, which makes it possible to assume that the credit risk has not increased significantly with respect to the initial recognition of the instrument, with consequent classification as Stage 1. In particular, securities for which the LPDR parameter is not available and which, at the reporting date, have an external rating of the issuer or of the issue equal to or higher than the investment grade level, are classified as Stage 1, without carrying out any SICR assessment. The scope of application of the LCRE also includes securities for which the transfer to Stage 2, based on the LPDR parameter, is not activated, as the lifetime PD value at the reference date is considered to express a low credit risk, consistent with the thresholds associated with the investment grade.
Considering the presence of several purchase transactions occurring on different dates for the same fungible security (ISIN), for the purposes of the SICR, the risk at the origin is measured separately for each tranche purchased. It was thus necessary to specify a method for identifying the tranches sold and, as a result, the remaining quantities to which

[1] Note that, for loan granting processes, the rating classes envisaged by the internal model are grouped into 5 homogeneous risk bands ("Low", "Medium-low", "Medium", "Medium-high" and "High").
[2] See previous note.
[3] Security not contributed by the Credit Edge service or lack of probability of defaults at the purchase date or at the reference date.

to assign the credit quality at the date of initial recognition, to be compared with that at the measurement date: that movement methodology is based on the FIFO method (First In - First Out).

An inhibition of the quantitative criteria of staging allocation is also applied to the loans perimeter, which exclusively concerns counterparty businesses with low risk, similar to the "investment grade" risk measured in proxies by internal ratings and associated PDs. The inhibition occurs only in cases of classification in Stage 2, limited to Delta PD and/or Threefold triggers. All other triggers are assessed without exception and can determine the classification of the counterparty in Stage 2.

The table below shows the percentage breakdown of exposures allocated to Stage 2 on the basis of various classification triggers, which shows that the breakdown of the exposures classified therein is influenced by both quantitative criteria based on the change in the probability of default, and on qualitative criteria. Exposures classified as Stage 2 solely due to the presence of a number of past-due days in excess of the threshold represent a negligible percentage.

Type[1]	Stage 2	of which: Large Corporate	of which: Mid Corporate Plus	of which: Mid Corporate	of which: Small Businesses	of which: Private Individuals	of which: Banks	of which: other exposures
Quantitative criteria	72.93%	46.74%	80.30%	82.72%	71.89%	40.51%	100.0%	67.49%
Qualitative criteria	23.90%	53.24%	16.80%	14.59%	21.29%	58.24%	0.00%	31.29%
Past-due exposures over the threshold	0.38%	0.00%	0.26%	0.16%	0.74%	0.80%	0.00%	1.21%
Manual Adjustment (MA)	0.71%	0.00%	1.73%	0.10%	1.41%	0.14%	0.00%	0.02%
Post Model Adjustment (PMA)	2.08%	0.02%	0.91%	2.43%	4.67%	0.31%	0.00%	0.00%

Expected Credit Loss - Stage 1 and Stage 2

The model for calculating Expected Credit Loss (ECL) to measure the impairment of performing instruments, differentiated based on the classification of the exposure in Stage 1 or Stage 2, is based on the following formula:

$$ECL = \sum_{t=1}^{T} PD_t * EAD_t * LGD_t * (1+r)^{-t}$$

Where:

PDt	represents the probability of default at each cash flow date. This is the probability of moving from performing status to non-performing status over the course of a year (1-year PD) or over the entire lifetime of the exposure (lifetime PD)
EADt	represents the counterparty's exposure at each cash flow date
LGDt	represents the associated loss by counterparty at each cash flow date. This is the percentage of loss in the event of default on the basis of historical experience over a given observation period, as well as the forward-looking evolution over the entire lifetime of the exposure;
r	represents the discount rate
t	represents the number of cash flows
T	represents the total number of cash flows, limited to the following 12 months for accounts in Stage 1, and referring to the entire residual life for those in Stage 2

The models used to estimate said parameters leverage the equivalent ones used for capital requirements for credit risk, making specific adaptations to take account of the different requirements and purposes of the IFRS 9 impairment model and the prudential impairment model.

The definition of said parameters, compared to the regulatory parameters, considered the following objectives:
- removal of the downturn component considered in calculating the regulatory LGD to take account of the adverse economic cycle;

[1] In the case in which a position is classified as Stage 2 due to different types of criteria, its exposure has been allocated to the first cluster according to the order in which the classification criteria were presented.

- removal of the MoC (Margin of Conservatism) component considered in the regulatory LGD calculation to take further margins of conservatism into account as requested by the EBA Guidelines;
- adjustment of loss rates to manage the difference between the discount rate used for the regulatory LGD estimate[1] and the Effective Interest Rate (EIR) used to calculate losses at amortised cost;
- inclusion of the conditions of the current economic cycle (Point-in-Time risk measures) instead of the measurement of the parameters through the economic cycle (TTC - Through the cycle), which is required for regulatory purposes;
- introduction of forecast information regarding future trends in macroeconomic factors (forward-looking risk) considered potentially capable of influencing the debtor's situation;
- extension of risk parameters to a long-term perspective, accounting for the lifetime of the credit exposure to be assessed.

As noted, the definition of default adopted is in line with that used for regulatory purposes.
Following the support measures adopted by the Italian Government during the period of the Covid pandemic, one of the main mitigation actions was that of state guarantees for the disbursement of loans to customers. In this respect, Banco BPM Group included the government measure on state guarantees still in place in its ECL calculation. The method adopted therefore enabled the share of exposure covered by these guarantees with relation to the total exposure of the transaction to be identified. The LGD associated with the transaction was therefore eliminated on said portion, and a "Stato Italia" (Italian State) average coverage was assigned.
The provisions are therefore calculated as the sum of the expected credit loss on the share of the exposure not guaranteed by the State, plus an ECL calculated through the application of the "Stato Italia" coverage to the share of the exposure guaranteed by the State.

More detailed information on the way in which the Group has determined the aforementioned IFRS 9 compliant risk parameters, with specific reference to forward-looking factors, is provided below.

In that regard, furthermore, it must be noted that the update of the time series of the parameters and, as a result, their recalibration, is carried out on an annual basis. In particular, in December 2025, in line with the provisions of internal processes, the risk parameters were updated to incorporate in their estimation the effect of updating the time series on the PD, LGD, EAD risk parameters and thresholds to identify the SICR.

Estimating the PD parameter

The PD values are obtained on the basis of regulatory ones, which are anchored to the average level of risk observed in the long-term, suitably calibrated to reflect the current conditions of the economic cycle (Point in Time approach). Subsequently, the PD values are adjusted, from a Forward-Looking perspective, through the application of the sector satellite models developed by the Group. Said values must be estimated not only with reference to the time horizon of the twelve months following the reporting date, but also in the future years, for the purpose of calculating lifetime provisions. The lifetime PD curves were constructed by multiplying, using a Markov approach, the migration matrices of the rating at 12 months, separately by risk segment (Large Corporate, Mid Corporate, Mid Corporate Plus, Small Business, Private) impacted by the forward-looking macroeconomic scenarios. Each rating class assigned to the counterparties using the AIRB internal models is associated with its related lifetime PD curve. The main methodological steps used to estimate the lifetime PD parameter are provided below:

- the construction of historical Point in Time (PiT) migration matrices for each risk segment defined by the rating models and on the basis of the average of these matrices and the attainment of the long-term Through The Cycle (TTC) migration matrices for each risk segment;
- the determination of future PiT matrices for the first three years following the reporting date, obtained on the basis of PiT matrices conditioned on the basis of macroeconomic scenarios;
- obtaining cumulative PDs by rating class and scenario, via a matrix product (Markov chain techniques) of the future PiT migration matrices for the first three years, as previously calculated, while from the fourth year onwards so-called smoothed matrices are used, which allow for the gradual smoothing with the TTC migration matrix;
- the generation of the cumulative lifetime PD curve as the average of the cumulative PD curves of each selected macroeconomic scenario weighted by the respective probability of occurrence.

[1] The discount rate used for regulatory LGD estimates, in compliance with EBA Guidelines (*EBA/GL/2017/16*), corresponds to the 3-month Euribor with a prudential add-on of 5%.

With regard to "Structured Finance transactions - SFT" (Income Producing Real Estate, Real Estate Development, Project Financing and Object Finance), it should be noted that, starting from June 2024, the simulation models were discontinued, with the resulting transition to the slotting criteria methodology, in line with the formal regulatory model change request sent to the ECB. The dedicated slotting criteria method involves the assignment of a category defined in a range from 1 to 4, subsequently transformed, through conversion tables, into rating classes and the relative PD value of the Mid Corporate model (segment with more similar size characteristics) referring to the new A-IRB rating system.
The PD values thus obtained are then conditioned to the economic cycle in a forward-looking perspective through the use of internal PD satellite models.

Refer to the paragraph "Inclusion of forward-looking factors", below, for more details on the method of constructing the PD.

Estimating the LGD parameter

LGD values are assumed to be equal to the regulatory recovery rates calculated through the economic cycle (TTC) and suitably adjusted in order to remove some of the prudential elements established by the regulatory models, which are represented by indirect costs, the MoC (Margin of Conservatism) and the component associated with the adverse economic cycle (the downturn component), as well as to reflect the most current recovery rates (PiT), the difference between the discount rate used to estimate the regulatory parameters[1] and the Effective Interest Rate (EIR), and expectations concerning future (forward-looking) trends. In detail, the forward-looking estimate of the parameter takes account of the impact on the economic cycle of the components represented by the probability of non-performance (Psoff) and the Loss Given Non-Performance (LGNP) using specific forward-looking scaling factors to obtain point in time and forward-looking LGDs. More specifically, the forward-looking effects are channelled to LGD estimates through the application of specific satellite models for the main components of the LGD model (Psoff and LGNP), which compare the changes in macro factors with the residual estimations of the two above-cited parameters on the historical horizon.

As set forth in the paragraph dedicated to the PD estimation, as regards "Structured Finance Transactions - SFT" (Income Producing Real Estate, Real Estate Development, Project Financing and Object Finance), starting from June 2024, the simulation models were discontinued, with the resulting transition to the slotting criteria methodology, in line with the formal regulatory model change request sent to the ECB.

The slotting criteria method involves the assignment of specific LGD values depending on SFT segment, defined on the basis of specific analyses performed on specific portfolios by adopting the fixed values provided by Supervisory Regulations.
The LGD values thus obtained are then conditioned by the economic cycle in a forward-looking perspective through the use of internal LGD satellite models.
A specific parameter was also introduced to include, with the appropriate adjustments, the effect of disposals on recoveries, understood as alternative workout methods used by the Group over time.

EAD Estimation

For on-balance sheet exposures, the EAD is represented, at each future payment date, by the remaining payable based on the repayment plan, plus any unpaid and/or past due instalments.
For off-balance sheet exposures, represented by guarantees and irrevocable or revocable commitments to disburse funds, the EAD is equal to the nominal value weighted by a specific credit conversion factor (CCF), determined in compliance with the previously validated and appropriately calibrated internal models and using the standardised approach for the remaining exposures.
It should be noted that, for revolving loans, the expiry of the relationship is currently defined "in model" on the basis of a behavioural model, following the removal of the relative post model adjustment.

[1] The discount rate used for regulatory LGD estimates, in compliance with EBA Guidelines (*EBA/GL/2017/16*), corresponds to the 3-month Euribor with a prudential add-on of 5%.

Inclusion of forward-looking factors

In accordance with IFRS 9, when estimating expected credit losses it is necessary to take forward-looking information[1] into account, conditioning the risk parameters according to the different macroeconomic scenarios in which it is expected to operate, through satellite models.

With a view to overcoming potential inconsistencies in the results determined by the satellite models ordinarily used before the impact of the Covid-19 emergency, sector satellite models were adopted from 2020 with a view to evaluate the diverse consequences on the different sectors of the Italian economy.

Since 2024, new satellite models have been developed which, in addition to macroeconomic factors, consider financial KPIs as risk drivers, with the objective of better grasping climate effects relating to physical and transition risk.

Lastly, as set forth in internal regulations, to calculate the ECL as at 30 June 2026, the macroeconomic scenarios and the relative probabilities of occurrence were updated, based on the analyses conducted by the Scenario Council[2]. To this end, the macroeconomic projections provided by leading providers were considered. With reference to the four scenarios developed by the latter ("baseline", "favourable", "adverse" and "severe"), three scenarios were selected, identifying the "baseline" scenario as the "base" scenario, the "favourable" scenario as the "better" scenario and the "adverse" scenario as the "worse" scenario, excluding the extreme negative scenario ("severe") as, for accounting purposes, it is not considered plausible.
In order to allocate probabilities of occurrence to the above-mentioned scenarios, those implicit in the construction of the same were used as a basis of reference, as supplied by the provider. With respect to the latter, it was decided to increase the probability of occurrence of the "adverse" scenario, from the 25% indicated by the provider, to 35%, allocating to the latter the 5% probability of the "severe" extreme negative scenario, as well as a further 5% that the Bank has prudentially decided to allocate to this scenario with respect to the "favourable" scenario.
The probabilities of occurrence of the three macroeconomic scenarios considered are therefore the following:

- "baseline" scenario: 50%;
- "adverse" scenario: 35%;
- "favourable" scenario: 15%.

Please note that the model for the governance of the process of updating the macroeconomic scenarios for IFRS 9 purposes, establishes that the same are updated at least every six months (for the closure at year-end and at the first half of each year). The update may be made more frequently (quarterly), if the monitoring of the forecasts relating to GDP, with respect to those implied in the scenarios utilised, indicates that a specific threshold[3] has been surpassed.

The following table shows the annual average values (expressed in terms of annual percentage changes or average percentage values for rates of return and the unemployment rate) of the main macroeconomic indicators for the 2026-2028 period for each of the three scenarios considered in the satellite models for the conditioning of the risk parameters to be used to calculate ECL:

Scenario	Macroeconomic indicators	2026	2027	2028
Adverse	GDP Italy	-0.2	0.0	0.2
Baseline	**GDP Italy**	**0.4**	**0.5**	**0.5**
Favourable	GDP Italy	0.9	1.3	0.7
Adverse	GDP EMU	0.4	0.6	1.0
Baseline	**GDP EMU**	**0.8**	**1.1**	**1.2**
Favourable	GDP EMU	1.3	1.9	1.7

[1] Conditioning of credit risk parameters (PD and LGD) calculated at a Point-in-Time, to estimate the future change based on the expected evolution of the main macroeconomic variables (e.g. GDP, rate of unemployment etc.).

[2] The Scenario Council consists of a team responsible for defining and updating or confirming the macroeconomic scenarios adopted in the Group's strategic processes in light of external events or specific vulnerabilities of the Bank. It is also responsible for identifying the processes impacted and their potential updating. The team is comprised by the Chief Financial Officer, the Chief Risk Officer, the Chief Lending Officer and the Heads of the Planning and Value Management, Risk and Administration and Budget Functions, with the participation of the Head of the Audit Function as auditor.

[3] Threshold identified as a difference in GDP dynamics between the baseline scenario in use and the most recent scenario, subject to assessment, of more than +/- 0.5% per year over the first 12 months.

Scenario	Macroeconomic indicators	2026	2027	2028
Adverse	Unemployment rate	6.20	6.64	6.99
Baseline	**Unemployment rate**	**6.02**	**5.91**	**5.77**
Favourable	Unemployment rate	5.93	5.29	4.61
Adverse	Index of residential property prices	3.5	1.2	0.8
Baseline	**Index of residential property prices**	**3.6**	**2.7**	**2.1**
Favourable	Index of residential property prices	3.6	3.5	3.2
Adverse	Household consumption	0.2	-0.2	-0.1
Baseline	**Household consumption**	**0.5**	**0.8**	**0.6**
Favourable	Household consumption	1.0	1.8	1.3
Adverse	Total investments	0.2	-1.1	-0.6
Baseline	**Total investments**	**1.7**	**0.6**	**0.4**
Favourable	Total investments	3.1	3.3	2.0
Adverse	Construction investments	-0.4	-3.2	-3.1
Baseline	**Construction investments**	**0.9**	**-2.1**	**-1.9**
Favourable	Construction investments	1.9	0.2	-0.4
Adverse	3-month Euribor	2.16	2.28	2.37
Baseline	**3-month Euribor**	**2.18**	**2.31**	**2.40**
Favourable	3-month Euribor	2.31	2.53	2.54
Adverse	ECB rate	2.34	2.40	2.46
Baseline	**ECB rate**	**2.34**	**2.40**	**2.46**
Favourable	ECB rate	2.46	2.65	2.65
Adverse	Return on Italian 10-year government bonds	4.18	4.71	4.88
Baseline	**Return on Italian 10-year government bonds**	**3.74**	**4.00**	**4.21**
Favourable	Return on Italian 10-year government bonds	3.81	3.95	4.19
Adverse	BTP/Bund Spread	1.07	1.34	1.32
Baseline	**BTP/Bund Spread**	**0.76**	**0.83**	**0.86**
Favourable	BTP/Bund Spread	0.67	0.53	0.58
Adverse	Italian consumer price index	3.7	2.1	1.7
Baseline	**Italian consumer price index**	**2.9**	**1.6**	**2.0**
Favourable	Italian consumer price index	1.5	1.7	1.8
Adverse	Imports	0.9	-0.8	0.7
Baseline	**Imports**	**1.7**	**2.3**	**2.2**
Favourable	Imports	2.4	5.5	5.0
Adverse	Exports	-0.8	0.6	1.9
Baseline	**Exports**	**-0.1**	**2.3**	**2.3**
Favourable	Exports	0.5	3.9	3.0
Adverse	Public administration expenditure	0.3	0.1	0.1
Baseline	**Public administration expenditure**	**0.3**	**0.1**	**0.1**
Favourable	Public administration expenditure	0.3	0.3	0.2

During the first half of 2026, despite the escalation of the conflict in Iran and the closure of the Strait of Hormuz, the global economy maintained moderate growth. The subsequent truce led to a partial normalisation of the prices of fuel and raw materials, also kept in check by the use of stocks, and a recovery of the markets, without however eliminating geopolitical risks. In the United States, growth remained strong, also thanks to technological investments, but the rise in inflation has eroded real incomes. The Chinese economy held up mainly thanks to industrial production and exports, while domestic demand remained weak, held back by the persistent property crisis. The Eurozone recorded limited growth: net of the strong contraction in Ireland, domestic demand and consumption supported economic activity, despite the effects of the conflict on prices and confidence. The re-emergence of inflationary pressures interrupted the monetary easing of central banks. In Italy, growth was a pleasant surprise, thanks in particular to domestic demand and, in part, to the temporary boost provided by the Winter Olympics.

The base scenario is therefore developed in a context in which geopolitical balances play a crucial role. The escalation in the Middle East and the blockade of the Strait of Hormuz led to a new energy shock, interrupting the improvement in confidence observed during the first few months of the year. The scenario reflects assumptions of easing tensions and a gradual recovery in energy and trade flows during the first half of the year; the effects of the shock are nevertheless expected to continue to materialise through higher energy prices and inflation, less favourable financial conditions, and a deterioration in confidence. Global growth is expected to slow down slightly compared to 2025 and world trade feels the effects of weak demand and supply chain pressures. The Fed is expected to maintain a prudent stance, postponing monetary easing, while the ECB has already intervened in a restrictive sense (with the refi rate set at +0.25% in 2026), to contain the pass-through of the energy shock to internal prices and prevent second-round effects. In fact, consumption and private investments are slowing down in the Eurozone, especially in Italy, due to the greater exposure to the energy shock; however, the German infrastructure plan, higher defence spending and public investments may mitigate the deceleration. In Italy, growth is expected to remain weak, driven mainly by investments linked to the NRRP, the effects of which, once concluded, will be only partially offset by public intervention, due to limited budgetary scope.

In detail, the main characteristics of the forecasts for Italy are summarised below:

- the strong exposure to energy supplies from abroad and to world markets limits the growth prospects of the Italian economy: after 0.4% in 2026, GDP will grow by 0.5% in the two-year period 2027-2028; EMU proves more dynamic, with growth of 0.8% in 2026, 1.1% in 2027 and 1.2% in 2028;
- the unemployment rate, already at historically low levels, continues to fall: from 6.02% in 2026 to 5.91% in 2027 and to 5.77% in 2028; however, the ageing population and the problem of productivity remain central issues;
- the sharp acceleration in prices in 2026, to 2.9%, is downsized in subsequent years, to 1.6% in 2027 and 2.0% in 2028, thanks to the gradual normalisation of energy prices and weak internal demand dynamics. In addition, the postponement of the entry into force of ETS2 (European Emission Trading System 2) helps to ease pressure on fuel prices;
- exports fall by 0.1% in 2026, penalised by higher energy costs and US tariffs. From 2027, thanks to the normalisation of global trade flows and the recovery in foreign demand for Italian goods, exports return to growth by 2.3% per year;
- the yield on ten-year Italian government bonds increases over the three-year period, from 3.74% in 2026 to 4.00% in 2027 and to 4.21% in 2028; this trend mainly reflects a general rise in long-term government rates in the Eurozone; the BTP-Bund spread grows slightly, but remains at low levels, from 76 bps to 83 bps in 2027 and to 86 bps in 2028.

As regards the "severe" scenario, a deterioration of the global geopolitical framework is assumed, linked in particular to an extension of the conflict in Iran, with a sharp increase in oil and gas prices. This is exacerbated by the effects of the tariffs, which have so far been relatively low, but which become more pronounced through rising import costs. The result is a more persistent inflation context in the first two years, associated with a slowdown in trade and a deterioration in global demand. Geopolitical and commercial tensions are also reflected in the financial markets, already affected by the adjustments of technology stocks, in particular those linked to AI. In the Eurozone, unable to provide a coordinated response to recent tensions, economic activity slows down and inflationary shocks erode purchasing power. The deterioration of the economic context makes it more difficult to implement the national recovery and resilience plans and the German infrastructure plan, limiting their expansionary effects. Central banks do not adopt an excessively restrictive monetary policy, avoiding further penalising growth. In Italy, the greater exposure to the energy crisis, the weakness of foreign demand and the difficulties in implementing NRRP projects lead to a contraction in economic activity in 2026 and stagnation in 2027, with a marked downsizing of investments. The debt-to-GDP ratio is affected by the widening of the BTP/Bund spread and is not expected to fall below 139% until 2030. The increase in medium- to long-term yields and the decline in confidence also affect the credit cycle: demand for loans from private individuals weakens, while household financial assets are oriented towards less risky instruments, such as liquidity and securities.

In detail, the following developments are envisaged:

- Italy enters a recession in 2026, -0.2%, and after stagnation in 2027, starts to show the first signs of recovery in 2028, +0.2%. In particular, the strong dependence on foreign countries for energy supply and the weakening of global demand weigh heavily. In the EMU, relatively less exposed to the energy shock than Italy, growth remains modest in the two-year period 2026-2027, at 0.4% and 0.6%, respectively, before strengthening to 1.0% in 2028;

- the uncertain international context penalises trade, as exports fall by 0.8% in 2026, before gradually recovering to +0.6% in 2027 and +1.9% in 2028. Imports, after signs of resilience in 2026 (+0.9%), fall in 2027 (-0.8%) and then return to growth in 2028 (+0.7%);
- the decline in confidence and the reduction in public incentives harm the trend in investments: a weak 2026 (+0.2%) is followed by a sharp slowdown in the following two years, to -1.1% in 2027 and -0.6% in 2028;
- the trend in consumer prices is affected by Italy's strong dependence on foreign energy supplies. In 2026, inflation jumps to 3.7%, before returning close to the target level of +2.1% as early as 2027 and falling to 1.7% in 2028, partly due to very weak consumption;
- perceptions of Italian sovereign risk rise; the BTP-Bund spread widens to 107 bps from 2026, before settling at just over 130 bps in the two-year period 2027-2028. The yield of the 10-year BTP, also affected by the rise in the rate curves, grows over the forecast horizon: 4.18% in 2026, 4.71% in 2027 and 4.88% in 2028.

In the "favourable" scenario, the main geopolitical and commercial tensions are expected to ease, with a rapid stabilisation of the situation in the Strait of Hormuz, favoured by diplomatic efforts, which will keep oil and gas prices at relatively low and predictable levels. This is accompanied by the maintenance of tariff agreements between the United States and its trading partners. Within the European Union, greater political convergence enables concrete progress on the issues of energy independence, the integration of capital markets and the green and technological transition. Against a backdrop of sustained growth and inflation in line with the target, the ECB raises official rates to levels considered to be in equilibrium, starting from the third quarter of 2026. In Italy, the increased foreign demand, growing confidence among households and businesses and the steady continuation of investments linked to the NRRP underpin economic activity. Consumption benefits from the positive performance of the labour market and disposable income, while investments are dynamic and industrial production returns to growth. The improvement in the macroeconomic scenario is also reflected in public accounts, with a debt-to-GDP ratio expected to be just over 130% in 2030, also favoured by the decrease in the BTP-Bund spread. Lastly, the strengthening of the economic situation supports the credit cycle and household financial assets are oriented towards higher-yielding instruments, such as managed savings and shares.

Specifically:

- Italy benefits from the rapid easing of international tensions: growth rises from 0.9% in 2026 to 1.3% in 2027, before stabilising at 0.7% in 2028; economic activity is supported by the recovery in foreign demand and consumption, the strengthening of investments and the decrease in the prices of energy raw materials;
- the employment trend continues to improve: the unemployment rate will gradually decrease from 5.93% in 2026 to 5.29% in 2027, then to 4.61% in 2028;
- the trend in consumer prices is modest, +1.5% in 2026 and then approaching the target levels in the following two years: 1.7% in 2027 and +1.8% in 2028. At European level, inflation is in line with target levels and the ECB is already raising the rate on main refinancing operations to 2.65% by the end of 2026;
- the yield on 10-year Italian government bonds grows slightly, mainly due to the increase in the long-term yield curve (3.81% in 2026, 3.95% in 2027 and 4.19% in 2028); at the same time, the BTP-Bund spread settles at 67 bps in 2026, and then remains in the 50-60 bps range in the following two years.

Use of post model adjustments and management overlays

In addition to the amendments illustrated above, when the consolidated condensed interim financial statements as at 30 June 2026 were prepared, it was deemed appropriate to proceed, as was done in previous periods, with the application of additional top-down corrections ("post-model adjustments/management overlays").

These management overlays, which in fact significantly reduce the positive economic impacts that would otherwise have been recorded by applying the models in use, are mainly justified by the fact that the aforementioned models may not capture all the phenomena considered relevant for the purpose of determining the expected losses on performing credit exposures to customers (cash loans and unsecured loans).
In greater detail, for the above-mentioned exposures, the application of the overlays in question entailed the recognition of higher value adjustments for a total of +135.7 million, compared to the expected credit losses quantified on the basis of the models in use, which amount to 347.7 million.
The quantification of these amounts was determined by conducting specific analyses, in a laboratory environment, based on the following interventions:

- in line with previous years, assessment of the potential ESG effects on staging allocation and ECL, resulting from the inclusion of physical and transition risk on the forward-looking evolution of PD and LGD parameters, on the assumption of adopting, respectively, the Net Zero 2050 scenarios combined with IPCC RCP 4.5 (acute physical risk in the long term), using short, medium and long-term financial projections as inputs to the satellite PD models and managing any overlapping with management ratings, in compliance with the ESG operating plans communicated by the Group to the Regulator as part of the Targeted Review on Climate-related and Environmental Risks ("Inclusion of ESG effects"), obtaining an impact in terms of higher ECL of +20.8 million against an increase in Stage 2 exposures of +0.16 billion. More specifically, for transition risk, the Net Zero 2050 Phase V of Network for Greening the Financial System (NGFS) was considered; for acute physical risk, the impact was assessed using the devaluation model of property used as collateral (property value) as the share of devaluation that impacts the price index of residential and non-residential properties. For further details on the scenarios used and how they are incorporated for the purposes of calculating the PD and LGD risk parameters, please refer to the previous paragraph "Information on the inclusion of ESG factors in credit processes";
- given the intrinsic uncertainty in the geopolitical context, the PMA introduced in December 2024 was maintained, to gauge the potential effect of emerging risks not yet manifested. The intervention results in using the Severe scenario, an alternative to the multi-scenario, with a 50% probability of occurrence and the remaining 50% being the Baseline. The purpose of using the Severe scenario is to identify an adjustment estimated in the face of possible risk scenarios not currently captured by the IFRS 9 framework. In fact, in the presence of specific economic circumstances characterised by high volatility and/or risks of significant departure from the expected scenarios, it has been decided to introduce further conservatism to the ECL. This PMA captures the potential risk that the forward-looking scenario may diverge from the range represented by the scenarios adopted for the quantification of the ECL. In addition, from March 2026, for the sectors most exposed to the effects of the conflict between the US and Israel and Iran, in view of the potential impacts arising from rising fuel prices and disruptions to supply chains, the weighting assigned to the Severe scenario was increased by 10%, bringing the scenario mix to 60% Severe and 40% Baseline, resulting in an increase in the ECL.
  It should be noted that the purpose of this PMA is to intercept scenarios characterised by extreme volatility, and which may be - even significantly - different from the expected scenarios, i.e. to mitigate the risk that the forward-looking scenario may diverge, in extreme cases, from that resulting from the weighting of the three scenarios (favourable, baseline and adverse). Consequently, this overlay does not, by its nature, also represent a SICR indicator for the purposes of defining staging allocation in the IFRS 9 framework, as the definition of an extreme scenario is unrelated to a concept of precise measurement of the forward-looking risk of the individual credit positions of the Group's performing portfolio. The impact in terms of higher ECL is +99.1 million;
- lastly, following the ECB OSI IFRS9 inspection, starting from March 2025, in order to introduce greater conservatism in the determination of the credit rating of forborne positions, a notch down of one rating class was applied, obtaining an impact in terms of higher ECL of +15.8 million.

With respect to the approach identified during the preparation of the 2025 financial statements, following the application of the post-model adjustments illustrated above, no additional PMAs were introduced. On the other hand, the PMA introduced in March 2026, relating to the extension of the ECL calculation also to non-operating credit lines (CRR3), was discontinued, as it was integrated directly into the IFRS 9 models.

This is without prejudice to the transitory nature of the post-model adjustments linked to the adoption under IFRS 9 of fine-tuning to the modelling framework, to the progressive rejuvenation of the estimated time series, in addition to the consideration that the results deriving from the models to calculate expected credit losses are influenced by macroeconomic scenarios largely dependent on phenomena not fully consolidated and in any case still subject to extreme variability and uncertainty.

Sensitivity analysis of expected credit losses

In accordance with the provisions of paragraph 125 of IAS 1, the Notes must provide information on the key factors of uncertainty that characterise financial statement estimates. Paragraph 129 envisages that this disclosure must be provided in a manner that helps users of financial statements to understand the judgements that management makes about the future and the relative impacts. The examples mentioned to pursue this objective include sensitivity analyses,

through which the reader is able to appreciate the impacts on financial statement estimates of alternative calculation models, reasonably foreseeable changes in inputs and assumptions underlying said estimates.
The adjusting provisions of performing credit exposures (ECL) are an example of financial statements values whose estimation process is characterised by the presence of substantial factors of uncertainty.
As described in "Part A - Accounting policies", the inclusion of forward-looking factors for the measurement of expected losses is a particularly complex exercise, insofar as it requires macroeconomic forecasts to be made, scenarios and relative probabilities of occurrence to be selected, as well as defining a model able to represent the relationship between the cited macroeconomic factors and the default rates of the exposures measured.
For this reason, to be able to appreciate the impacts on expected losses resulting from the selection of different macroeconomic scenarios and in compliance with ESMA recommendations, most recently set forth in the document of 13 May 2022, specific sensitivity analyses are provided below in terms of ECL as well as stage allocation. These analyses were performed by attributing 100% weighting to each individual macroeconomic scenario ("baseline", "adverse", "favourable") with respect to the multi-scenario approach adopted for the preparation of these financial statements which, as described above, consider three different alternative scenarios. Alongside the "baseline" scenario, retained the most likely - 50% is the relative probability of occurrence - an "adverse" scenario was considered, which was attributed a 35% probability of occurrence, and a "favourable" scenario with a 15% probability of occurrence.

The selection of a multi-factor sensitivity, obtained by varying more than one parameter simultaneously and implicit in the decision to consider alternative macroeconomic scenarios, is justified by the fact that there are numerous interrelations between the different macroeconomic factors so as to render a sensitivity analysis based on a single factor less representative (by way of example, a change in GDP would effectively be related to changes in many other macroeconomic variables).

The reference basis for the sensitivity analyses is represented by the ECL provision, before the application of management overlays and determined by the models in use, which amounts to 347.7 million, referring to credit exposures to the Group's customers (cash loans and unsecured loans). However, it is believed that these adjustments have the same sensitivity to changes in the scenario and, for this reason, the results shown below can be extended to the total of the ECL including post model adjustments/management overlays.

In light of what has been described, the main results of the sensitivity analyses are summarised below:
- assignment of a 100% probability of occurrence to the adverse scenario: in this case, the ECL would increase by +59.9 million with respect to that calculated by adopting the multi-scenario approach (+17.2% in percentage terms), against an increase in the percentage of exposures classified as Stage 2 of +0.76%;
- assignment of a 100% probability of occurrence to the baseline scenario: in this case, the ECL amount would decrease by -17.0 million with respect to the amount of ECLs calculated by adopting the multi-scenario approach (-4.9% in percentage terms), against a decrease in the percentage of exposures classified as Stage 2 of -0.13%;
- assignment of a 100% probability of occurrence to the favourable scenario: in this case, the ECL amount would decrease by -66.9 million with respect to the amount of ECLs calculated by adopting the multi-scenario approach (-19.2% in percentage terms), against a decrease in the percentage of exposures classified as Stage 2 of -0.69%.

Expected Credit Loss - Stage 3

With regard to non-performing loans below the materiality threshold (so-called "sub-threshold" exposures)[1], which are assessed using a collective approach, since June 2025 the Bank has adopted a method for estimating the accounting hedges based on the "ELBE accounting" model, which has replaced the previous "automated Gone" model.
This framework, approved by the Parent Company's Board of Directors on 22 July 2025, is based on the ELBE (Expected Loss Best Estimate) LGD calculation methodology, used for IRB purposes, which is considered best suited to incorporating the guidance provided by the internal control functions and the Supervisory Authorities.
Specifically, the ELBE accounting model introduces into the estimate the use of the single step approach (loss rate quantified from entry to default until the end of the cycle), specialises the LGDs by reference vintage of the assessed

[1] This scope includes exposures in default amounting to less than 1 million, for which expected losses are determined using a collective approach. Exclusions include exposures arising from lease agreements and those of the subsidiaries Banca Aletti and Banca Akros, which, like positions amounting to 1 million or more, are subject to analytical assessment.

case, and integrates the point-in-time, forward-looking (by applying the default LGD satellite models already in use in stress testing), disposal and discounting effects.
In December 2025, in accordance with company policy, the annual update of the historical data sets used to calibrate the parameters of the ELBE model was carried out.
In June 2026, the effects of the new macroeconomic scenarios approved by the Board of Directors of the Parent Company at the meeting of 16 June 2026 were acknowledged.

With regard to the method used to incorporate the effects of future disposals into the estimate of expected losses, it should be noted that a methodological change was introduced to the ELBE model in June 2026 compared with the approach applied as at 31 December 2025.
As set out in "Part A.2 - Accounting Policies" of the Explanatory Notes as at 31 December 2025, which should be referred to for further details, the ELBE model incorporates the effects of future disposals of portfolios of impaired loans by weighting the value "ELBE workout", determined on the assumption of recovery through internal management activities, and the "ELBE disposals" value, determined on the assumption of recovery from the portfolio potentially earmarked for sale. This weighting is based on the Probability of Disposal (PoD), which expresses the probability that the position will be included among future portfolio disposals.
Under the framework in force as at 31 December 2025, the PoD was determined by combining a historical component, estimated on the basis of disposal rates observed over the last three financial years, and a forward-looking component, defined on the basis of the loan portfolio disposal targets approved by the Board of Directors and in force at the valuation date.
Since June 2026, the PoD has been determined by assigning full weight to the historical component alone and eliminating the contribution of the forward-looking component. This decision reflects the assessment that the disposal rates observed in recent years are sufficiently representative of future expectations regarding the disposal of the non-performing portfolio, given that disposals now constitute a structural and recurring management lever within the Group's de-risking strategies. In a context characterised by the achievement of NPE ratio levels consistent with the company's strategic objectives, the specific residual disposal targets approved by the Board of Directors have progressively reduced their information content for the purposes of estimating expected losses.
Furthermore, as the remaining disposal targets were progressively reduced as a result of transactions already completed, the adoption of a 100% weighting of the historical PoD has made it possible to keep the effect of expected future disposals fully incorporated into the model, resulting in a more prudent level of coverage than would have been derived from applying the previous approach based on a combination of the historical and forward-looking components.
In any event, the model will be subject to review should there be significant changes in the portfolio's risk profile or in the Group's management and de-risking strategies such that historical data are no longer adequately representative of future expectations regarding the disposal of loan portfolios.

Lastly, it should be noted that, pending the completion of the IT developments required to integrate the ELBE accounting model into Banco BPM's automated calculation framework, the effects of the new methodology are quantified in a dedicated environment (test environment) and subsequently incorporated into the accounting and administrative systems through specific manual adjustments.

Application of this framework resulted in a total amount of value adjustments of 525.4 million on the accounting data of June 2026 (pro-forma portfolio for the disposals resolved on as at 30 June 2026). The average coverage of the perimeter in scope is 48.7%.
With reference to the perimeter of non-performing loans above the materiality threshold defined above, the expected losses are determined analytically on the basis of the recovery forecasts formulated by the manager, as illustrated in "Part A - Accounting policies, A.2., 16 - Other information, Methods for determining impairment losses on IFRS 9 financial instruments in the Annual Financial Report as at 31 December 2025.

Credit risk mitigation techniques

The Group has always kept a watchful eye on the acquisition of loan collaterals and securities, i.e. the use of applications and techniques that mitigate credit risk. When deemed necessary, the typical bank guarantees are acquired, namely mortgages on properties, collaterals on securities in addition to personal guarantees issued by the guarantors and state guarantees.

In general, the decision on the acquisition of a guarantee is based on the customer's creditworthiness and on the characteristics of the transaction. Following this analysis, it may be deemed appropriate to obtain additional guarantees to mitigate credit risk, considering the estimated recoverable value offered by the collateral.
The system for the recording of collateral property used to guarantee lending transactions enables an automatic periodic assessment of the property's value and identifies which properties require updated appraisals, in line with the criteria established by current legislation.
The value of the financial collaterals is constantly and automatically monitored, enabling a comparison between the present value of the collateral and the initial one, and to allow the manager to act promptly in the event that the collateral incurs a significant impairment loss.
As regards collateral represented by a pledge on securities, an automatic warning system is in place, which is triggered when impairment goes beyond a certain threshold value, reporting the same to the customer relationship manager so that the same may take prompt action.
With regard to derivative transactions with market counterparties, we favour entities with which we have entered into agreements requiring the provision of collateral, especially ISDA - Credit Support Annex, to obtain a significant credit risk mitigation.

Outcomes of internal validation activities

In order to calculate capital requirements against Credit Risk and only on the scope of the Parent Company, Banco BPM Group adopts internal estimates of PD and of LGD for Corporate and Private Customer portfolios.

The comparison between estimates and empirical data is made separately for PD, LGD and CCF, by means of backtesting conducted by the Internal Validation function.

With reference to the PD models, Banco BPM Group adopts performance measurements to check the accuracy ratio (AR) of the estimates and calibration tests ("classical" binomial tests on a multi-period and single period basis) to compare the default rates (DRs) recorded over an annual time horizon with the estimated PD values.
Regarding the Corporate segment, the latest backtesting showed a good accuracy ratio of models, both in terms of single modules and final integrating ratings, which produced values comparable and at times superior to those obtained during the development phase. With regard to the calibration, satisfactory values were found for all models. Overall, the model performed well for the Private customer segment. With regard to calibration, the results of the binomial tests were satisfactory.

With regard to the LGD parameter, testing was conducted on both the performing and in default components. Internal Validation did not reveal significant shortcomings with the estimates generated for the Private and Business models.

Testing was conducted in relation to CCFs. Internal Validation did not detect significant issues with the estimates generated for both the Retail and Corporate models.

In general, the models were fine-tuned, mainly with a view to making the models more compliant with legislative requirements.

Counterparty risk

With regard to counterparty risk, defined as the risk that the counterparty in a transaction defaults before the final settlement of the cash flows of such transaction (EU Regulation no. 575/2013), the Group uses, both for supervisory reporting purposes and for internal management purposes, standardised methods to calculate exposures on the entire reference scope relating to derivatives and securities financing transactions (repurchase agreements and securities lending).
As regards derivative transactions, exposure to counterparty risk is calculated on the basis of the SA-CCR approach (Standardised Approach for Counterparty Credit Risk) (Ref. EU Regulation 876/2019), which makes it possible to better reflect the risks associated with derivative transactions.

Membership of Clearing Houses for transactions in OTC Derivatives and Credit Derivatives has enabled the mitigation of risks.

In accordance with the Basel III Framework, additional capital requirements regarding the following are to be calculated:

- own funds for the Credit Valuation Adjustment (CVA Risk), through the adoption of the Basic Approach, as required by Regulation EU no. 1623/2024;
- exposures relating to operations with Qualifying Central Counterparties (QCCP) by adopting the methods envisaged by Arts. 306-308 of Regulation (EU) no. 876/2019.

Total counterparty risk is determined by applying the credit parameters (PD, LGD, weightings) established (AIRB or Standard internal model) to the exposure measures defined above.

Compliance with the operating limit, determined in accordance with the RAF limit set by the Board of Directors, is verified on a monthly basis on the entire scope.

With regard to fair value measurement for the purposes of the accounting valuation of financial instruments, the Parent Company also estimates fair value adjustments (Valuation Adjustments) in order to reflect counterparty risk on OTC derivative exposures.
Such adjustments are made with reference to both credit exposures (CVA - Credit Valuation Adjustment) and debt exposures (DVA - Debit Valuation Adjustment), to take into account the probability of bankruptcy of the counterparty and the reporting bank, respectively. In order to determine the exposure, an advanced simulation approach (Monte Carlo) is adopted for the quantification of the CVA and DVA, in line with market best practices.

The Group has met the obligation envisaged by European Legislation (EU Delegated Regulation 2016/2251), by exchanging, based on the relative contracts (CTA - Collateral Transfer Agreement), the initial margins of OTC derivatives not cleared by a central counterparty, which provide additional protection in the event that one of the two counterparties is not able to meet its commitments over the life of the contract.
Banco BPM Group uses the SIMM (Standard Initial Margin Model) method, whose calculation is mostly risk-sensitive, and is based on aggregate sensitivities by risk and product category.

Financial risks

Trading book

The organisational model adopted by Banco BPM Group for the trading books exposed to interest rate risk and price risk requires the centralisation in the Parent Company's Finance Department of the management of Treasury positions and the proprietary portfolio.

With reference to the internal model for the calculation of capital absorption against market risk, it should be noted that, starting from the 31 December 2020 reporting date, Banco BPM Group has used the model extended to all risk factors to calculate the Market Risk capital requirement. Said requirement is therefore calculated on the basis of the VaR, Stressed VaR - including the specific risk of debt securities - and of the IRC.
On 14 April 2023, the ECB also granted authorisation to extend the approach of the IMA model to the exchange rate risk of Banking Book positions.

Parent Company's Portfolio

The Parent Company holds a trading book, the main risk exposures of which concern transactions on both money markets and the associated hedging derivatives, as well as those on the markets for OTC derivatives and structured products and listed derivatives.
Transactions are connected to both plain vanilla and structured instruments and listed and unlisted derivatives, including trades on the secondary market of structured products issued by the Group. The destructuring of complex transactions based on the underlying enables the centralised management of the interest rate, exchange rate and price risks within the specific offices of the Bank's Finance Department, which use sophisticated position keeping systems.
Trading in interest rate derivatives mainly consists of optimising the flows generated by the need to hedge interest rate risk by institutional customers (for example, Banks, Funds and Insurance companies), and corporate customers of the Bank, taking on the risk as its own and managing it using dynamic hedging strategies. The Parent Company operates as a market maker on OTC derivatives, mainly on the Euro interest rate curves. The process of rebalancing risks on an

ongoing basis entails, also based on market liquidity, the use of trading in regulated futures and the related options on short and medium/long-term interest rates.
Trading in bonds issued by financial companies or corporates, traded on the secondary market (Eurobonds) derives from the need to meet customer requests, mainly from institutional customers. On the secondary market, the Bank operates as a market maker on bonds from corporate, financial and supranational issuers, primarily denominated in Euro, through trading on multilateral trading facilities or OTC.
Since November 2024, the Bank has also acted as market maker as a specialist in Government Bonds on behalf of the Ministry of the Treasury.
The main exposures to equity risk are related to trading on cash markets and associated listed or plain vanilla derivatives on the derivatives and OTC structured products market and the listed derivatives market.
Specifically, the scope includes portfolios of equities and related listed derivatives, held for trading purposes, for market making transactions on individual stock futures and options and for activities related to specialist services (continuous exposure of proposals to buy/sell), as well as transactions in structured instruments and listed derivatives. The destructuring of complex operations based on the underlying enables the centralised management of the interest rate, exchange rate and price risks within the specific offices, which use a sophisticated position keeping system specialised in interest rate and credit spread, exchange rate and price risks. The system is integrated with pricing models and risk measurement (Greeks) developed in-house by the Financial Engineering function and validated by the Parent Company's Risk Function.

With regard to the composition of the portfolio, at the end of June, net bond exposure, excluding Banco BPM issues, stood at a nominal value of approximately 271 million, represented by 203 million in Italian financial securities, 71 million in corporate bonds (net of a 35 million hedging position in Itraxx Xover CDSs), 54 million in foreign government bonds (55 million French, 16 million US and a short position of 20 million in German government bonds), a short position of 44 million in Italian government bonds and a short position in foreign financial securities (-14 million), the latter consisting mainly of Itraxx financial CDSs (-33 million), used to hedge positions in financial securities.
The exposure to credit spread risk totalled approximately +27 thousand euro (net of Banco BPM issues), considering a shock of 1 basis point, deriving mainly from Italian government bonds (credit spread sensitivity: approximately +66 thousand euro), partly offset by Italian financial securities (approximately -39 thousand euro) and foreign government bonds (approximately -8 thousand euro).
The sensitivity (delta) to the overall interest rate risk at the end of June, netting long and short exposures on the various currencies and yield curve nodes, was +0.2 thousand euro, assuming a parallel change in the interest rate curve of 1 basis point. The greatest exposure to interest rate risk was recorded on the EUR (+5 thousand euro, positive rho), USD (-3 thousand euro) and GBP (-2 thousand euro) curves.

The overall price risk exposure of the equity portfolio equals a delta equivalent long position of around +20.7 million, split mainly between the Eurozone (+14.9 million), USA (+2 million) and Asia (Japan, +1.4 million). With regard to the indicator Vega (sensitivity to changes in the implicit volatility of the underlying), relating to the equity risk class, at the end of June the exposure was a positive roughly 1.5 million, considering a parallel shock of 1% on volatility levels. That exposure mainly originates from liquid share indices and "Large Cap" single stocks.
Lastly, the sensitivity to the dividend risk factor, considering a parallel shock of 10% on the levels of this parameter, was approximately +2.1 million as at 30 June, concentrated mainly in the Ftse Mib and Stoxx Utilities indices and in large caps.

The above-mentioned risk exposures are monitored daily to ensure that the operating limits, for the entire portfolio and for the individual underlying assets, established in accordance with the RAF limits set by the Board of Directors are complied with.

Interest-rate risk and price risk management processes and measurement methods

The task of controlling the financial risk management, with a view to identifying the different types of risk, defining the methods to measure the same, to controlling limits at strategic level and verifying the consistency between the operations of the same and the risk/return targets assigned, is centralised in the Parent Company under the responsibility of the Risk Function.
Financial risks are monitored on a daily basis, both through the use of deterministic indicators (sensitivity to market risk factors and indicators referred to the issuer) and probabilistic indicators (Value at Risk - VaR). The VaR, which indicates the maximum potential loss associated with market movements in unexceptional conditions, over a certain time horizon and with a certain confidence interval, represents a synthetic risk measurement.

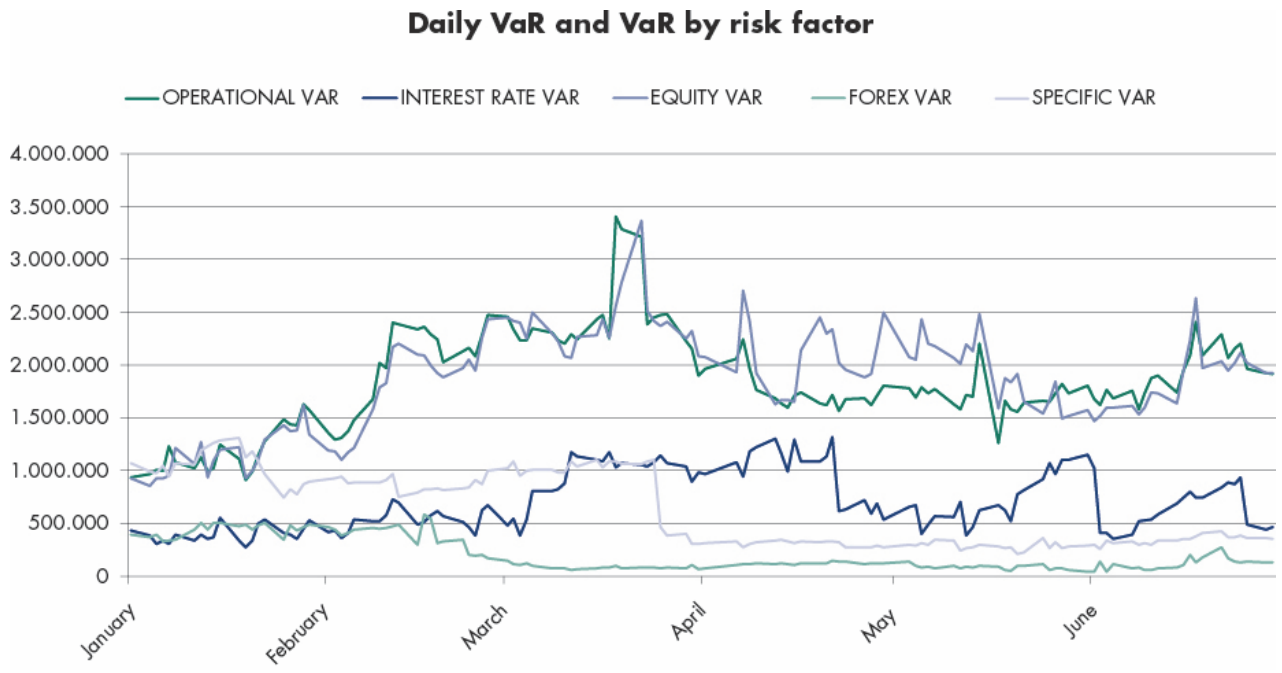
The approach used to calculate the VaR is based on historical simulation. The values calculated are provided with a confidence interval of 99% and a time horizon of one day. The correlations used are those implicit in the historical scenarios of risk factors applied to estimate the empirical distribution of values in the trading book.
With regard to the Internal model (IMA) used to quantify the Regulatory Capital Requirement, in addition to the Ordinary VaR calculated under current conditions, a VaR under stressed conditions (Stressed VaR) is calculated, which adopts the period between August 2008 and August 2009 as the most severe scenario. The period of stress is monitored with a frequency and a method defined by internal regulations, which enable it to be promptly identified when changes in the composition of the portfolio occur, at the same time guaranteeing a certain degree of stability.
The Historical Simulation VaR model is used both to calculate the capital requirement, as envisaged by prudential requirements for market risk, and for operational purposes.

Regulatory trading book: internal models and other sensitivity analysis methods

A table containing the operational VaR figures is shown below for the first half of 2026, along with a historical graph, referring to the regulatory trading book of Banco BPM.

Regulatory trading book *(in millions of euro)*	**1st half 2026**			
	30 June	**average**	**maximum**	**minimum**
Interest Rate Risk	0.465	0.699	1.314	0.269
Trading and banking book exchange rate risk	0.131	0.202	0.581	0.038
Equity Risk	1.921	1.868	3.362	0.855
Dividend and Correlation Risk	1.189	0.919	1.575	0.068
Specific Debt Securities Risk	0.353	0.633	1.307	0.207
Total uncorrelated	4.060			
Diversification effect	-2.145			
Combined risk (*)	1.914	1.837	3.407	0.914

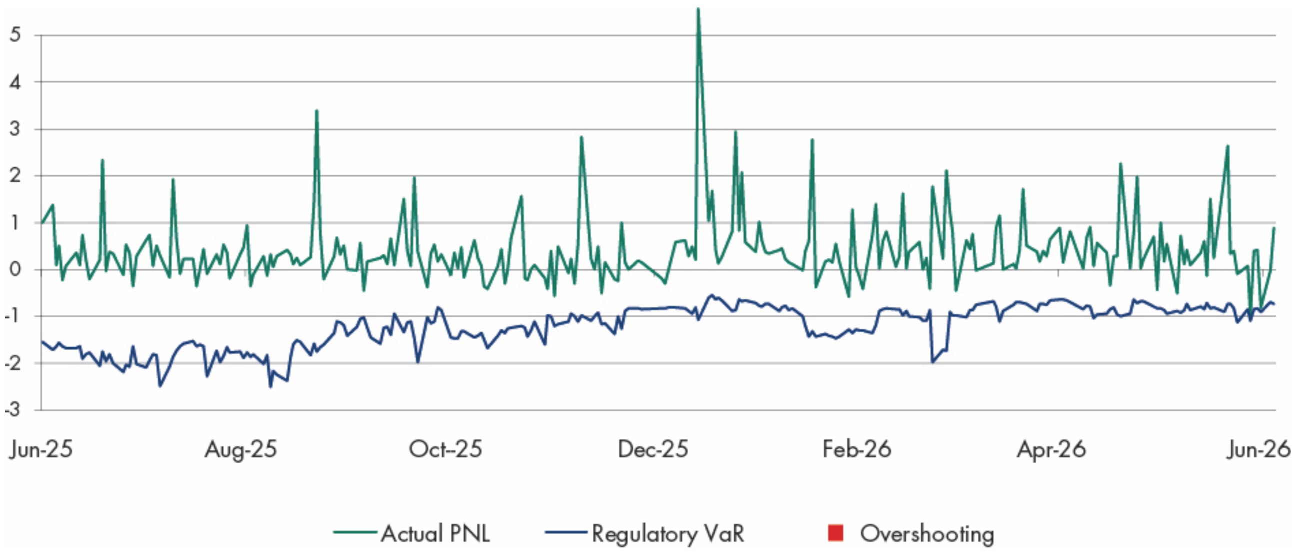
(*) Overall operational VaR.



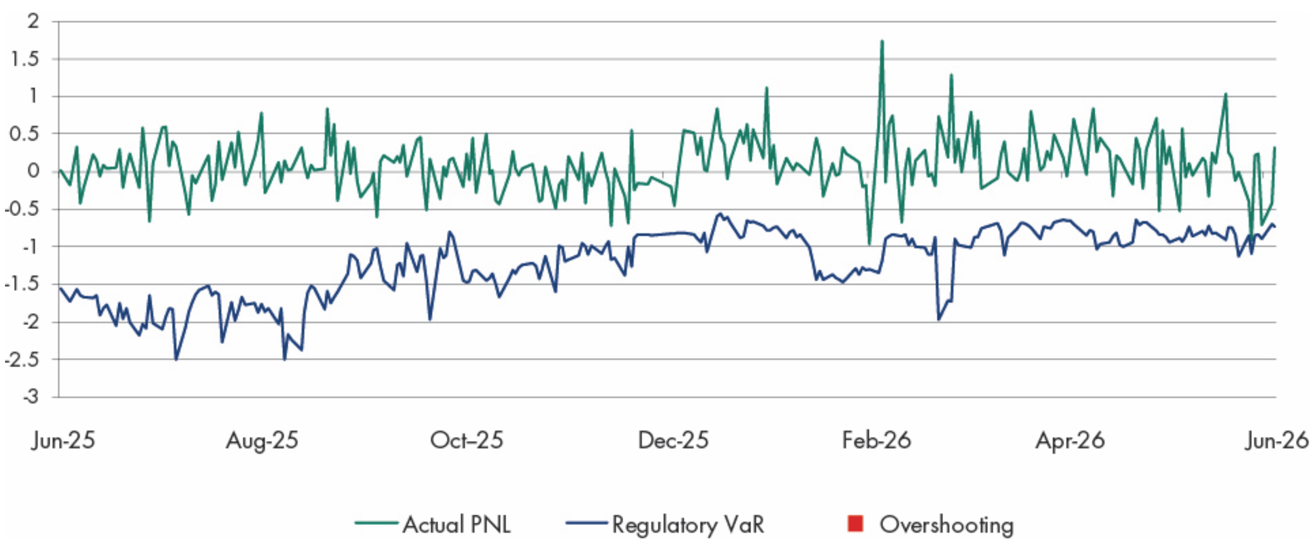
The prevailing risk component in the first half of 2026 is that relating to equity risk (levels and volatility), followed in order of importance by interest rate risk.

Consistent with the validation of the internal model for the calculation of the capital requirement relating to market risks, backtesting is conducted on the regulatory trading book on a daily basis, with a view to verifying the solidity of the VaR model adopted. The graphs below show the backtesting relating to the VaR method, calculated on the generic and specific risk components of debt securities and equity securities, interest rate risk and trading and banking book exchange rate risk.

Actual Backtesting



Hypothetical Backtesting



In the last 250 observations, Banco BPM did not record any hypothetical and actual backtesting overruns.

FRTB (Fundamental Review of the Trading Book)

To address the numerous critical issues that emerged during the global financial crisis of 2008, the CRR (Capital Requirements Regulation) came into force in 2013, a European regulation that adopts Basel II and III standards in order to guarantee the financial stability of institutions by defining robust capital requirements for credit, operational and market risks.

Since then, banking regulations on market risk management have been further revised, with a first implementation of the FRTB (Fundamental Review of the Trading Book) framework within CRR II in 2019, the introduction of requirements of incremental reporting starting from 2021, and a subsequent integration of the FRTB standards with the entry into force in July 2024 of the new CRR III regulation. In particular, the new framework introduced:

- more stringent rules for the classification and movement of instruments within the trading and banking book;
- metrics for measuring the capital requirement for market risk using a standardised approach that is more risk-sensitive and prudent;
- more stringent requirements for internal models, which continue to be allowed, but are subject to approval by the Regulator.

In order to ensure a level playing field between EU financial institutions and other jurisdictions, the Commission had initially postponed the date of application of the new framework from 1 January 2025 to 1 January 2026 (delegated act of July 2024). In June 2025, a subsequent delegated act postponed the entry into force until 1 January 2027.
As part of the same process of gradual introduction of the framework and taking into account the different time frames for adoption in the main international jurisdictions, in June 2026 the European Commission adopted a Delegated Regulation that envisages, starting from 1 January 2027 and for a temporary period, a series of measures aimed at mitigating any competitive effects for European banks. These measures include, inter alia, the introduction of corrective multipliers on the capital requirement, a phase-in of specific requirements of the standardised approach and temporarily more flexible treatments for certain exposures and risk factors.
In this regard, Banco BPM Group is actively working on the development and alignment of the systems, structures and activities with the new regulations introduced. In particular, it should be noted that:

- as regards the Standard model (FRTB SA), the request for the use of alternative sensitivities (as made possible by Art. 325t) was approved by the Regulator, as they are considered more representative of the actual risk profile than those required by the regulation;
- as regards the Internal Model (FRTB IMA), given the complexity of calculating the new measures and the recent organisational reorganisation of the trading book structures, Banco BPM Group decided not to request authorisation for the application of the model (it may request it subsequently, if necessary).

Outcomes of internal validation activities

Banco BPM Group adopts internal models to quantify capital requirements for Market Risk, on which the Internal Validation function conducts qualitative and quantitative analyses to assess their soundness and the accuracy of the estimates for all significant risk components. Furthermore, it expresses an opinion on the regular functioning, on the predictive capacity, on the performance of internal risk measurement methods and on the adequacy of operating processes to ensure, on a continuous basis, the compliance of internal methods with company needs and the evolution of the reference market.
With reference to backtesting, the data produced to support overruns is analysed, as well as specific statistical tests (Proportion of Failures test, Time Until First Failure test, Christoffersen Interval Forecast test, Mixed Kupiec test and Conditional Coverage test) that are conducted in regard to different portfolio hierarchical levels and time frames. The results of the analysis showed that the model has a good ability to predict the number of backtesting overruns, also taking into account market trends.
Additionally, the adequacy of the scaling method used to quantify the capital requirement, as required by regulations, was reviewed.
To verify the severity of the stressed period used in the Stressed VaR risk measurement, appropriate analysis is carried out to assess any alternative periods that are more conservative than the one currently used to quantify the risk. The analyses showed the adequacy of the stressed period used in the quantification of risk.
Lastly, the Internal Validation function validates sample pricing models and performs benchmark models in order to evaluate the robustness of those in production.
On a periodic basis Internal Validation also verifies the robustness of the non-modelled risk framework (RNIME), as required by supervisory regulations.
Pursuant to the MiFID 2 regulations, Internal Validation carried out preparatory activities for the production of the annual Validation Reports on Algorithmic Trading for own account activities (Parent Company) and on behalf of third parties (Banca Akros) to be sent to CONSOB (subject to assessment by the Audit and Compliance functions), with the overall results of the self-assessment processes deemed adequate.

Banking book

The interest rate risk relating to the banking book is mainly associated with the core activity performed by the bank acting as an intermediary in the process of transformation of maturities. In particular, the issue of fixed-rate bonds, the fixed-rate securities portfolio, the granting of fixed-rate commercial and mortgage loans, and funding from demand

current accounts represent a fair value interest rate risk, while floating-rate financial assets and liabilities represent a cash flow interest rate risk.
The Asset & Liability Management unit of the Parent Company's Finance Function is responsible for managing interest rate risk and operates in compliance with the limits for exposure to interest rate risk defined by the RAF and/or the framework of operating limits and the indications of the Finance Committee.
The Parent Company's Risk Function is in charge of monitoring and controlling the interest rate risk of the banking book, also for the financial subsidiaries. This activity is performed on a monthly basis to verify that the limits in terms of changes in net interest income or the economic value of the banking book are complied with.
During the first half of 2026, the usual periodic activities were carried out to maintain and update internal models.
It should also be noted that the supervisory disclosures required by the 2022 EBA guidelines have been reported on an ongoing basis: CSRBB in the STE and SOT EV areas, SOT NII and MVC for ITS, at the level of the consolidated financial statements for the parent company and at the level of the separate financial statements for Aletti Holding and Akros, from 31 December 2023 as "ad hoc data collection" and mandatory from 30 September 2024 (the date from which the collection of IRRBB data became mandatory for all banks).

As part of the monitoring of interest rate risk, in addition to the SOT NII and SOT EV, the risk measures used within the RAF are:

- the change in expected net interest income over a twelve-month time horizon, in accordance with both a static and a dynamic balance sheet perspective, in the Constant Balance Sheet - CBS scenario, following a sudden parallel shock of the spot rate curves of +/- 100 bps for static monitoring and +/- 200 bps for dynamic monitoring (income perspective);
- the change in economic value following a parallel shock of the spot rate curves of +/-200 bps in the Balance Sheet Run-Off scenario in relation to Tier 1 (capital perspective);
- the percentage change, at the end of the 12 months following the analysis date, of the sum of total NII and the change in economic value of the Banking Book positions measured at fair value, following a parallel shift of +/- 200 basis points of the risk-free rate curves and in static balance sheet assumptions, in relation to Tier 1;
- exposure to the risk of changes in the spread without migration or default of the counterparty, from an economic perspective, in accordance with a simplified approach (narrow scope), including the impact relating to the spread curves applied to the segments linked to loans at fair value, to government and non-government securities and, as regards liabilities, funding at fair value and issues, for the reference currency (or relevant currencies). The scenarios applied are Widening and Tightening spreads, in relation to Tier 1;
- the value at risk of the banking book through the FHS-VaR (Value at Risk) methodology over a 12-month time horizon and with a confidence interval of 99.9%. The 12-month holding period is obtained through a bootstrap statistical procedure that recombines the historical scenarios, in order to obtain a distribution of annual P&Ls, from which to extract the desired percentile. This measurement is monitored as an early warning RAF indicator (capital perspective).

With regard to economic value and net interest margin analyses, the Banco BPM Group carries out stress tests by applying instantaneous shocks, both parallel and non-parallel, to the interest rate curves of all currencies in which the items in the banking book are denominated.

Additionally, during the ICAAP exercise, the impact of extreme yet plausible changes in risk factors on the (FHS) VaR within the IRRBB framework, as well as through stress testing within the CSRBB framework (applying internal shock calibrations), is assessed from a capital adequacy perspective.

The table below shows exposure to interest rate risk at the end of the first half of 2026 in accordance with operational risk measures.

Risk ratios (%)	2026				2025	
	30 June	average	maximum	minimum	31 December	average
For shift + 100 bps						
Financial margin at risk/Financial margin	4.44%	4.69%	5.92%	3.61%	3.37%	5.62%
For shift - 100 bps						
Financial margin at risk/Financial margin	-4.48%	-4.67%	-6.26%	-3.20%	-3.64%	-5.88%
For shift + 100 bps						
Economic value at risk/Tier 1 Capital	-7.11%	-6.67%	-7.12%	-6.01%	-6.21%	-6.15%
For shift - 100 bps						
Economic value at risk/Tier 1 Capital	6.21%	6.18%	7.15%	5.08%	5.98%	4.75%

Outcomes of internal validation activities

Banco BPM Group adopts behavioural models in order to capture idiosyncratic elements of customer segments and produce rate risk estimates that are more appropriate to the characteristics of the banking book. In this context, Internal Validation carries out reperforming, benchmarking and backtesting analyses in order to verify the robustness of rate risk estimates. The analyses carried out during the first half of 2026 did not reveal material critical issues.

Operational Risk

Type of risk

Operational risk is defined as the risk of losses suffered as a result of inadequacy or malfunction of procedures, human resources and internal systems, or of external events. Losses resulting from fraud, human error, interruption of operations, non-availability of systems, contractual breaches and natural disasters are included in this type of risk. Operational risk also encompasses legal risk, while strategic and reputational risks are not included.

Risk sources

The main sources of operational risk are: the low reliability of operational processes - in terms of effectiveness/efficiency - internal and external frauds, operational mistakes, the qualitative level of physical and logical security, inadequate IT structure compared to the size of operations, the growing recourse to automation, the outsourcing of corporate functions, a limited number of suppliers, changes in strategies, incorrect personnel management and training policies and finally social and environmental impacts.

Risk management model and organisational structure

Banco BPM Group fully adopts the Standardised Measurement Approach to calculate capital requirements for all companies that make up the Supervised Group, including the subsidiaries of Anima Holding, while with regard to the other qualitative-quantitative elements envisaged by Supervisory Regulations, as requested by the ECB, it meets all of the requirements of the CRR (Regulation (EU) no. 575/2013 as subsequently updated) for the SMA method.

Also in compliance with the relevant regulations, the Group adopted an operational risk management model that illustrates the management methods and the people involved in risk identification, measurement, monitoring, mitigation and reporting. In particular, the model refers to centralised oversight functions (governance and control functions) and decentralised oversight functions (coordinators and ORM contacts, which are specifically involved in the key processes of collecting operating loss data, continuously assessing the operating scenario and forecasting exposure to risk). This model is governed by a specific Group Regulation approved by the Corporate Bodies.
Banco BPM Group adopts a reporting model, consisting of a management IT system for the Corporate Bodies and Top Management (significant losses and related recoveries, overall assessment of the risk profile, RAF indicator profile,

capital absorption and risk management policies implemented and/or planned) and an operational reporting system, for the purposes of an adequate risk management in the relevant areas.
In line with the mission of Banco BPM Group, the main risk impacts regard the "Commercial practices" category, followed by "Processes", which together represent the predominant portion of total risk and which, for the most part, arise in the Group's commercial networks. With reference to the category of "External Fraud", given the trend of increasingly sophisticated techniques (e.g. identity theft, cyber risk phenomena, etc.), the Group is constantly reinforcing physical and logical security, therefore containing these phenomena both in terms of frequency and the average impact on loss events of this kind. The Group takes the appropriate mitigating measures (e.g. training, implementation of application processes/procedures) as protection against the main risk factors that arise.

Liquidity risk

Challenges and impacts related to the current macroeconomic context

Although the macroeconomic scenario has been characterised recently by periods of high volatility given the geopolitical tensions, the Group's risk profile showed robust levels of liquidity and funding, well above the regulatory thresholds and internal limits. In addition, the scenario and the relative impacts on the Group's liquidity and funding position are constantly monitored and reported to the competent corporate bodies.

General aspects, management processes and measurement methods for liquidity risk

Liquidity risk means the risk that the Group is not able to meet its payment commitments, which are certain or envisaged with reasonable certainty. Two types of liquidity risk are normally identified:

- Liquidity and Funding Risk, i.e. the risk that the Group may not be able, in the short-term (liquidity) and/or in the long-term (funding), to efficiently meet its payment commitments and obligations;
- Market Liquidity Risk, i.e. the risk that the Group may not be able to liquidate an asset without incurring capital losses due to the limited depth of the reference market and/or as a result of the timing with which it is necessary to carry out the transaction.

In Banco BPM Group, liquidity and funding risk is governed by the "Liquidity, funding risk and ILAAP regulation", which establishes: the roles and responsibilities of the corporate bodies and the corporate functions, the metrics used for risk measurement, the guidelines for conducting stress tests, the Liquidity Contingency Plan and the overall reporting framework related to the Group's liquidity and funding risk.
Liquidity risk is managed and monitored as part of the Internal Liquidity Adequacy Assessment Process (ILAAP), which is the process the Group uses to identify, measure, monitor, mitigate and report its liquidity risk profile. As part of this process, the Group conducts a half-yearly self-assessment or, in any event, in line with the update of the Funding Plan, and an annual self-assessment on the adequacy of the overall liquidity risk management and measurement framework, which also covers governance, methodologies, information systems, measurement tools and reporting. The results of the risk profile adequacy assessment and the overall self-assessment are reported to the Corporate Bodies and submitted for the attention of the Supervisory Authority.
Liquidity governance is centralised within the Parent Company. Liquidity risk monitoring and control is conducted on a daily (short-term liquidity) and a monthly basis (structural liquidity); its objective is to monitor the evolution of the risk profile by verifying its adequacy with respect to the Risk Appetite Framework and the operational limits envisaged. Stress tests are conducted on a monthly basis, in order to test the Group's ability to withstand unfavourable scenarios and the estimates of the liquidity that can be generated with the countermeasures (so-called action plan, an integral part of the Liquidity Contingency Plan) that can be activated when a stress scenario occurs, are updated.
More specifically, the Group uses a monitoring system that includes short-term liquidity indicators (with a time horizon from intraday to twelve months) and long-term ones (beyond twelve months). To this end, both regulatory metrics (LCR, NSFR, ALMM) and metrics processed internally, which include the use of estimation models of behavioural and/or optional parameters, are adopted.
In the first half of 2026, the liquidity and funding profile of the Banco BPM Group was found to be adequate, complying with both internal and regulatory risk limits. The monitoring of all ordinary activities related to the measurement, monitoring and reporting of the Group's exposure to liquidity and funding risks was maintained, including Supervisory Reporting and periodic dialogue with the JST.

In the first quarter of 2026, the Group participated in the "2026 SSM Geopolitical Risk Reverse Stress Test" exercise, which showed that the regulatory LCR and NSFR ratios were developing within the full adequacy range over the time horizon set out in the 2026-2028 Funding Plan.
With reference to the 2024 audit - included in the annual Supervisory Evaluation Plan - on "Liquidity and Funding risk" (on-site inspection OSI-2024-ITBPM-0241688), the Banco BPM Group, during the first quarter of 2026, closed all the recommendations identified, in compliance with the timescales shared and planned with the ECB, as part of the Action Plan Report, thereby strengthening risk measurement and monitoring, the robustness of the ILAAP and the accuracy of reporting.
Furthermore, by 30 September 2026, as required by recommendation no. 5 of the on-site inspection OSI-2025-ITBPM-0259647, the Group will carry out a review of the adequacy of the contingency measures set out in the Liquidity Contingency Plan (LCP), with the aim of ensuring the timely and effective management of liquidity tensions, thereby limiting any negative impact on the returns of insurance products.
With regard to ILAAP, it should also be noted that the full consolidation of Anima will continue in 2026 in accordance with the Banco BPM Group's internal regulations.

Outcomes of internal validation activities

The Internal Validation Function conducts qualitative and quantitative analyses to assess the soundness and accuracy of liquidity risk estimates. Furthermore, as regards ILAAP, the Function expresses an opinion on the regular functioning, on the predictive capacity, on the performance and on the prudence of the internal methodologies for measuring liquidity and funding risks. The analyses carried out during the first half of 2026 did not reveal critical issues.

Covered bond transactions and securitisations

Covered bonds

Significant events during the interim period

With regard to the Group's CB programmes, as part of the BPM Covered Bond Programme ("BPM CB1"), on 18 June 2026, by signing the related contracts, Banco BPM sold to the SPE BPM Covered Bond S.r.l. a new portfolio of eligible assets consisting of residential and commercial mortgages (the "Ninth Banco BPM Portfolio", the seventeenth transfer to the SPE) with a total residual debt of 1.025 billion.

As part of both of the Group's Covered Bank Bond Issuance Programmes, Banco BPM, by resolution of the Board of Directors dated 26 May 2026, has renewed the annual ceiling of a maximum of 100 million, expiring on 31 December 2026, for the periodic repurchase by Banco BPM of receivables previously transferred as part of the aforementioned transactions. In accordance with that resolution, in June, Banco BPM repurchased "en bloc" (i) the positions that, as at 14 June 2026, were classified as bad loans, (ii) a portion of loans previously transferred to the SPEs and no longer classifiable as "eligible", including all mortgages with mortgage collateral maturing by 30 June 2026; and (iii) some positions classified, as at 23 May 2026, as unlikely to pay or past-due.

In June 2026, (i) the special purpose entity BPM Covered Bond S.r.l. paid the purchase price for the new portfolio by using the subordinated credit line available from Banco BPM and (ii) Banco BPM settled the repurchase payments in favour of the SPEs.

In relation to the Group's CB programmes, on the Guarantor Payment Dates during the period, the subordinated loan granted by Banco BPM to the SPE BPM Covered Bond S.r.l. was repaid for a total of 600 million and the one granted to the SPE BPM Covered Bond 2 S.r.l. was repaid for a total of 430 million.

As part of the BPM Covered Bond Programme 2 ("BPM CB2"), on 25 February 2026, Banco BPM issued the "Thirteenth Series" of CBs with a nominal value of 1 billion, listed on the Luxembourg Stock Exchange, placed with institutional investors, carrying a fixed coupon of 2.75% per year, maturing on 25 February 2032; and the subordinated loan was converted from a Term Loan to a Converted Loan for the same amount.

Significant events after the end of the interim period

On the occasion of the Guarantor Payment Dates in July 2026, the SPEs BPM Covered Bond S.r.l. and BPM Covered Bond 2 S.r.l. repaid the subordinated loan to Banco BPM for 320 million and 200 million respectively.

Securitisations originated by the Group

Traditional securitisations acting as originator

Significant events during the interim period

In previous years, the Group completed 7 traditional securitisation transactions, with the role of originator, including two transactions, Tiber and Tiberina, which saw the full repayment of the senior and mezzanine tranches.
With reference to securitisations subject to full derecognition from the financial statements:

- the exposures classified in the portfolio of "Financial assets at amortised cost" amount to 753.4 million and are represented entirely by the senior tranches. Almost all positions are backed by the GACS state guarantee;
- exposures classified in the portfolio of "Financial assets mandatorily measured at fair value through profit and loss" amount to 1 million and are represented by the mezzanine and junior tranches, subscribed in compliance with the prudential retention rule.

With reference to securitisations not derecognised from the financial statements, the exposure of 173.3 million refers to the Wolf transaction carried out in 2022, through the SPE Lilium, with the aim of restructuring the receivables due from the Statuto Group. Since this is a transaction without derecognition, the exposure is equal to the difference between the assets sold and not derecognised, recorded in the portfolio measured at fair value and the corresponding liabilities, also measured at fair value, net of the securities subscribed.

The following table lists the securitisation transactions in place as at 30 June 2026, showing the relative accounting treatment - derecognition or not from the financial statements of the assets sold to the SPE - depending on the significant transfer of the risks and rewards.

SPE *(figures in millions of euro)*	**Transaction**	**Type of securitisation**	**Exp. AC Book value at 30/06/2026**	**Exp. P&L fair value Book value at 30/06/2026**	**Total**
Securitisations not derecognised from the financial statements					
Lilium SPV S.r.l.	Project Wolf	UTP loans	-	173.3	173.3
Securitisations fully derecognised from the financial statements					
Red Sea SPV S.r.l. (*)	Project Exodus	Bad loans	374.1	0.1	374.2
Leviticus SPV S.r.l. (*)	Project Ace	Bad loans	339.6	0.5	340.1
Tiberina SPV S.r.l.	Project Django	UTP and Bad loans	-	-	-
Titan SPV S.r.l. (*)	Project Titan	Bad loans	1.6	0.1	1.7
Aurelia SPV S.r.l. (*)	Project Rockets	Bad loans	43.7	0.7	44.4
Tevere SPV S.r.l.	Project Argo	UTP and Bad loans	-	0.2	0.2
Total			**759.0**	**174.9**	**933.9**

(*) Securitisation transactions backed by government guarantee (GACS).

Significant events during the interim period

Regarding the "Red Sea SPV" securitisation transaction, on 29 May 2026, the rating agency Moody's downgraded the rating of the Class A Senior Securities from "B2" to "CAA1".

With regard to the "Leviticus SPV" securitisation transaction, on 16 April 2026, the rating agency DBRS downgraded the rating of the Class A Senior Securities from "CCC+" to "CCC".

With regard to the "Aurelia SPV" securitisation, on 28 May 2026, the rating agency DBRS increased the rating of the Class A Senior Securities from "A" to "A+".

Significant events after the end of the interim period

After the end of the half-year, there were no significant events relating to the securitisation transactions in question.

Synthetic securitisations acting as originator

Synthetic securitisations envisage, through the contracting of collateral arrangements, the purchase of protection from the credit risk underlying a portfolio of loans, of which the Originator retains full ownership. Thus, the purpose of those transactions is to transfer the credit risk from the Originator to an external counterparty, without derecognising the assets, which are therefore kept in the Originator's financial statements.

Transaction	Guarantor	Originator	Transaction date	Type of securitisation
Project Sofia	Market investor	Banco BPM	December 2022	Performing loans
Project Marlene	Market investors	Banco BPM	December 2023	Performing loans
Project Aretha	Market investors	Banco BPM	August 2024	Performing loans
Project Clint	Market investors	Banco BPM	March 2025	Performing loans
Project Gregory	Market investors	Banco BPM	March 2025	Performing loans
Project Sean	Market investors	Banco BPM	November 2025	Performing loans
Project Marcello	Market investors	Banco BPM	March 2026	Performing loans
12 Tranched Cover transactions	Guarantee Fund for Small and Medium Enterprises	Banco BPM	December 2023 - June 2026	Performing loans

Significant events during the interim period

<u>Synthetic securitisations 2022 and 2023 - Project Greta and Project Grace</u>

As part of the synthetic securitisations finalised in previous years, in January and April 2026, two transactions were closed, with Banco BPM exercising the early termination option.

<u>Synthetic securitisation SME 2026 - Project Marcello</u>

During the month of March 2026, Banco BPM concluded a synthetic securitisation transaction with the involvement of market investors.
The securitised portfolio consists of approximately 2.8 billion in performing loans granted to over 8,000 Mid Corporate Plus, Mid Corporate and Small Business companies.
The structure of the transaction envisages, net of retention, the risk of which remains with the Bank in order to meet the requirement of maintaining a net economic interest of at least 5% (retention rule), the subdivision of the portfolio into three tranches with an increasing level of risk, with the mezzanine risk hedged by the investors.

<u>Synthetic securitisation Tranched Cover - 2011 and 2012</u>

In March and May 2026, Banco BPM concluded two Tranched Cover synthetic securitisation transactions, characterised by the release by the Guarantee Fund for small and medium enterprises of a direct personal guarantee to cover the initial losses of two portfolios of around 300 million each in new disbursements to SMEs and Mid Caps.

Significant events after the end of the interim period

<u>Synthetic securitisation Tranched Cover - 2013</u>

In July 2026, Banco BPM concluded a Tranched Cover synthetic securitisation transaction, characterised by the release by the Guarantee Fund for small and medium enterprises of a direct personal guarantee to cover the initial losses of a portfolio of around 300 million in new disbursements to SMEs and Mid Caps.

Investments in third-party securitisations

The exposures in question are almost entirely attributable to the investment made by the Group, since 2021, in the securitisations of corporate and institutional customers, in which the Group also acts as arranger.
For these transactions, the Group is active as an investor of the senior securities as well as a sponsor, through the subscription of at least 5% of the junior securities and, if present, mezzanine securities to meet the requirement of the so-called "Retention Rule", envisaged by the prudential provisions related to the role of sponsor.

As at 30 June 2026, Banco BPM's exposure concerns 26 transactions for a total exposure of 1,127.8 million, namely:

- the exposures classified in the portfolio of "Financial assets measured at amortised cost" amount to 1,127.2 million and are entirely represented by the senior tranches;
- exposures classified in the portfolio of "Financial assets mandatorily measured at fair value through profit and loss" amount to 0.6 million and are represented by the mezzanine and junior tranches, subscribed in compliance with the prudential retention rule.

Investments in traditional securitisations acting as sponsor

The Group is active in the market of financing the receivables of its corporate customers through the securitisation of trade receivables in which the Group acts as sponsor, pursuant to Art. 6, paragraph 3(a) of Regulation (EU) no. 2017/2402, and/or as senior investor.

As at 30 June 2026, Banco BPM's exposure concerns two transactions for a total exposure of 47.9 million, namely:

- the exposures classified in the portfolio of "Financial assets measured at amortised cost" amount to 47.3 million and are entirely represented by the senior tranches;
- exposures classified in the portfolio of "Financial assets mandatorily measured at fair value through profit and loss" amount to 0.6 million and are represented by the mezzanine and junior tranches, subscribed in compliance with the prudential retention rule.

Type of involvement of the Group Companies *(figures in millions of euro)*	**Type of customers**	**Number of transactions**	**Exp. AC Book value at 30/06/2026**	**Exp. P&L fair value Book value at 30/06/2026**	**Total**
"Investment with the role of sponsor" transactions	Corporate	2	47.3	0.6	47.9
Total		**2**	**47.3**	**0.6**	**47.9**

Significant events during the interim period

In May 2026, the "SUN SPV 1" transaction was renewed for another 5 years and the maximum amount of the programme was increased from 50 million to 60 million.
For the "SUN SPV 4" transaction, in January 2026 the programme was reduced to 16.4 million.

Significant events after the end of the interim period

No significant events to report.

Investments in traditional securitisations

The Group also holds ABS securities relating to securitisation transactions structured between 2021 and 2025, for which Banca Akros acted as Arranger. These were joined by two new senior funding transactions in the first half of 2026 and an increase in the programme of existing transactions was implemented.

As at 30 June 2026, Banco BPM's exposure concerns 24 transactions for a total exposure of 1,079.9 million; the exposures, classified in the portfolio of "Financial assets at amortised cost" are represented entirely by the senior tranches.

Type of involvement of the Group Companies *(figures in millions of euro)*	Type of customers	Number transactions	Exp. AC Book value at 30/06/2026	Exp. P&L fair value Book value at 30/06/2026	Total
"Investment" transactions	Corporate	10	430.4		430.4
	Institutional	14	649.5		649.5
Total		24	**1,079.9**	**-**	**1,079.9**

New transactions during the period

IFIS ABCP Programme S.r.l

The transaction concerns a revolving portfolio of performing loans deriving from factoring contracts with SMEs and corporates originated by Banca Ifis. Banco BPM subscribed a portion of the senior security up to a nominal value of 50 million (compared to a total nominal value of the senior security of 1.4 billion). Banco BPM's investment as at 30 June amounted to 38.5 million.

Alba 16 SPV

The transaction concerns a portfolio of performing loans originated by Alba Leasing S.p.A., a company specialised in lease loans and an investee of Banco BPM S.p.A., and deriving from real estate, operating and registered movable asset lease contracts.
The purchase price was financed through the issue of three classes of securities with a different degree of subordination in the absorption of any portfolio losses, with ratings assigned by Fitch and DBRS, excluding the junior class, which is unrated.
Banco BPM acquired a portion of the senior class for a total value of 100 million. Banco BPM's investment as at 30 June amounted to 100 million.

Significant events during the interim period

During the half-year, settlement of the "SUN SPV 3" transaction was completed, with the full repayment of the Senior security held by Banco BPM.

In June, the "San Felice Finance S.r.l." transaction was subject to an amendment that provided for the sale of an additional portfolio of approximately 77 million, with a consequent increase in the amount of the transaction through the issue of a new Senior Class (2026 Series), fully subscribed by Banco BPM for a total value of 60 million, and through the increase in the amount of the Junior Class. Banco BPM's investment as at 30 June 2026 amounted to 103.8 million.

Significant events after the end of the interim period

No significant events to report.

Self-securitisations acting as originator

These are transactions carried out merely for funding purposes without any derecognition of the transferred assets.
In this case, the assignment of the loans to a securitisation SPE has the sole purpose of enabling disposal of securities, fully subscribed by the originator Group, which are used for refinancing transactions in the ECB or for repurchase agreements with market counterparties. These securities are not represented in the assets, but are recorded as a reduction of financial liabilities against assets sold and not derecognised.

The following table provides evidence of the outstanding transactions as at 30 June 2026: the senior exposure usable for funding transactions has a value of 6.7 billion.

SPE	Originator	Securities issue date	Transaction	Type of securitisation
Self-securitisation transactions not derecognised from the financial statements				
BPL Mortgages S.r.l.	Banco BPM	December 2012	BPL Mortgages 5	Performing residential mortgage loans
BPL Mortgages S.r.l.	Banco BPM	April 2022	BPL Mortgages 8	Mortgage loans, landed loans, agricultural loans and other loans granted to performing small and medium-sized enterprises

Significant events during the interim period

With regard to the self-securitisation transactions, in relation to the "BPL Mortgages 8" transaction, in February 2026 the rating agency DBRS upgraded the rating of the 2022 Senior Class A Securities and the 2025 Senior Class A Securities from "A" to "AA (low)".

Banco BPM, in the Board of Directors' meeting of 26 May 2026, with reference to the "BPL Mortgages 5" and "BPL Mortgages 8" transactions, approved an annual ceiling of a maximum of 100 million, expiring on 31 December 2026, for the periodic repurchase by Banco BPM of receivables previously transferred as part of the aforementioned two transactions. In accordance with that resolution, as part of both transactions, on 22 June 2026, upon the signing of the relevant contracts, Banco BPM repurchased "en bloc" (i) the positions that, as at 14 June 2026, were classified as bad loans and (ii) some positions classified, as at 23 May 2026, as unlikely to pay or past-due. In June 2026, Banco BPM settled the consideration for the repurchase of these receivables in favour of the SPEs.

On 11 June 2026, the Shareholders' Meeting of the SPE Profamily S.r.l., following the early termination of the securitisation transaction that took place during the previous financial year, resolved to dissolve the company early and place it into liquidation, with legal effect from 17 June 2026.

Multi-originator sales of loans to mutual investment funds

During the first half of the year and in previous years, the Banco BPM Group concluded several sales of multi-originator credit exposures, primarily non-performing, to mutual investment funds in exchange for units of those funds.

As at 30 June 2026, the value of mutual investment funds in the financial statements deriving from the transactions in question totalled 503.8 million (510.0 million as at 31 December 2025), fully referring to the Parent Company.

The change recorded in the first half of the year, amounting to a negative figure of 6.3 million, is attributable to the net balance between new subscriptions (44.7 million, of which 17.8 million from the iCCT Fund - Core Segment and 27.0 million from the Keystone Fund) and distributions received from asset management companies (-23.2 million), as well as valuation effects, which were negative by a total of approximately 27.8 million (of which 26.7 million relates to the write-down to zero in the balance sheet of the value of units in the Lendlease Msg Heartbeat Property Fund).

The following table summarises some detailed information relating to the transactions outstanding as at 30 June 2026, indicating the respective book value.

Fund name	Total book value as at 30/06/2026(*)	Asset Management Company	First closing date/subsequent contributions	Fund investment policy
IDeA Corporate Credit Recovery I	132	Dea Capital Alternative Funds SGR	23 June 2016 27 June 2017 4 July 2019	Past due loans, unlikely to pay or corresponding or similar categories of loans and/or loans subject to restructuring disbursed to target companies, participating financial instruments or shares issued by the above and any short-term loans deriving from self-liquidating credit lines granted to said target companies.
IDeA Corporate Credit Recovery II	74,432	Dea Capital Alternative Funds SGR	28 December 2017 18 February 2019 4 April 2023 23 December 2024 24 March 2025	Past due loans, unlikely to pay or corresponding or similar categories of loans and/or loans subject to restructuring disbursed to target companies, from participating financial instruments or shares issued by the above and any short-term loans deriving from self-liquidating credit lines granted to said target companies.
IDeA Corporate Credit Recovery II - USD Shipping segment	314	Dea Capital Alternative Funds SGR	21 December 2018	Past due loans, unlikely to pay or corresponding or similar categories of loans and/or loans subject to restructuring disbursed to target companies operating in the field of shipping and maritime transport, without specific sector restrictions, from participating financial instruments or shares issued by the above and any short-term loans deriving from self-liquidating credit lines granted to said target companies.
Clessidra Restructuring Fund	20,327	Clessidra SGR	25 September 2019	Past due loans, unlikely to pay, forborne performing and non-performing loans, performing high risk loans disbursed to target companies, from participating financial instruments/shares/convertible bonds issued by said companies, loans disbursed in the form of debtor-in-possession financing transactions to support the target companies in restructuring the debt disbursed.
Back2bonis	42,902	Prelios SGR	23 December 2019 20 December 2021 27 December 2023	Untranched asset backed securities issued as part of securitisation transactions carried out pursuant to Law 130/99, whose underlying is represented by receivables mainly classifiable as "unlikely to pay" loans, not due from consumer debtors, as well as loans disbursed to those debtors as part of debt restructuring transactions, recovery and/or turnaround and/or similar operations or as part of repossessions and similar actions on collateral.
iCCT Fund - Accelerated Segment	12,100	Illimity SGR	3 October 2022 26 June 2024	*Unlikely to Pay loans* disbursed to "Corporate Large & Medium Size" customers deriving from loans granted to companies in financial distress. The purpose of the transaction is to ensure a more proactive and effective management of secured loans, through i) the disbursement of new loans where deemed necessary to develop the business and/or rebalance the corporate debt, ii) the possibility of intervening directly in the equity of the target companies, changing their governance and guiding restructuring processes, and iii) a better and more effective restructuring of the company, exploiting the specific skills of the Group of the assignee SGR.
Efesto Fund	56,813	Finint SGR	6 July 2022 16 November 2022 26 June 2024 20 December 2024 17 March 2025	Unlikely to Pay and non-performing loans disbursed to "Corporate Large & Medium Size" customers deriving from loans granted to companies in financial distress. The purpose of the transaction is to ensure a more proactive and effective management of secured loans, through i) turn-around activities and extraordinary distressed M&A transactions, disbursement of new finance and private equity-style management, ii) settlement activities out-of-court and in the structuring of composition procedures.
UTP Italia Fund	25,114	Sagitta SGR	11 November 2022	Unlikely to Pay and, to a lesser extent, non-performing loans disbursed to "Small-Medium" customers deriving from loans granted to retail entities and SMEs in financial distress. The aim of the transaction is to ensure a more proactive and effective management of secured loans, through i) the disbursement of new loans where deemed necessary to develop the business and/or rebalance the counterparty's indebtedness, ii) a better and more effective restructuring of the borrower, taking advantage of the specific skills of the Group of the assignee SGR and iii) proactive management of the loan portfolio according to the principles of ethical management of exposures inspired by the ESG framework.
UCR Fund	16,392	Sagitta SGR	15 July 2024 23 December 2024	Past due loans, unlikely to pay or corresponding or similar categories of loans and/or loans subject to restructuring disbursed to target companies, from participating financial instruments or shares issued by the above and any short-term loans deriving from self-liquidating credit lines granted to said target companies.
Lendlease Msg Heartbeat - Class B2 (**)	0 (***)	Lendlease Italy Sgr	30 June 2023	Unlikely to Pay loans disbursed to the Risanamento group. The purpose of the transaction is to unblock the implementation of the real estate project in the Santa Giulia area owned by Risanamento. The MSG project promoted by Risanamento is one of the main urban redevelopment initiatives and involves the development of buildings for different uses, with the involvement of the Lendlease Group (LL).
Eleuteria Fund	12,720	Prelios SGR	18 November 2023 19 January 2024	Unlikely to Pay loans disbursed to "Small-Medium" customers deriving from loans granted to retail entities and SMEs in financial distress. The aim of the transaction is to ensure a more proactive and effective management of secured loans, through i) the disbursement of new loans where deemed necessary to develop the business and/or rebalance the counterparty's indebtedness, ii) a better and more effective restructuring of the borrower, taking advantage of the specific skills of the Group of the assignee SGR and iii) remediation of the economic conditions, thanks to support in the turnaround of the company.

Fund name	Total book value as at 30/06/2026(*)	Asset Management Company	First closing date/subsequent contributions	Fund investment policy
Retail & Leisure Fund	104,135	IQ EQ	15 April 2024 10 June 2025	Unlikely to Pay loans disbursed to "Corporate Large & Medium Size" customers deriving from loans granted for the development and marketing of large Retail or Leisure spaces. The purpose of the transaction is to ensure a more proactive and effective management of secured loans, also through advisors specialised in the sector, through i) the disbursement of new loans where deemed necessary to develop the business and/or rebalance the corporate debt, ii) the possibility of intervening directly in the equity of the target companies, changing their governance and guiding restructuring processes, and iii) a better and more effective restructuring of the company, exploiting the specific skills of the exclusive advisor Pillarstone.
City Regeneration Fund - Class B (**)	45,600	Near SGR Società benefit	10 November 2023	This is an alternative closed-end real estate investment fund reserved to qualified investors, with the aim of making sustainable investments pursuant to Art. 9 of Regulation (EU) 2019/2088 (so-called "Fund pursuant to Art. 9 SFDR"), in real estate initiatives aimed at urban regeneration and which have a social impact. The management is entrusted to Redo SGR Società benefit (benefit corporation), a leading company in affordable housing and in urban regeneration with a social impact.
City Regeneration Fund - Class C (**)	12,847	Near SGR Società benefit	11 June 2024	This is an alternative closed-end real estate investment fund reserved to qualified investors, with the aim of making sustainable investments pursuant to Art. 9 of Regulation (EU) 2019/2088 (so-called "Fund pursuant to Art. 9 SFDR"), in real estate initiatives aimed at urban regeneration and which have a social impact. The management is entrusted to Redo SGR Società benefit (benefit corporation), a leading company in affordable housing and in urban regeneration with a social impact.
Euromilano Fund Class E (**)	13,500	Near SGR Società benefit	14 November 2025	This is an alternative closed-end real estate investment fund reserved to qualified investors, with the aim of making sustainable investments pursuant to Art. 9 of Regulation (EU) 2019/2088 (so-called "Fund pursuant to Art. 9 SFDR"), in real estate initiatives aimed at urban regeneration and which have a social impact. The management is entrusted to Redo SGR Società benefit (benefit corporation), a leading company in affordable housing and in urban regeneration with a social impact.
iCCT Fund - Core Segment	38,615	Furstenberg SGR (formerly Illimity SGR)	1 January 2025 26 March 2026 26 May 2026	*Unlikely to Pay loans* disbursed to "Corporate Large & Medium Size" customers deriving from loans granted to companies in financial distress. The purpose of the transaction is to ensure a more proactive and effective management of secured loans, through i) the disbursement of new loans where deemed necessary to develop the business and/or rebalance the corporate debt, ii) the possibility of intervening directly in the equity of the target companies, changing their governance and guiding restructuring processes, and iii) a better and more effective restructuring of the company, exploiting the specific skills of the Group of the assignee SGR.
Keystone Fund - Tenth Wave	27,808	Kryalos SGR	24 February 2026	Corporate loans mainly classified as unlikely to pay or affected by restructuring processes, deriving from loans granted to companies characterised by situations of temporary financial stress. The investment has a distressed risk profile and is aimed at enhancing exposures through active management of positions, which may include debt renegotiation, support for recovery processes, settlement agreements and out-of-court and judicial recovery activities. A significant component of the portfolio is the so-called "Tenth Wave", consisting of receivables acquired from *Illimity and Banco BPM*, for which the recovery strategies were defined on the basis of the information available and the analyses carried out during the acquisition phase. Within this portfolio, exposures backed by collateral are particularly significant, including the properties of the Grancasa Group, whose valuation process is a significant element for expected recoveries.

(*) Assets included in the financial statement item "20 c. Financial assets at fair value through profit and loss - other financial assets mandatorily measured at fair value".
(**) Real estate funds based on the real estate development underlying the completion of the transaction.
(***) Book value reduced to zero as at 30 June 2026.

New transactions during the period

As previously described, the initial recognition value of the subscriptions made during the first half of the year was 123.6 million, referring for 105.8 million to new funds (Ananteo and Keystone) and the remaining 17.7 million to additional shares received for contributions made in funds already held (iCCT Fund - Core Segment).

More detailed information is provided below on the new funds subscribed during the half year.

<u>Illimity Corporate & Turnaround Fund - Core Segment</u>

During the first half of 2026, the Illimity Corporate & Turnaround (iCCT) Fund, managed by Furstenberg SGR (formerly Illimity SGR), completed two transactions for the acquisition of UTP loans through the contribution and simultaneous issuance of Fund units. In particular, in March, receivables from Pibiplast S.p.A. were acquired for a nominal value of 17.8 million, valued at 15.4 million, against the issuance of 15.2 million units; in May, receivables from Isocarbo

S.p.A. were acquired for a nominal value of 8.1 million, valued at 5.6 million, with the simultaneous issuance of 5.6 million units.

Keystone Fund - Tenth Wave

During the first half of 2026, the Keystone Fund completed the acquisition of a portfolio of corporate loans classified mainly as unlikely to pay as part of the so-called Tenth Wave. In particular, the Banco BPM Group contributed a portfolio of loans to the Fund for a total consideration of 34.0 million, by subscribing newly issued units of the Fund for an amount of 44.7 million units. The receivables transferred fall within a diversified portfolio of exposures to corporate and/or real estate counterparties affected by restructuring or recovery processes. Among these, the exposures guaranteed by the properties of the Grancasa Group are of particular importance, for which the Fund management plan provides for specific enhancement strategies aimed at achieving the expected recoveries and returns.

Risks to insurance companies

Introduction

As illustrated in more detail in the section on significant events during the period of the Interim report on operations, as part of a wider operation aimed at integrating the life insurance business within the Banco BPM Group, the merger by incorporation of Vera Vita S.p.A. into Banco BPM Vita S.p.A. was completed with effect from 1 May 2026.

The Banco BPM Vita Insurance Group is subject to management and coordination by Banco BPM S.p.A., which holds 100% of the share capital. Following the aforementioned merger, the insurance Group is composed of Banco BPM Vita S.p.A. and BBPM Life DAC.

The risk management system of the Banco BPM Vita Group, proportional to the nature, scope and complexity of the business activities exercised by the various Companies, allows the most significant risks to be identified, assessed, including forward-looking evaluations, and controlled. Significant risks mean those whose consequences may undermine the solvency of the Company, or constitute a serious obstacle to the achievement of corporate objectives. In this regard, information is continuously collected on the internal and external, existing and future risks that may affect the overall activities of the Group. The risk management system is based on the joint activity of five main players: Board of Directors, Top Management, Risk Owner, Risk Management Function and Actuarial Function.

In compliance with the provisions of Regulation no. 38/2018 and subsequent additions, the Risk Management function:

- has the task of ensuring an integrated risk assessment, and is responsible for the effectiveness of the risk management system. periodically submits to the Board of Directors, also through the Internal Control and Risk Committee, the results of the controls and analyses carried out, as well as the results of the annual assessment of operational risks and evidence of operational incidents;
- contributes to the definition of the "Policy for risk management and for current and forward-looking risk and solvency assessment" and monitors its implementation;
- organises meetings with the managers of the corporate functions and with the Chief Executive Officer to gather information on the risks identified;
- prepares the document relating to the general risk mapping;
- performs the calculations and assessments relating to the risks under its responsibility from a current and forward-looking perspective, aggregates the results of the calculations and assessments provided by the other corporate functions to the extent of their competence, and determines the Solvency Capital Ratio;
- prepares the reports for the overall risk position, which includes assessments relating to the Solvency Ratio, the Solvency Capital Requirement and Own Funds;
- carries out, in agreement with the Chief Executive Officer, a selection of the current and potential risks to undergo scenario analyses and stress tests, on the basis of the risks identified, in collaboration with the competent functions reporting to the Chief Risk Officer of the Parent Company;
- therefore prepares a stress test plan that concerns both the current solvency situation and forward-looking scenario analyses, to be performed with the contribution of the other corporate functions to the extent of their competence;

- carries out continuous monitoring of solvency, verifying that the risks considered do not jeopardise the stability of the Companies and the interests of policyholders, periodically reporting the results of its assessments through Risk Appetite Monitoring (RAM);
- is responsible for assessing the overall ORSA process and validating it.

The Banco BPM Vita Group aims to create value by managing the risks mainly inherent to its business. The risks to which the Group is exposed are managed and monitored in compliance with the Risk Appetite Framework.
The portfolio of insurance liabilities, the organisation and the economic, regulatory and financial scenario of the Companies represent the sources of the risks to which the Group is exposed. These aspects are analysed and monitored on a permanent basis, as part of the company's risk management and control system.

The risks of the Group are quantified within the context of the calculation of the solvency capital requirement, on the basis of the standard formula, according to the methodology and parameters defined by the reference regulations. The analyses conducted by the Risk Management function show the adequacy of the standard formula for the assessment of the Group's risk profile.
The Group's risk profile also includes those risks not measured by the standard formula, but in any event monitored and managed under the risk management and control system.

Insurance risks (Life Business)

The main risk factors of the life insurance portfolio are linked to underwriting risks.
Underwriting risk is the risk relating to underwriting insurance contracts, associated with the events covered, the processes followed for the pricing and selection of risks, the unfavourable performance of the actual loss ratio compared to that estimated (underwriting risk) and the quantification of insufficient technical reserves with respect to the commitments undertaken towards policyholders and injured parties (reserve risk).

This risk can be divided into the following types:
- Mortality risk, namely the risk of losses or unfavourable changes in the value of insurance liabilities, deriving from a change in the level, trend or volatility of mortality rates, in the event that an increase in mortality leads to an increase in technical reserves;
- Longevity risk, which concerns the risk of losses, or adverse changes in the value of insurance liabilities, deriving from a change in the trend or volatility of mortality rates, where a decrease in mortality leads to an increase in reserves;
- Disability/morbidity risk, which is the risk of losses, or adverse changes in the value of insurance liabilities, deriving from a change in the level, trend or volatility of disability and morbidity rates. The Insurance Group is not exposed to this type of risk;
- Lapse risk, namely the risk of loss or change in insurance liabilities due to a change in the exercise rates of this option by the policyholders;
- Expense risk, which regards the risk of loss or unfavourable change in the value of insurance liabilities, resulting from changes in the level, trend or volatility of the expenses incurred with relation to the management of insurance contracts;
- Revision risk, which represents the risk of an unfavourable change in the value of liabilities, deriving from fluctuations in the level, trend or volatility of the annuity revision rates. The Insurance Group is not exposed to this type of risk;
- Catastrophe risk, namely the risk of loss or unfavourable change in the value of insurance liabilities, deriving from the significant uncertainty of the assumptions relating to the determination of premiums and the establishment of reserves in relation to the occurrence of extreme and exceptional events linked to natural events or those caused by man.

The Insurance Group is also exposed to the health underwriting risk, connected with the obligations envisaged in insurance policies against accidents and disease; however, this is marginal.
The health underwriting risk includes exclusively:
- Premium risk: this represents the risk connected to the contracts to be signed in the following year and to the contracts still in force at the valuation date, namely the risk that the premiums relating to the new contracts plus the premium reserve are not sufficient to cover the cost of claims plus expenses generated by contracts;

- Reserve risk: represents the risk associated with fluctuations in claim settlements both in terms of timing and amount. It therefore refers to the risk of an insufficient amount in the claims reserve set aside at the valuation date with respect to a time horizon of one year.

Financial risks (Life Business)

When conducting its Life business, the Insurance Group is required to invest the premiums collected in a variety of financial assets, mostly long-term, with the main objective of guaranteeing the return expected by policyholders, honouring its future commitments. The main risks to which the various companies are exposed, therefore, derive from market risks, which may result in losses or unfavourable changes in the financial situation due to fluctuations in the market value of the assets in the financial statements.

This risk can be divided into the following types:

- Interest rate risk: derives from unfavourable changes and the volatility of interest rates; The Group is exposed to interest rate risk with reference to the bond portfolio and insurance liabilities;
- Equity risk: reflects possible unfavourable changes in the level and volatility of the market value of financial instruments and capital; The Group is exposed to equity risk in relation to shares, some equity funds and the value of the equity investments held;
- Real estate risk: reflects possible adverse changes in the level and volatility of real estate market prices; The Group is exposed to real estate risk in reference to investments of a residual amount in property funds;
- Currency risk: derives from adverse changes in the level and volatility of currency exchange rates. The Group is residually exposed to exchange rate risk;
- Spread risk: depends on the sensitivity of the value of the assets to changes in the level or volatility of corporate securities, covered bonds, structured bonds, derivatives or bonds issued by sovereign countries with respect to the structure at maturity of risk-free interest rates;
- Concentration risk: derives from an expected change in the value of exposures towards issuers, on which there is an accumulation of exposure with the same counterparty or with a group of interconnected parties belonging to the same sector or to the same geographical area. The Group is not exposed to this type of risk.

With regard to market risks, the various companies do not use any specific mitigation techniques, but rather monitor these risk factors through the calculation and subsequent control of risk indicators defined in the Risk Appetite Framework (RAF).

Other risks - insurance business

Liquidity risk

Liquidity risk is the risk deriving from the inability to efficiently meet expected and unexpected cash commitments, or to be able to meet them only through access to the credit market at adverse conditions or by liquidating financial assets at a considerable discount.
The Group aims to maintain a level of liquidity sufficient to meet all its financial obligations and to ensure its financial soundness by implementing a policy of managing liquidity risk through appropriate mitigation techniques.
Exposure to liquidity risk is measured by means of an indicator at individual Company level (Liquidity ratio) which compares the available resources and the necessary resources (Company commitments) over a medium- to short-term time horizon.
This risk is managed by also considering the indications resulting from the management of assets and liabilities (ALM). In particular, the level of misalignment between cash inflows and outflows is determined by means of a procedure involving the monthly projection of cash inflows and outflows, both of an operational nature (premiums and claims) and of a financial nature, taking due account of the effects of reinsurance and the need to cover technical reserves.

Liquidity risk, which is a significant concern for the Companies, is monitored periodically using the indicators set out in the Risk Appetite Framework and, for the Group's Italian companies, through reporting to the supervisory authority where required by ad hoc enquiries.

Operational risk

Operational risk is the risk of losses deriving from inefficiencies of people, processes and systems, including those used for online sales, or from external events, such as fraud or the activity of external suppliers. In general, operational risks may also have effects on reputational aspects, therefore the management of operational risks is also considered to potentially impact the mitigation of reputational risks.

Operational risk management is carried out through the identification and qualitative and, if possible, quantitative assessment, on an annual basis, of the various categories of operational risk.
Depending on the frequency and impact of the event, the various operational risk factors identified are quantified on the basis of a standardised scale of values, envisaging the implementation of appropriate risk mitigation activities where necessary.
The monitoring of operational risk also makes use of the collection and analysis of the operating losses of the Company, whose results contribute to the monitoring and assessment of risk at Group level. Operational risk management is based on the identification of areas of vulnerability and the implementation of adequate mitigation measures, aimed at limiting risk exposure through the strengthening of operational processes and the timely implementation of the recommendations formulated by the Control Functions.

ICT and security risks

ICT and security risk is defined as the risk deriving from any circumstance related to the use of IT and network systems that may compromise the availability, integrity, confidentiality or security of the systems, business processes and services provided.
Starting in 2025, Banco BPM Vita updated its ICT and security risk management framework, in line with the evolutions of the model adopted by the Parent Company Banco BPM and in compliance with the specific operational requirements of the Company. Risk management is based on a structured process of periodic assessment of ICT risks, developed in compliance with applicable regulations, including the requirements introduced by Regulation (EU) 2022/2554 (DORA).
The assessments are carried out using qualitative-quantitative methodologies that cover the Company's main areas of exposure, including applications, technological infrastructures, ICT service providers and relevant projects. The results of these activities contribute to the monitoring of the risk profile and feed into the related management reports and the indicators set out in the Risk Appetite Framework.

Sustainability risks

Sustainability risk is defined as an environmental, social or governance event or condition that, if it occurs, could cause a significant actual or potential negative impact on the Group's financial position.
The exposure of Life Insurance Companies to sustainability risks, in particular climate risks, is not very significant in the short-term and is mainly due to potential Transition risks on the asset portfolio.

PART G – BUSINESS COMBINATIONS REGARDING COMPANIES OR DIVISIONS

Section 1 – Transactions carried out during the year

1.1 Business combinations

During the half-year, no business combinations occurred pursuant to IFRS 3.

Business combinations between companies in the Group (business combination between entities under common control)

As described in the section dedicated to "Significant events during the period" of the Interim report on operations, with effect from 1 May 2026, the merger by incorporation of Vera Vita S.p.A. into Banco BPM Vita S.p.A. took effect, with retroactive accounting and tax effects from 1 January 2026.
Since this is a transaction carried out between Group companies subject to common control, it did not have any impact on the Group's consolidated financial position and income statement.

Section 2 – Transactions carried out after the end of the year

No business combination transactions were carried out outside the Group after the end of the half-year.

Business combinations between companies in the Group (business combination between entities under common control)

No business combination transactions between companies in the Group were completed after the end of the half-year.

Section 3 - Retrospective adjustments

It was not necessary to recognise any retrospective adjustments.

PART H – TRANSACTIONS WITH RELATED PARTIES

In accordance with the requirements established by accounting standard IAS 24, the paragraphs below illustrate the criteria applied by Banco BPM Group to identify related parties, expressed in specific company regulations:

a) companies subject to significant influence and joint control: namely the entities in which the Parent Company Banco BPM or the Subsidiary entities exercise significant influence pursuant to IAS 28 or joint control pursuant to IFRS 11. In particular, these are the "Investments in companies subject to joint control and subject to significant influence" indicated under Part B - "Interests in associates and joint ventures - Item 70" of these Explanatory Notes;
b) executives with strategic responsibilities: the members of the Board of Directors, the acting members of the Board of Statutory Auditors, the General Manager and the Co-General Managers of the Parent Company and the Group companies are classified as such, as well as the senior operational and executive managers of Banco BPM, identified by a dedicated board resolution, the Financial Reporting Manager, the Head of the Compliance function, the Head of the Internal Audit function of Banco BPM, any additional structure heads identified by the Board of Directors of Banco BPM and any extraordinary liquidators;
c) close family members of executives with strategic responsibilities: only family members that are able to influence (or be influenced by) the party concerned in the relationship between the latter and Banco BPM or Group companies. The following are presumed to be as such, unless otherwise declared in writing by the executive, under the latter's own responsibility and containing adequate and analytical justification of the reasons that exclude any possible influence: spouses, common law spouses (including cohabitants whose status is not indicated in the family status certificate), offspring of the party, of the spouse or common law spouse, individuals dependent on the party, the spouse or common law spouse. Any other individual, which the party believes may influence them (or be influenced by them) in their dealings with Banco BPM or the other Group companies, is also a related party;
d) equity interests attributable to executives with strategic responsibilities and their close relatives: the following entities are considered to be related parties, those in which executives with strategic responsibilities or their close relatives have control pursuant to Art. 2359, paragraph 1 of the Italian Civil Code, or joint control or exercise significant influence which is presumed when they hold, directly or indirectly, at least 20% of the voting rights which can be exercised during ordinary shareholders' meetings, or 10% if the company has shares listed on organised markets;
e) Group pension funds: the Pension Funds for employees of the Group and of any other related entity;
f) holders of a significant interest: shareholders and the relative corporate groups (legal entities which are parent companies, subsidiaries or subject to joint control) which control the Parent Company, even jointly, or which exercise significant influence over Banco BPM, are considered related parties. As a minimum, a situation of significant influence is deemed to exist when the shareholder holds an interest with voting rights exceeding 10% of the share capital of Banco BPM. Parties not belonging to the Group who hold an interest in other Group companies greater than 20% of the voting rights that may be exercised in the ordinary shareholders' meeting, or 10% if the company has shares listed in organised markets, are also considered to be related parties;
g) parties who themselves are in a position to appoint members of the Board of Directors by virtue of the articles of association or shareholders' agreements.

Financial and commercial transactions with related parties

Financial and commercial transactions with related parties fall within the sphere of ordinary operations and have been conducted as arm's length transactions.

Based on the scope of related parties, as identified on the basis of the criteria listed above, the tables below show the financial and economic relationships as at 30 June 2026 separately between:

- entities that exercise significant influence (point f) of the previous list);
- associated companies (point a) of the previous list);
- joint ventures (point a) of the previous list);
- executives with strategic responsibilities (point b) of the previous list);
- other related parties (points c), d), e) and g) of the previous list).

In this regard, it should be noted that the consolidated financial statements do not provide evidence of the relationships between the various Group companies (Parent Company and subsidiaries), as they are subject to cancellation at the time of consolidation.

(thousands of euro)	Entities exercising significant influence (1)	Associated companies	Joint ventures	Executives with strategic responsibilities	Other related parties	Total	% of consolidated total
Cash and cash equivalents	29,905	-	-	-	-	29,905	1.06%
Financial assets held for trading	1,864	-	-	-	-	1,864	0.01%
Other financial assets mandatorily measured at fair value	139,234	-	-	-	-	139,234	1.20%
Financial assets measured at fair value through other comprehensive income	7,134	-	-	-	-	7,134	0.03%
Loans to banks	2	-	-	-	-	2	0.00%
Loans to customers	146,685	981,572	-	10,699	195,125	1,334,081	1.32%
Other asset items	555	1,811	-	-	-	2,366	0.02%
Total	**325,379**	**983,383**	**-**	**10,699**	**195,125**	**1,514,586**	**0.72%**
Due to banks	117,071	-	-	-	-	117,071	1.23%
Due to customers	1,294	61,015	-	14,343	55,658	132,310	0.11%
Debt securities in issue	476,862	-	-	-	-	476,862	2.20%
Financial liabilities held for trading	284	252	-	-	-	536	0.00%
Financial liabilities designated at fair value	-	-	-	1,046	593	1,639	0.02%
Other liability items	48,976	4,823	-	292	40	54,131	0.23%
Total	**644,487**	**66,090**	**-**	**15,681**	**56,291**	**782,549**	**0.40%**
Guarantees given and commitments	17,518	273,132	-	5,091	8,771	304,512	0.36%

(1) Authorised parties who possess a shareholding greater than 10% of the share capital. In particular, the item includes financial transactions with the companies belonging to the Crédit Agricole SA Group, with the exception of the companies classified as associates of the Banco BPM Group, whose transactions are recognised, as in previous years, in the Associated Companies column.

(thousands of euro)	Entities exercising significant influence (1)	Associated companies	Joint ventures	Executives with strategic responsibilities	Other related parties	Total	% of consolidated total
Net interest income	(7,896)	16,280	-	91	(101)	8,374	0.49%
Net fee and commission income	(8,902)	154,473	-	4	274	145,849	11.18%
Administrative expenses/recoveries of expenses	-	(5,447)	-	(7,917)	(196)	(13,560)	1.00%
Other costs/revenues	170	1,061	-	-	-	1,231	0.16%

(1) Authorised parties who possess a shareholding greater than 10% of the share capital. In particular, the item includes economic transactions with the companies belonging to the Crédit Agricole SA Group, with the exception of the companies classified as associates of the Banco BPM Group, whose transactions are recognised, as in previous years, in the Associated Companies column.

Other related party transactions

The table below discloses other transactions (supplies of goods and services and transactions on real estate) entered into with the related parties shown in the above table under "executives with strategic responsibilities" and "other related parties".

	Purchases and sales of goods and services	Rental income	Rental expense
a) Directors	-	-	-
b) Executives with strategic responsibilities	-	-	-
c) Close family members of the parties in letters a) and b)	-	-	-
d) Subsidiary, associated company or subject to significant influence by the parties in letters a) and b)	625	75	-

Other information

In regard to paragraph 8 of art. 5 "Disclosures to the public on related party transactions" of the CONSOB Regulation containing provisions for related party transactions (adopted by CONSOB with resolution no. 17221 of 12 March 2010 as amended), the following paragraphs illustrate the most important transactions conducted during the first half of 2026, as well as those that are less important yet particularly significant.[1]

Issue of investment certificates: allocation of (i) a ceiling for the issuance of investment certificates for the period 1 February 2026 - 31 January 2027; (ii) a commission flow for the placement of investment certificates through the Banca Aletti S.p.A. network for the same period; and (iii) a commission flow for Banca Akros for the placement, via the Group's networks, of investment certificates issued by Banco BPM and third-party issuers during the same period.

At its meeting on 20 January 2026, the Board of Directors resolved: (i) to approve the allocation of a total ceiling at Group level of the maximum amount of 1,700 million, for the period 1 February 2026 - 31 January 2027, for the purposes of the issue, by Banco BPM, of investment certificates and/or bonds to be placed through the Parent Company's Commercial Network for a maximum of 1,500 million and through the Banca Aletti S.p.A. Network for a maximum of 200 million (of which 50 million intended for Private Placement aimed exclusively at professional customers), recognising a commission flow, in favour of Banca Aletti, estimated at a maximum of 5.3 million, in respect of the placement activities carried out; (ii) for the period 1 February 2026 - 31 January 2027, the payment to Banca Akros of 5% of the total up-front margins (placement fees, structuring fees and hedging costs) for the activities described, for a maximum total amount of up to 6.7 million.

Determination, as part of the existing outsourcing agreement, of the fees to be paid to Banca Akros for the period 1 January - 31 December 2026 in relation to the performance of activities concerning securitisation transactions in favour of Institutional and Corporate customers

At its meeting on 14 April 2026, the Board of Directors resolved to authorise, in accordance with the regulations on conflicts of interest, the allocation of a ceiling of 2.8 million as a framework resolution for the 2026 financial year, and specifically for the period 1 January - 31 December 2026, to be paid to Banca Akros for the performance of outsourced activities.

Covered Bank Bond Issuance Programmes: (i) the sale of a new portfolio under the BPM CB1 programme and repurchases of ineligible assets under the BPM CB1 and BPM CB2 programmes; (ii) the renewal of the annual ceilings for the periodic repurchase of assets sold under the BPM CB1 and BPM CB2 programmes

At its meeting on 26 May 2026, the Board of Directors resolved: (i) to sell the receivables deriving from loans granted by Banco BPM, pursuant to the New BPM CB1 Portfolio, for an amount of approximately 1.1 billion, with payment of the relevant sale price to be made using subordinated credit facilities against the available ceiling, and the repurchase from the SPEs BPM Covered Bond S.r.l. and BPM Covered Bond 2 S.r.l. of ineligible loans up to a maximum of 90 million and 25 million respectively, excluding UTP, Past Due and Bad Loans positions; (ii) the setting of a ceiling of up to 100 million for repurchases of loans by Banco BPM from the SPE BPM Covered Bond S.r.l. under the BPM CB1 programme, and the setting of a ceiling of up to 100 million for repurchases of receivables by Banco BPM from the SPE BPM Covered Bond 2 S.r.l. under the BPM CB2 programme.
Pursuant to that resolution, during the first half of 2026, as part of the BPM CB1 Programme, Banco BPM sold to the SPE BPM Covered Bond S.r.l. a new portfolio of eligible assets with a residual debt of approximately 1 billion; furthermore, as part of both the Group's Covered Bond Issuance Programmes, Banco BPM carried out an "en bloc" repurchase of, amongst other things, a portion of mortgages previously transferred to the SPEs and no longer classifiable as "eligible" (up to a maximum authorised ceiling of 90 million for the CB1 programme and 25 million for the CB2 programme), including all mortgages with mortgage collateral maturing by 30 June 2026.

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[1] In particular, the report sets out the transactions of lesser significance resolved by the Board of Directors, in the first half of 2026, concerning: (i) framework resolutions with/between subsidiaries/associates on finance/commercial matters; (ii) mergers/demergers/transfers of divisions with/between subsidiaries; (iii) transactions other than those of the previous points (i) and (ii) for an amount equal to or greater than 300 million.

Determination of annual ceilings, expiring on 31 December 2026, for the periodic repurchase of assets sold as part of the BPL5 (residential mortgage loans to private individuals) and BPL8 (unsecured loans and mortgages to SMEs) securitisation transactions

At its meeting on 26 May 2026, the Board of Directors of Banco BPM resolved, in the context of the existing securitisation transactions, to set the following annual ceilings for the period 1 January 2026 - 31 December 2026, in accordance with the criteria established in the relevant transactions: (i) periodic repurchases, up to a maximum of 100 million, of loans sold to the SPE BPL Mortgages S.r.l. as part of the BPL5 transaction; (ii) periodic repurchases, up to a maximum of 100 million, of loans sold to the SPE BPL Mortgages S.r.l. as part of the BPL8 transaction.

Alba Leasing risk group: (i) confirmation of the lending ceiling for direct risks, (ii) reduction of total credit lines; (iii) new review deadline

At its meeting held on 26 May 2026, the Board of Directors resolved to approve in favour of Alba Leasing S.p.A.: (i) the confirmation of the lending ceiling for direct risks at 1,100 million; (ii) the reduction in the amount of credit facilities from 1,035.2 million to 1,034.6 million (with a simultaneous extension to 30 June 2027 of an unrestricted general credit facility of 897 million), in addition to identified risks amounting to 15 million; (iii) the new review date of 30 June 2027.

PART I – SHARE-BASED PAYMENT AGREEMENTS

A. QUALITATIVE INFORMATION

1. Description of share-based payment agreements

1.1 Remuneration linked to incentive systems: compensation plans based on shares

As the Parent Company, Banco BPM S.p.A. prepares the annual Policy-on-remuneration report and payouts awarded pursuant to the provisions in force on remuneration and incentive policies and practices of the Bank of Italy (Bank of Italy Circular no. 285/2013, as subsequently updated and amended, Part I, Title IV, Chapter 2 "Remuneration and incentive policies and practices"), of Art. 123-ter of Italian Legislative Decree 58/1998 ("Consolidated Finance Law" or "CFL") as amended, of Art. 84-quater of CONSOB resolution no. 11971/1999 as amended ("Issuers' Regulation") and of IVASS Regulation 38/2018 and related Guidelines and the Regulation implementing Articles 4-undecies and 6(1)(b) and (c-bis) of the CFL.

The remuneration policy ("Policy") represents an important management lever to attract, motivate and retain 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. The Policy also pursues sustainable success, which produces long-term value for the benefit of shareholders in the interest of the Group's stakeholders.

The 2026 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 2026 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.

In accordance with the 2026 Policy, the remuneration of Group employees includes a variable component (incentive) linked to the annual incentive system (Short-Term Incentive Plan). The receipt of an incentive is subject to the verification that the predefined access conditions (gates) have been met, consisting of indicators of capital adequacy and adequacy of liquidity and profitability. After verification of the gates, but before any payment, the amount of the economic resources actually available is determined on the basis of the economic results recorded (financial adjustment factor), as well as qualitative indicators of a non-financial nature (non-financial adjustment factor, which is not applied to the Anima Group whilst it remains listed), in line with the Group risk appetite framework.

The incentive for identified staff[1] established in the year 2026, is paid over a period of six or five years and is divided into an up-front portion and five or four annual deferred portions, subject to the successful fulfilment of future conditions.

The up-front portion, regardless of beneficiary, amounts to:
- 60% of the incentive awarded, in cases where the annual individual variable remuneration is less than 455 thousand euro;
- 40% of the incentive awarded, in cases where the annual individual variable remuneration is equal to or greater than 455 thousand euro.

The figure of 455 thousand euro represents for the Group the level of variable remuneration of a particularly high amount, determined in keeping with the criterion established by the Bank of Italy Supervisory Regulations[2].
50% of the up-front portion of the incentive is awarded in Banco BPM ordinary shares.
The deferred portions consist of:

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[1] Parties whose professional activity has or may have a significant impact on the risk profile of the Group or an individual Legal Entity.
[2] See Part One, Title IV, Chapter 2, Section III, Paragraph 2: "Particularly high variable remuneration amount means the lower of: i) 25 percent of the total average remuneration of the Italian high earners, resulting from the most recent report published by the EBA; ii) 10 times the total average remuneration of the bank's employees". As allowed by the same Provisions, the value provided in the 2025 Policy has been confirmed.

- five annual instalments of the same amount deferred in the five-year period following the year of vesting of the up-front portion, for 55% in Banco BPM ordinary shares, for the senior identified staff, regardless of the amount of the annual individual variable remuneration awarded, and for the heads of the main business lines of Banca Akros or Banca Aletti who report directly to the Chief Executive Officer or senior management of Banca Akros or Banca Aletti, in the event that the amount of the annual individual variable remuneration paid is equal to or greater than 455 thousand euro;
- four annual instalments of the same amount, deferred in the four-year period following the year of vesting of the up-front portion, for 50% in Banco BPM ordinary shares, for identified staff not included in the previous point.

By virtue of the discretion permitted under the Bank of Italy's Supervisory Provisions and in accordance with the Provisions for the asset management sector, the following specific provisions apply to identified staff working in asset management companies in relation to the general rules set out above: the incentive is divided into an up-front portion and deferred portions, in accordance with specific payment schemes; for identified staff working at significant asset management companies, 50% of the incentive is paid in units of the funds under management, rather than in Banco BPM shares; for identified staff working at non-significant asset management companies, in accordance with the principle of proportionality, the incentive is paid entirely in cash.

As required by the Supervisory Provisions of the Bank of Italy, in cases where the annual individual variable remuneration is lower than or equal to the significance threshold of 50 thousand euro, and, at the same time, lower than or equal to one third of the total annual individual remuneration, the relative amount is paid out in cash and in a lump sum. For identified staff working in asset management companies, where the annual individual variable remuneration is lower than or equal to the materiality threshold of 80 thousand euro, the relative amount is paid as a cash lump sum.

The Long-Term Incentive plan supports the 2024-2026 Strategic Plan updated to 2027, to pursue results that create long-term value for shareholders and all relevant stakeholders, and provides for two assessment periods (2024-2026 LTI Plan and 2025-2027 LTI Plan).

The scope of the beneficiaries of the LTI plan includes around 85 positions (excluding those belonging to functions with control tasks), selected on the basis of the level of the position, the impact on the business or for retention purposes. The beneficiary roles include the Chief Executive Officer and executives with strategic responsibilities of the Parent Company.
The incentive correlated with the LTI plan (LTI incentive) is fully assigned in Banco BPM ordinary shares and is proportional to the level of achievement of the conditions and performance objectives.
The LTI incentive is paid in an up-front portion of 40% and in annual deferred portions of the same amount, in accordance with the provisions of the Short-Term Incentive Plan (respectively: 2024 for the 2024-2026 LTI incentive and 2025 for the 2025-2027 LTI incentive), subject to the successful fulfilment of future conditions.

With reference to the Short-Term Incentive and Long-Term Incentive Plans, for vested shares (up-front and deferred), a one-year retention period (selling restriction) is established, which starts from their vesting. For financial instruments that have matured and are used by asset management companies for Short-Term Incentive Plans, a retention period of one year is envisaged, for up-front instruments, and six months for deferred instruments.
Both the up-front portions and the deferred portions are subject to malus and claw-back mechanisms, as set forth in the Policy.

In addition to the compensation plan based on Banco BPM S.p.A. shares relating to the 2026 Short-Term Incentive Plan, the Ordinary Shareholders' Meeting of Banco BPM held on 16 April 2026 approved:
- the 2026 remuneration policy - Section I of the Policy-on-remuneration report and Banco BPM Group payouts awarded 2026;
- the report on payouts awarded in 2025 - Section II of the Policy-on-remuneration report and Banco BPM Group payouts awarded 2026 (advisory vote);
- the request for authorisation to purchase and dispose of own shares in service of the Banco BPM S.p.A. share-based payment plans.

For further information refer to the content of the documents: Banco BPM Group 2026 Policy-on-remuneration report and Banco BPM Group payouts awarded (Section I and Section II) and the Information Document on the share-based compensation plan - 2026 Short-Term Incentive Plan, available on the website www.gruppo.bancobpm.it (Corporate Governance - Remuneration Policies section).

1.2 Share-based compensation plans of previous years

On 5 February 2026, the Banco BPM Board of Directors acknowledged the vesting in the year 2026 of the equity component of the deferred short- and long-term incentives referring to the share-based compensation plans currently valid and approved on the basis of previous shareholders' resolutions.
For more details on the procedures and the terms for the allocation of the shares under the above-illustrated Plans, please refer to the respective information documents drawn up in accordance with Art. 84-*bis* of the Issuers' Regulation, deposited at the registered office, at Borsa Italiana S.p.A. and also available to the general public on Banco BPM S.p.A.'s website at www.gruppo.bancobpm.it (Corporate Governance - Remuneration Policies section).

1.3 Amounts for early termination of employment

In compliance with regulations in force over time, the Parent Company has the unilateral right to agree - subject to the conditions and in accordance with the methods defined in the Policy - possible amounts for the early termination of employment (for identified staff, golden parachutes), which may be awarded up to the maximum extent of twenty-four months of fixed remuneration (excluding indemnity for lack of notice, determined by legislative provision) and up to the maximum limit of 3.4 million euro (gross).

The recognition of the amounts for early termination of the employment relationship takes place on termination and is subject to the positive verification of conditions, related to the previous financial year, of capital adequacy and liquidity. The amount is determined considering each relevant element, and in any event:

- the positive results achieved over time;
- the circumstances that led to the termination, taking into account the interests of the company also to avoid an error of judgement;
- the tasks performed and/or positions held in the course of the employment relationship, also in the sense of risks assumed by the subject;
- the duration of the employment relationship and of the job;
- savings as a result of early termination of employment.

Disbursement takes place according to the procedures defined in the remuneration policy, without prejudice to the specific provisions laid down in the Bank of Italy's Supervisory Provisions and the Provisions for the asset management sector.
The amounts for early termination of the employment relationship, both for identified staff and the remaining personnel, shall only be disbursed in the absence of fraudulent conduct or gross negligence committed by the person who has terminated his/her employment. Confirmation of such conduct entails the cancellation of the portions not yet disbursed (malus) and the return of those already disbursed (claw-back). The assessment of the degree of negligence is carried out by the Board of Directors of the Parent Company and/or the subsidiaries and/or the Chief Executive Officer of the Parent Company (or his/her delegate), each to the extent of their responsibility; this assessment takes place from the moment of vesting of units and for the next five years.

The remuneration components for the identified staff described above, which establish the payment based on shares of Banco BPM, are "equity-settled" plans in accordance with the provisions in IFRS 2. These share-based payments are recorded in the income statement under the item "Personnel expenses" as a balancing entry to an increase in the "Reserves" of consolidated shareholders' equity and the Parent Company's shareholders' equity.
Subsidiaries, on the other hand, in their separate financial statements, record the cost for the period in the income statement item "Personnel expenses" as a balancing entry of an increase in the balance sheet liability item "Provisions for risks and charges", in that the incentive plans for identified staff establish payment based on the shares of the Parent Company, which will be settled by the individual subsidiaries and, therefore, are considered cash-settled transactions.

B. QUANTITATIVE INFORMATION

1. Annual changes

The balance of the stock of shares as at 1 January 2026, entirely held by the Parent Company Banco BPM, consisted of 11,808,522 ordinary shares of Banco BPM.
In 2026, in implementation of the remuneration policy, a total of 2,467,295 ordinary shares of Banco BPM S.p.A. were delivered to 108 beneficiaries.
Taking into account the previous stock of own shares and the share deliveries made in 2026 as part of the implementation of the remuneration policies, as at 30 June 2026, Banco BPM directly owns 9,341,227 own shares.

2. Other information

With reference to the resolution passed by the Banco BPM Board of Directors on 3 March 2026 with regard to the Short-Term Incentive share-based compensation plan approved by the Ordinary Shareholders' Meeting in 2025, a total of 522,917 shares were granted to 81 beneficiaries, of which (i) 278,028 relating to the vested up-front portion and (ii) 244,889 relating to the deferred portions, as appropriate, in the four or five years after 2026, the vesting of which remains subject to positive verification of future consolidated conditions as well as the absence of misconduct. As part of this plan, note that the Parent Company awarded its beneficiaries 481,137 shares, of which 253,676 shares relating to the vested up-front portion and 227,461 shares relating to the deferred portions as indicated above. The same resolution also determined the vesting of deferred portions relating to previous years (2020, 2021, 2022, 2023, 2024, 2021-2023 LTI and 2022-2024 LTI) for a total of 1,537,748 Banco BPM shares to 93 beneficiaries, of which 1,406,404 shares vested in favour of Parent Company beneficiaries.

2.1 Economic impact in 2026

With regard to share-based incentive schemes for identified staff, the expense recognised under personnel expenses in the first half of 2026 amounted to 4.4 million.
The most significant components relate to the Long-Term Incentive plans, totalling 3.6 million, of which 2.2 million relate to the 2024-2026 plan and 0.9 million to the 2025-2027 plan.
Lastly, it should be noted that the Parent Company's expense relating to these incentive schemes amounts to a total of 3.9 million.

PART L – SEGMENT REPORTING

General principles and purpose of the disclosure

Accounting standard IFRS 8 "Operating Segments" requires an entity to provide information that allows users of financial statements to assess the nature and financial effects of the economic activities carried out and the economic contexts in which it operates.
To this end, the financial statements must include a disclosure that shows the contribution of the various operating segments to the formation of the entity's results, adopting a management approach, based on internal reporting presented to management for the purpose of allocating resources and assessing performance.
According to this standard, an operating segment is a component of an entity:

- that engages in business activities that generate revenues and expenses (including revenues and expenses resulting from transactions with other components of the entity);
- whose operating results are regularly reviewed by the entity's Chief Operating Decision Maker (CODM), to make decisions about resources to be allocated to the segment and assess its performance;
- for which discrete financial information is available.

The disclosure relating to the criteria adopted to identify the operating segments and the methods for determining the results attributed to them, taking into account the requirements of IFRS 8 and the recommendations made by ESMA in the communication dated 14 October 2025, is set out in "Part L - Segment reporting" of the Notes to the consolidated financial statements as at 31 December 2025, which should be referred to for further details.

Operating segments as at 30 June 2026

As at 30 June 2026, the following six operating segments were identified:

- Commercial;
- Corporate and Investment Banking;
- Asset Management and Insurance;
- Other Partnerships;
- Finance;
- Corporate Centre.

It should be noted that the first five operating segments, considered together, contribute more than 75% to the formation of the Group's revenues, in line with the provisions of IFRS 8.

Commercial

The "Commercial" operating segment includes the Retail, Institutional and Private segments. Specifically:

- Retail: includes management and marketing of banking and financial products and services, and of loan brokering, mainly addressed to private customers and small businesses, provided mostly by the Parent Company's Commercial Network;
- Institutional: includes management and marketing of banking and financial products and services, and of loan brokering, addressed to entities and institutions (UCITs, SICAVs, insurance companies, pension funds and banking foundations). These activities are performed by the Commercial Network of the Parent Company for local institutional counterparties, and by specialised branches, for systemically important institutional counterparties in Italy;
- Private: includes management and marketing of banking and financial products and services, and of loan brokering, addressed to private customers with assets that, individually and/or within their business, amount to at least 1 million euro. These activities are carried out by the subsidiary Banca Aletti.

The aforementioned segments, characterised by similar economic profiles, are aggregated in the operating segment in question in compliance with the aggregation criteria established by IFRS 8. The resulting segment is subject to separate disclosure as it exceeds the quantitative thresholds envisaged by the standard.

Corporate and Investment Banking (CIB)

The Corporate and Investment Banking operating segment includes the Corporate operations of the Commercial Network and the contribution of Banca Akros and its subsidiary Oaklins Italy. More specifically:

- the "Corporate" segment includes the management and marketing of banking and financial products and services and of loan brokering, which are mainly addressed to medium and large-sized companies, provided mostly by the Parent Company's Commercial Network;
- the "Investment Banking" segment includes the search for solutions for the efficient management of customers' assets and liabilities, also in order to reduce their financial risks, access to regulated markets and support and development of specialised financial services in the Corporate Finance area, provided by Banca Akros and Oaklins Italy.

The aforementioned segments, characterised by similar economic profiles, are aggregated in the operating segment in question in compliance with the aggregation criteria established by IFRS 8. The resulting segment is subject to separate disclosure as it exceeds the quantitative thresholds (10%) envisaged by the standard.

Asset Management and Insurance

The "Asset Management and Insurance" operating segment includes:

- the contribution of the Group's asset management companies represented by the Anima Group and Banco BPM Invest SGR (Asset Management component);
- the contribution of Banco BPM Vita (which incorporated Vera Vita on 1 January 2026) and BBPM Life, as well as the contribution to the consolidated results of the interest held in PiùVera Assicurazioni (Insurance component).

Given the differences in the reference regulatory context between the Asset Management and Insurance components, pursuant to paragraph 12 of IFRS 8, the segment reporting provides separate evidence of the results achieved by the two components.
Overall, the macro-segment in question exceeds the quantitative thresholds (10%) envisaged by the standard.

Other Partnerships

The "Other Partnerships" operating segment includes the contribution of the interests held in the associated companies Agos Ducato, Alba Leasing, Gardant Liberty Servicing and Numia Group.
Although the results of this segment do not reach the quantitative thresholds envisaged by the standard, they are in any case subject to separate reporting as they refer to the Group's strategic interests.
This operating segment, previously entitled "Strategic Partnerships", was renamed "Other Partnerships" from 31 December 2025.

Finance

The "Finance" operating segment includes the operations of Global Markets and the activities relating to the securities portfolio owned by the Parent Company.
The results of this segment are reported separately as the relative contribution exceeds the quantitative thresholds (10%) envisaged by the standard.

Corporate Centre

The "Corporate Centre" operating segment is configured as a residual segment and includes the activities and functions not directly attributable to the operating segments subject to specific reporting:

- governance and support functions;
- activities relating to the leasing business;
- the interests in associates and joint ventures not allocated among the Other Partnerships;
- companies operating in the real estate sector;
- the contribution of treasury activities, institutional bond issues and Group Asset and Liability Management;
- consolidation entries and intragroup eliminations.

During 2026, there were no changes in the identification and representation of operating segments, with effects on segment reporting.

The following tables provide detailed income statement and balance sheet figures by segment as at 30 June 2026 compared with the first half of 2025 and 31 December 2025, respectively.
It should be noted that, in order to ensure comparison on a like-for-like basis, the comparative data of the previous year were restated to take account of the amendments to the reclassified income statement format.

In more detail, with effect from the 2026 financial year, charges incurred as part of synthetic securitisation transactions, connected to the purchase of credit risk protection on loan portfolios, are represented in the item "Other operating income/expenses", which has been renamed with respect to the previous aggregate item "Other net operating income".
Until the financial statements as at 31 December 2025, these expenses were included under the item "Net fee and commission income" in the reclassified income statement. The reclassification adopted with effect from 2026 is aimed at a more consistent representation of their nature from an operational perspective, thereby improving understanding of the trend of the aggregate commercial revenue "Core income", which includes net fee and commission income.

Lastly, it should be noted that gains (losses) on commodities held for trading, recognised in the official income statement item "230. Other operating expenses/income", are recognised in the reclassified income statement item "Net financial result". The figures for previous periods have not been restated as this transaction did not take place.

Lastly, it should be noted that, to ensure a correct comparison of the comparative figures, the balance sheet and income statement balances of Anima Holding and the companies controlled by the same have been consolidated, line by line, in the Group's financial statements since 1 April 2025, the date of acquisition of control. Consequently, the financial results for the first half of 2026 are not fully comparable with those for the corresponding period of the previous financial year, in which the Anima Group's contribution for the first quarter of 2025 was included under the item "Gains (losses) on interests in associates and joint ventures carried at equity", due to the classification of the investment held (21.973%) as an interest in an associate.

Segment results - income statement figures

I half 2026	Total	Commercial	CIB	Asset Management and Insurance	*of which: Asset Management*	*of which: Insurance*	Other Partnerships	Finance	Corporate Centre
Net interest income	1,537,044	1,106,828	357,641	(1,031)	*262*	*(1,293)*	(8,952)	179,519	(96,961)
Gains (losses) on interests in associates and joint ventures carried at equity	51,418	-	-	5,787	*-*	*5,787*	44,450	-	1,181
Net fee and commission income	1,420,529	872,200	243,105	288,402	*288,402*	*-*	-	18,742	(1,920)
Profit (loss) on insurance business	87,180	-	-	87,180	*-*	*87,180*	-	-	-
Core income	**3,096,171**	**1,979,028**	**600,746**	**380,338**	***288,664***	***91,674***	**35,498**	**198,261**	**(97,700)**
Net financial result	143,273	(10,045)	7,290	45,139	*45,139*	*-*	-	75,786	25,103
Other operating income and expenses	(43,224)	2,471	123	(5,890)	*(24)*	*(5,866)*	-	-	(39,928)
Operating income	**3,196,220**	**1,971,454**	**608,159**	**419,587**	***333,779***	***85,808***	**35,498**	**274,047**	**(112,525)**
Personnel expenses	(881,244)	(544,968)	(56,458)	(61,190)	*(58,451)*	*(2,739)*	(524)	(5,174)	(212,930)
Other administrative expenses	(343,500)	(383,101)	(102,502)	(30,555)	*(24,685)*	*(5,870)*	(123)	(38,874)	211,655
Net value adjustments to property, plant and equipment and intangible assets	(143,411)	(43,595)	(1,893)	(5,188)	*(4,329)*	*(859)*	(13)	(142)	(92,580)
Operating expenses	**(1,368,155)**	**(971,664)**	**(160,853)**	**(96,933)**	***(87,465)***	***(9,468)***	**(660)**	**(44,190)**	**(93,855)**
Profit (loss) from operations	**1,828,065**	**999,790**	**447,306**	**322,654**	***246,314***	***76,340***	**34,838**	**229,857**	**(206,380)**
Cost of loans to customers	(156,818)	(100,648)	(50,071)	(826)	*(826)*	*-*	-	-	(5,273)
Net adjustments to securities and other financial assets	(3,588)	-	-	-	*-*	*-*	-	(197)	(3,391)
Fair value gains (losses) on property, plant and equipment	(11,548)	-	-	-	*-*	*-*	-	-	(11,548)
Net provisions for risks and charges	8,311	1,120	9,611	(170)	*30*	*(200)*	-	-	(2,250)
Total adjustments and provisions	**(163,643)**	**(99,528)**	**(40,460)**	**(996)**	***(796)***	***(200)***	**-**	**(197)**	**(22,462)**
Profit (loss) before tax from continuing operations	**1,664,422**	**900,262**	**406,846**	**321,658**	***245,518***	***76,140***	**34,838**	**229,660**	**(228,842)**
Taxation charge related to profit or loss from continuing operations	(555,020)	(321,253)	(142,732)	(99,120)	*(71,572)*	*(27,548)*	3,366	(77,492)	82,211
Profit (loss) after tax from continuing operations	**1,109,402**	**579,009**	**264,114**	**222,538**	***173,946***	***48,592***	**38,204**	**152,168**	**(146,631)**
Gains (losses) on interests in associates and joint ventures and other investments, net of taxes	82	-	-	-	*-*	*-*	-	-	82
Impact of the purchase price allocation (PPA), net of taxes	(25,923)	(7,780)	(410)	(17,838)	*(13,334)*	*(4,504)*	-	-	105
Impact of the change in own credit risk on the issue of certificates (OCR), net of taxes	1,398	-	-	-	*-*	*-*	-	-	1,398
Charges related to business combinations and corporate restructuring, net of taxes	(8,569)	-	(465)	(8,104)	*(3,119)*	*(4,985)*	-	-	-
Profit (loss) attributable to non-controlling interests	(16,098)	-	-	(16,101)	*(16,101)*	*-*	-	-	3
Parent Company's profit (loss) for the period	**1,060,292**	**571,229**	**263,239**	**180,495**	***141,392***	***39,103***	**38,204**	**152,168**	**(145,043)**

I half 2025 (*)	**Total**	**Commercial**	**CIB**	**Asset Management and Insurance**	***of which: Asset Management***	***of which: Insurance***	**Other Partnerships**	**Finance**	**Corporate Centre (*)**
Net interest income	1,602,082	1,167,614	318,292	(1,968)	*(829)*	*(1,139)*	(7,036)	124,082	1,098
Gains (losses) on interests in associates and joint ventures carried at equity	63,370	-	-	17,534	*15,196*	*2,338*	44,189	-	1,647
Net fee and commission income	1,247,758	867,491	244,665	115,510	*115,510*	-	-	21,676	(1,584)
Profit (loss) on insurance business	79,844	-	-	79,844	-	*79,844*	-	-	-
Core income	**2,993,054**	**2,035,105**	**562,957**	**210,920**	***129,877***	***81,043***	**37,153**	**145,758**	**1,161**
Net financial result	87,062	(16,333)	(55,961)	44,299	*44,299*	-	-	49,317	65,740
Other operating income and expenses	(56,104)	2,858	(19)	(5,738)	*551*	*(6,289)*	-	-	(53,205)
Operating income	**3,024,012**	**2,021,630**	**506,977**	**249,481**	***174,727***	***74,754***	**37,153**	**195,075**	**13,696**
Personnel expenses	(890,190)	(571,440)	(60,348)	(30,523)	*(27,929)*	*(2,594)*	(801)	(4,769)	(222,309)
Other administrative expenses	(321,381)	(359,854)	(101,879)	(23,383)	*(14,828)*	*(8,555)*	(316)	(39,050)	203,101
Net value adjustments to property, plant and equipment and intangible assets	(135,799)	(46,814)	(2,154)	(2,569)	*(2,360)*	*(209)*	(16)	(132)	(84,114)
Operating expenses	**(1,347,370)**	**(978,108)**	**(164,381)**	**(56,475)**	***(45,117)***	***(11,358)***	**(1,133)**	**(43,951)**	**(103,322)**
Profit (loss) from operations	**1,676,642**	**1,043,522**	**342,596**	**193,006**	***129,610***	***63,396***	**36,020**	**151,124**	**(89,626)**
Cost of loans to customers	(164,213)	(106,684)	(63,399)	(300)	*(300)*	-	-	-	6,170
Net adjustments to securities and other financial assets	2,280	-	-	-	-	-	-	(1,093)	3,373
Fair value gains (losses) on property, plant and equipment	(4,250)	-	-	-	-	-	-	-	(4,250)
Net provisions for risks and charges	3,401	1,474	1,820	334	*382*	*(48)*	-	-	(227)
Total adjustments and provisions	**(162,782)**	**(105,210)**	**(61,579)**	**34**	***82***	***(48)***	**-**	**(1,093)**	**5,066**
Profit (loss) before tax from continuing operations	**1,513,860**	**938,312**	**281,017**	**193,040**	***129,692***	***63,348***	**36,020**	**150,031**	**(84,560)**
Taxation charge related to profit or loss from continuing operations	(445,625)	(312,226)	(93,346)	(37,752)	*(25,463)*	*(12,289)*	2,695	(49,879)	44,883
Profit (loss) after tax from continuing operations	**1,068,235**	**626,086**	**187,671**	**155,288**	***104,229***	***51,059***	**38,715**	**100,152**	**(39,677)**
Gains (losses) on interests in associates and joint ventures and other investments, net of taxes	887	-	-	-	-	-	-	-	887
Impact of the purchase price allocation (PPA), net of taxes	(20,210)	(8,609)	(564)	(11,003)	*(6,404)*	*(4,599)*	-	-	(34)
Impact of the change in own credit risk on the issue of certificates (OCR), net of taxes	2,746	-	-	-	-	-	-	-	2,746
Charges related to business combinations and corporate restructuring, net of taxes	(30,699)	-	-	(14,192)	*(8,496)*	*(5,696)*	-	-	(16,507)
Impact of restatement of the Anima share, net of taxes	201,831	-	-	201,831	*201,831*	-	-	-	-
Profit (loss) attributable to non-controlling interests	(8,325)	-	-	(8,330)	*(8,330)*	-	-	-	5
Parent Company's profit (loss) for the period	**1,214,465**	**617,477**	**187,107**	**323,594**	***282,830***	***40,764***	**38,715**	**100,152**	**(52,580)**

(*) the figures from the previous period have been restated to take into account the amendments to the reclassified income statement format described above.

The following tables provide details of the fee and commission income for the first half of 2026 and the corresponding period of the previous year, disaggregated by type of service provided and defined with an operating outlook, and by IFRS 8 operating segment, in line with the disclosure requirements introduced by IFRS 15.

I half 2026 Fee and commission income/Type of services/values	**Group**	**Commercial**	**CIB**	**Asset Management and Insurance**	***of which: Asset Management***	***of which: Insurance***	**Other Partnerships**	**Finance**	**Corporate Centre**
Savings products	**971,077**	**426,804**	**1,385**	**726,339**	***726,339***	-	-	**27,333**	**(210,784)**
Upfront	**201,515**	**165,148**	**155**	-	-	-	-	**25,881**	**10,331**
Administered	85,331	50,169	28	-	-	-	-	25,881	9,253
Portfolio management and funds	103,158	102,974	128	-	-	-	-	-	56
Life	13,026	12,005	(1)	-	-	-	-	-	1,022
Running	**269,625**	**261,656**	**1,230**	-	-	-	-	**1,452**	**5,287**
Administered	48,552	44,554	391	-	-	-	-	1,452	2,155
Portfolio management and funds	194,026	190,105	826	-	-	-	-	-	3,095
Life	27,047	26,997	13	-	-	-	-	-	37
Anima - production margin	**499,937**	-	-	**726,339**	***726,339***	-	-	-	**(226,402)**
Other fees and commissions	**715,860**	**477,821**	**255,454**	**1,702**	***1,702***	-	-	**19,675**	**(38,792)**
Total	**1,686,937**	**904,625**	**256,839**	**728,041**	***728,041***	-	-	**47,008**	**(249,576)**
Fee and commission expense	**(266,408)**	**(32,425)**	**(13,734)**	**(439,639)**	***(439,639)***			**(28,266)**	**247,656**
Net fee and commission income	**1,420,529**	**872,200**	**243,105**	**288,402**	***288,402***	-	-	**18,742**	**(1,920)**

I half 2025 Fee and commission income/Type of services/values	**Group (*)**	**Commercial**	**CIB**	**Asset Management and Insurance**	***of which: Asset Management***	***of which: Insurance***	**Other Partnerships**	**Finance**	**Corporate Centre (*)**
Savings products	**702,407**	**411,160**	**782**	**350,222**	***350,222***	-	-	**29,605**	**(89,362)**
Upfront	**192,813**	**159,995**	**57**	-	-	-	-	**28,818**	**3,943**
Administered	84,798	52,496	2	-	-	-	-	28,818	3,482
Portfolio management and funds	97,188	97,423	55	-	-	-	-	-	(290)
Life	10,827	10,076	-	-	-	-	-	-	751
Running	**257,326**	**251,165**	**725**	-	-	-	-	**787**	**4,649**
Administered	46,794	44,050	280	-	-	-	-	787	1,677
Portfolio management and funds	186,941	183,647	444	-	-	-	-	-	2,850
Life	23,591	23,468	1	-	-	-	-	-	122
Anima - production margin	**252,268**	-	-	**350,222**	***350,222***	-	-	-	**(97,954)**
Other fees and commissions	**728,180**	**476,977**	**260,640**	**1,556**	***1,556***	-	-	**21,685**	**(32,678)**
Total	**1,430,587**	**888,137**	**261,422**	**351,778**	***351,778***	-	-	**51,290**	**(122,040)**
Fee and commission expense (*)	**(182,829)**	**(20,646)**	**(16,757)**	**(236,268)**	***(236,268)***	-	-	**(29,614)**	**120,456**
Net fee and commission income (*)	**1,247,758**	**867,491**	**244,665**	**115,510**	***115,510***	-	-	**21,676**	**(1,584)**

(*) the figures from the previous period have been restated to take into account the amendments to the reclassified income statement format described above.

The following tables provide the details of the item "Other fees and commissions" for the first half of 2026 and for the same period of the previous year, broken down by the type of service provided:

I half 2026 **Other fees and commissions**	**Group**	**Commercial**	**CIB**	**Asset Management and Insurance**	***of which: Asset Management***	***of which: Insurance***	**Other Partnerships**	**Finance**	**Corporate Centre**
Investment Banking products	**53,547**	**8,031**	**73,122**	**-**	**-**	**-**	**-**	**13,402**	**(41,008)**
Insurance protection	**40,310**	**42,586**	**28**	**-**	**-**	**-**	**-**	**-**	**(2,304)**
Keeping and management of current accounts	**116,756**	**109,975**	**6,988**	**-**	**-**	**-**	**-**	**-**	**(207)**
Loans	**303,547**	**146,086**	**154,525**	**-**	**-**	**-**	**-**	**-**	**2,936**
Credit availability fee and commission income (CDC)	115,068	89,278	25,775	-	-	-	-	-	15
Commission on loans	110,523	13,394	96,809	-	-	-	-	-	320
Commission on unsecured loans	47,849	13,307	31,941	-	-	-	-	-	2,601
Consumer credit	30,107	30,107	-	-	-	-	-	-	-
Other business services	**35,658**	**23,431**	**10,870**	**-**	**-**	**-**	**-**	**-**	**1,357**
Ecobonus and tax credit	(501)	87	(588)	-	-	-	-	-	-
Trade receivables	8,726	2,334	5,268	-	-	-	-	-	1,124
Portfolio	27,433	21,010	6,190	-	-	-	-	-	233
Collection and payment services, e-money	**158,436**	**149,017**	**9,544**	**-**	**-**	**-**	**-**	**-**	**(125)**
Collection and payment services	78,641	72,907	5,070	-	-	-	-	-	664
Abroad (currency fees and commissions on bank transfers)	10,319	7,570	2,719	-	-	-	-	-	30
E-money	69,476	68,540	1,755	-	-	-	-	-	(819)
Other services	**7,606**	**(1,305)**	**377**	**1,702**	***1,702***	**-**	**-**	**6,273**	**559**
Commercial refunds	(2,431)	(2,262)	(162)	-	-	-	-	-	(7)
Other	10,037	957	539	1,702	*1,702*	-	-	6,273	566
Total	**715,860**	**477,821**	**255,454**	**1,702**	***1,702***	**-**	**-**	**19,675**	**(38,792)**

I half 2025 Other fees and commissions	Group	Commercial	CIB	Asset Management and Insurance	*of which: Asset Management*	*of which: Insurance*	Other Partnerships	Finance	Corporate Centre
Investment Banking products	**55,551**	**9,543**	**70,321**	**-**	**-**	**-**	**-**	**14,933**	**(39,246)**
Insurance protection	**42,363**	**43,884**	**8**	**-**	**-**	**-**	**-**	**-**	**(1,529)**
Keeping and management of current accounts	**112,415**	**106,794**	**5,858**	**-**	**-**	**-**	**-**	**-**	**(237)**
Loans	**313,711**	**149,311**	**158,333**	**-**	**-**	**-**	**-**	**-**	**6,067**
Credit availability fee and commission income (CDC)	119,215	95,899	23,260	-	-	-	-	-	56
Commission on loans	115,765	8,401	101,857	-	-	-	-	-	5,507
Commission on unsecured loans	49,251	15,533	33,216	-	-	-	-	-	502
Consumer Credit	29,480	29,478	-	-	-	-	-	-	2
Other business services	**46,791**	**27,637**	**17,769**	**-**	**-**	**-**	**-**	**-**	**1,385**
Ecobonus and tax credit	11,705	4,425	7,280	-	-	-	-	-	-
Trade receivables	6,919	1,391	4,420	-	-	-	-	-	1,108
Portfolio	28,167	21,821	6,069	-	-	-	-	-	277
Collection and payment services, e-money	**150,195**	**140,821**	**8,347**	**-**	**-**	**-**	**-**	**-**	**1,027**
Collection and payment services	76,256	71,279	4,289	-	-	-	-	-	688
Abroad (currency fees and commissions on bank transfers)	10,378	8,047	2,296	-	-	-	-	-	35
E-money	63,561	61,495	1,762	-	-	-	-	-	304
Other services	**7,154**	**(1,013)**	**4**	**1,556**	***1,556***	**-**	**-**	**6,752**	**(145)**
Commercial refunds	(2,515)	(1,948)	(333)	-	-	-	-	-	(234)
Other	9,669	935	337	1,556	*1,556*	-	-	6,752	89
Total	**728,180**	**476,977**	**260,640**	**1,556**	***1,556***	**-**	**-**	**21,685**	**(32,678)**

Segment results - balance sheet figures

30/06/2026	Total	Commercial Department	CIB	Asset Management and Insurance	*of which: Asset Management*	*of which: Insurance*	Other Partnerships	Finance	Corporate Centre
Loans to customers:	**132,642,050**	**61,720,004**	**34,035,600**	**137,284**	***133,705***	***3,579***	**-**	**28,668,426**	**8,080,736**
• loans to customers	101,161,728	60,972,355	33,432,601	137,284	*133,705*	*3,579*	-	-	6,619,488
• debt securities	31,480,322	747,649	602,999	-	-	-	-	28,668,426	1,461,248

31/12/2025	Total	Commercial Department	CIB	Asset Management and Insurance	*of which: Asset Management*	*of which: Insurance*	Other Partnerships	Finance	Corporate Centre
Loans to customers:	**129,050,087**	**63,248,898**	**30,922,444**	**173,452**	***171,489***	***1,963***	**-**	**26,677,372**	**8,027,921**
• loans to customers	99,715,531	62,675,085	30,355,915	173,452	*171,489*	*1,963*	-	-	6,511,079
• debt securities	29,334,556	573,813	566,529	-	-	-	-	26,677,372	1,516,842

30/06/2026	Total	Commercial Department	CIB	Asset Management and Insurance	*of which: Asset Management*	*of which: Insurance*	Other Partnerships	Finance	Corporate Centre
Direct funding	140,051,795	95,323,865	10,131,228	595,649	*595,649*	-	-	-	34,001,053

31/12/2025	Total	Commercial Department	CIB	Asset Management and Insurance	*of which: Asset Management*	*of which: Insurance*	Other Partnerships	Finance	Corporate Centre
Direct funding	132,387,516	96,663,798	8,953,637	595,529	*595,529*	-	-	-	26,174,552

30/06/2026	Total	Commercial Department	CIB	Asset Management and Insurance	*of which: Asset Management*	*of which: Insurance*	Other Partnerships	Finance	Corporate Centre
Interests in associates and joint ventures	1,450,154	-	-	140,184	-	*140,184*	1,279,002	-	30,968

31/12/2025	Total	Commercial Department	CIB	Asset Management and Insurance	*of which: Asset Management*	*of which: Insurance*	Other Partnerships	Finance	Corporate Centre
Interests in associates and joint ventures	1,452,559	-	-	138,844	-	*138,844*	1,292,166	-	21,549

It should be note that the Group's business activities and operating income are mainly located in Italy, confirming its strong roots throughout the country, considered to be the main area of the Group's operations. The percentage represented by business activities and operating income located abroad is therefore considered negligible.

In addition, in order to fulfil the disclosure requirements envisaged by IFRS 8, with reference to the perimeter of the Commercial Network that primarily contributes to the generation of the Group's result, the analyses conducted on the basis of management data confirm that no customer has an influence of greater than 10% on the formation of revenues, represented by net interest income and net fee and commission income.

Certification of the consolidated condensed interim financial statements pursuant to art. 81-ter of Consob Regulation no. 11971 of 14 May 1999 and its subsequent amendments and supplements

CERTIFICATION OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS PURSUANT TO ART. 81-TER OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999 AND ITS SUBSEQUENT AMENDMENTS AND SUPPLEMENTS

1. The undersigned, Giuseppe Castagna, as Chief Executive Officer of Banco BPM S.p.A. and Gianpietro Val, as Manager responsible for preparing the company's financial reports of Banco BPM S.p.A. hereby certify, also in consideration of the provisions of art. 154-bis, paragraphs 3 and 4, of Italian Legislative Decree no. 58 dated 24 February 1998:
    - the adequacy in relation to the characteristics of the company and
    - the effective application

   of the administrative and accounting procedures for the formation of the consolidated condensed interim financial statements in the first half of 2026.

2. The assessment of the adequacy and the verification of the effective application of the administrative and accounting procedures for the formation of the consolidated condensed interim financial statements as at 30 June 2026 were based on an internal model set in place by Banco BPM S.p.A., developed on the basis of the "Internal Control - Integrated Framework (COSO)" and, for the IT component, the "Control Objectives for IT and related Technology (COBIT)", which represent the standard for the internal audit system generally accepted at international level.

3. We also hereby certify that:

   3.1 the consolidated condensed interim financial statements as at 30 June 2026:
   a) were drawn up in compliance with the applicable international accounting standards recognised in the European Community as per EC Regulation no. 1606/2002 of the European Parliament and Commission, dated 19 July 2002;
   b) comply with the results of the accounting records and journal entries;
   c) are suitable for providing a true and fair view of the balance sheet, income statement and financial situation of the issuer and of all the companies included within the scope of consolidation.

   3.2 The interim report on operations includes a reliable analysis of the important events, which occurred during the first six months of the year, and their impact on the consolidated condensed interim financial statements, together with a description of the main risks and uncertainties for the remaining six months of the year. The interim report on operations also includes a reliable analysis of the information on significant transactions with related parties.

Milan, 5 August 2026

Signed by	Signed by
Giuseppe Castagna	Gianpietro Val
Chief Executive Officer	Manager responsible for preparing the company's financial reports

Independent Auditors' Report

Deloitte.

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REPORT ON REVIEW OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

To the Shareholders of
Banco BPM S.p.A.

Introduction

We have reviewed the accompanying consolidated condensed interim financial statements of Banco BPM S.p.A. and subsidiaries (the “Banco BPM Group”), which comprise the consolidated balance sheet as of June 30, 2026 and the consolidated income statement, the statement of consolidated comprehensive income, the statement of changes of consolidated shareholders’ equity, the consolidated cash flows statement for the six month period then ended, and the related explanatory notes. The Directors are responsible for the preparation of the consolidated condensed interim financial statements in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and adopted by the European Union. Our responsibility is to express a conclusion on the consolidated condensed interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the criteria recommended by the Italian Regulatory Commission for Companies and the Stock Exchange (“Consob”) for the review of the half-year financial statements under Resolution n° 10867 of July 31, 1997. A review of consolidated condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed interim financial statements of Banco BPM Group as at June 30, 2026 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and adopted by the European Union.

Other Matter

The consolidated financial statements of Banco BPM Group for the period ended as of December 31, 2025 and the consolidated condensed interim financial statements as at June 30, 2025 have been respectively audited and reviewed by other auditors that on March 18, 2026 expressed an unmodified opinion on those consolidated financial statements and on August 8, 2025 expressed an unmodified conclusion on those consolidated condensed interim financial statements.

DELOITTE & TOUCHE S.p.A.

Signed by
Maurizio Ferrero
Partner

Milan, Italy
August 7, 2026

This report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

Attachments

Reconciliation between the items in the consolidated balance sheet and the reclassified consolidated balance sheet as at 30 June 2026

Asset items *(thousands of euro)*		30/06/2026
10.	Cash and cash equivalents	2,813,532
	Cash and cash equivalents	**2,813,532**
40. a)	Financial assets at amortised cost: loans to banks	5,833,316
	minus: debt securities due to banks at amortised cost	(2,256,911)
	minus: financial assets at AC pertaining to insurance companies - loans to banks	(840)
	Loans at AC: loans to banks	**3,575,565**
40. b)	Financial assets at amortised cost: loans to customers	132,642,050
	minus: debt securities due to customers at amortised cost	(31,480,322)
	minus: financial assets at AC pertaining to insurance companies - loans to customers	(3,579)
	Loans at AC: loans to customers	**101,158,149**
20.	Financial assets at fair value through profit and loss	28,503,397
50.	Hedging derivatives	724,498
	minus: financial assets at fair value through profit and loss pertaining to insurance companies	(9,332,371)
	Financial assets and hedging derivatives at FV through Profit and Loss	**19,895,524**
30.	Financial assets measured at fair value through other comprehensive income	26,492,385
	minus: financial assets measured at fair value through other comprehensive income pertaining to insurance companies	(10,538,447)
	Financial assets at FV through OCI	**15,953,938**
	plus: debt securities due to banks and customers at amortised cost	33,737,233
	Financial assets at AC	**33,737,233**
	plus: financial assets at AC pertaining to insurance companies - loans to banks	840
	plus: financial assets at AC pertaining to insurance companies - loans to customers	3,579
	plus: financial assets at fair value through profit and loss pertaining to insurance companies	9,332,371
	plus: financial assets measured at fair value through other comprehensive income pertaining to insurance companies	10,538,447
	Financial assets pertaining to insurance companies	**19,875,237**
70.	Interests in associates and joint ventures	1,450,154
	Interests in associates and joint ventures	**1,450,154**
90.	Property, plant and equipment	2,396,102
	Property, plant and equipment	**2,396,102**
100.	Intangible assets	3,187,224
	Intangible assets	**3,187,224**
110.	Tax assets	2,577,294
	Tax assets	**2,577,294**
120.	Non-current assets and disposal groups held for sale	198,106
	Non-current assets and disposal groups held for sale	**198,106**
60.	Fair value change of financial assets in macro fair value hedge portfolios (+/-)	(145,808)
80.	Insurance assets	7,238
130.	Other assets	4,200,108
	Other asset items	**4,061,538**
	Total assets	**210,879,596**

Liability items *(thousands of euro)*		**30/06/2026**
10. b)	Financial liabilities at amortised cost: due to customers	118,978,546
	minus: lease payables due to customers	(645,671)
	minus: due to customers pertaining to insurance companies	(2,780)
	Due to customers	**118,330,095**
10. c)	Financial liabilities at amortised cost: debt securities in issue	21,721,700
30.	Financial liabilities designated at fair value	8,169,978
	minus: protected capital certificates	(3,797,109)
	minus: financial liabilities at fair value pertaining to insurance companies	(4,372,869)
	Securities and financial liabilities designated at fair value	**21,721,700**
	Direct bank funding	**140,051,795**
	plus: financial liabilities at fair value pertaining to insurance companies	4,372,869
110.	Insurance liabilities	14,668,166
	Direct funding from insurance business	**19,041,035**
10. a)	Financial liabilities at amortised cost: due to banks	9,483,189
	minus: due to banks pertaining to insurance companies	(65,060)
	Due to banks	**9,418,129**
	plus: lease payables due to customers	645,671
	Lease payables	**645,671**
20.	Financial liabilities held for trading	13,644,485
	plus: protected capital certificates	3,797,109
40.	Hedging derivatives	569,086
	Other financial liabilities designated at fair value	**18,010,680**
	plus: due to customers pertaining to insurance companies	2,780
	plus: due to banks pertaining to insurance companies	65,060
	Other financial liabilities pertaining to insurance companies	**67,840**
90.	Provisions for employee severance pay	187,834
100.	Provisions for risks and charges	538,223
	Liability provisions	**726,057**
60.	Tax liabilities	504,860
	Tax liabilities	**504,860**
70.	Liabilities associated with assets classified as held for sale	1,225
	Liabilities associated with assets classified as held for sale	**1,225**
50.	Fair value change of financial liabilities in macro fair value hedge portfolios (+/-)	(568,311)
80.	Other liabilities	7,274,440
	Other liability items	**6,706,129**
	Total liabilities	**195,173,421**
190.	Non-controlling interests (+/-)	83,105
	Non-controlling interests	**83,105**
120.	Valuation reserves	585,746
140.	Equity instruments	1,389,729
150.	Reserves	5,540,707
155.	Advances on dividends	-
170.	Share capital	7,100,000
180.	Own shares (-)	(53,404)
200.	Profit (loss) for the period (+/-)	1,060,292
	Group shareholders' equity	**15,623,070**
	Total liabilities and shareholders' equity	**210,879,596**

Reconciliation between the items in the consolidated income statement and the reclassified consolidated income statement schedule for the first half of 2026

I half 2026 ***(thousands of euro)***	**Income statement**	**Reclassifications**		**Reclassified income statement**
Net interest income				**1,537,044**
10. Interest and similar income	2,869,240	3,957	(a)	
		(159,638)	(h)	
20. Interest and similar expense	(1,177,122)	539	(h)	
		68	(l)	
Gains (losses) on interests in associates and joint ventures carried at equity				**51,418**
250. Gains (losses) of associates and joint ventures		51,418	(b)	
Net fee and commission income				**1,420,529**
40. Fee and commission income	1,619,613	55,883	(c)	
		28,419	(h)	
		2,260	(q)	
		(19,238)	(r)	
50. Fee and commission expense	(315,198)	4,656	(h)	
		44,134	(p)	
Profit (loss) on insurance business				**87,180**
160. Profit (loss) on insurance services	59,668			
170. Balance of revenues and costs of a financial nature relating to insurance activities	(353,521)			
		3,385	(a)	
		358,410	(h)	
		19,238	(r)	
Core income				**3,096,171**
Net financial result				**143,273**
70. Dividends and similar income	188,881			
80. Net trading income	77,663	(55,883)	(c)	
		(2,089)	(f)	
90. Fair value gains/losses on hedging derivatives	3,393			
100. Gains (losses) on disposal or repurchase	15,447	5,719	(g)	
110. Net gains (losses) from other financial assets and liabilities measured at fair value through profit and loss	121,113	(207,853)	(h)	
		(2,260)	(q)	
		(858)	(s)	
Other operating income and expenses				**(43,224)**
230. Other operating expenses/income	150,162	(156,669)	(d)	
		(2,063)	(e)	
		1,661	(h)	
		6,611	(l)	
		(44,134)	(p)	
		350	(a)	
		858	(s)	
Operating income				**3,196,220**
Personnel expenses				**(881,244)**
190 a) Personnel expenses	(859,474)	(4,335)	(i)	
		(19,498)	(h)	
		2,063	(e)	
Other administrative expenses				**(343,500)**
190 b) Other administrative expenses	(503,292)	4,335	(i)	
		156,669	(d)	
		2,705	(l)	
		(3,917)	(h)	

I half 2026 (thousands of euro)		Income statement	Reclassifications		Reclassified income statement
Net value adjustments to property, plant and equipment and intangible assets					**(143,411)**
210.	Depreciation and impairment losses on property, plant and equipment	(74,354)	(2,894)	(h)	
220.	Amortisation and impairment losses on intangible assets	(95,599)	29,436	(a)	
Operating expenses					**(1,368,155)**
Profit (loss) from operations					**1,828,065**
Cost of loans to customers					**(156,818)**
130 a)	Net credit impairment losses/recoveries relating to financial assets at amortised cost	(152,795)	453	(m)	
			435	(n)	
			1,933	(o)	
			(5,719)	(g)	
140.	Gains (losses) from contractual modification without derecognition	(1,125)			
Net adjustments to securities and other financial assets					**(3,588)**
130 b)	Net credit impairment losses/recoveries relating to financial assets measured at fair value through other comprehensive income	(882)	(453)	(m)	
			(435)	(n)	
			(1,933)	(o)	
			115	(h)	
Fair value gains (losses) on property, plant and equipment					**(11,548)**
260.	Fair value gains (losses) on property, plant and equipment and intangible assets	(11,548)			
Net provisions for risks and charges					**8,311**
200.	Net provisions for risks and charges	8,311			
Total adjustments and provisions					**(163,643)**
Profit (loss) before tax from continuing operations					**1,664,422**
Taxation charge related to profit or loss from continuing operations					**(555,020)**
300.	Taxation charge related to profit or loss from continuing operations	(543,722)	(815)	(l)	
			(11,205)	(a)	
			691	(f)	
			31	(t)	
Profit (loss) after tax from continuing operations					**1,109,402**
Gains (losses) on interests in associates and joint ventures and other investments, net of taxes					**82**
250.	Gains (losses) of associates and joint ventures	51,418	(51,418)	(b)	
280.	Gains (losses) on disposal of investments	113	(31)	(t)	
Impact of the purchase price allocation (PPA), net of taxes			(25,923)	(a)	**(25,923)**
Impact of the change in own credit risk on the issue of certificates (OCR), net of taxes			1,398	(f)	**1,398**
Charges related to business combinations and corporate restructuring, net of taxes			(8,569)	(l)	**(8,569)**
Profit (loss) attributable to non-controlling interests					**(16,098)**
340.	Profit (loss) for the period attributable to non-controlling interests	(16,098)			
Parent Company's profit (loss) for the period		**1,060,292**	**-**		**1,060,292**

The letters shown in the column "Reclassifications" are provided for easier understanding of the reclassifications made. With regard to the above statement of reconciliation, the main classifications are illustrated below:

- **"Net interest income"** is represented by the algebraic balance of interest and similar income (item 10) and interest and similar expense (item 20), net of the PPA relating to loans to customers, amounting to 4.0 million (a), classified within the new reclassified income statement item "Impact of the purchase price allocation (PPA), net of taxes", and of interest income (159.6 million) and expense (0.5 million) pertaining to insurance companies, shown in item "Profit (loss) on insurance business" (h);

- **"Gains (losses) on interests in associates and joint ventures carried at equity"** shows the portion of profits (losses) pertaining to investee companies carried at equity (included in item 250) totalling 51.4 million (b);
- the item "**Net fee and commission income**" represents the algebraic balance of fee and commission income (item 40) and fee and commission expense (item 50), it also includes the reclassification of upfront commissions relating to the placement of certificates through the Group's network and the income components constituting the remuneration for the structuring and risk hedging activities on certificates issued, placed or structured by the Group, recognised under item 80 of the official schedule "Net trading income" for a total of 55.9 million (c). The aggregate in question also includes the income items, for 2.3 million (q), constituting the remuneration for sales to retail and corporate companies of hedging derivatives, recognised under item 110 of the official statement "Net gains (losses) from other financial assets and liabilities measured at fair value through profit and loss". Net fee and commission income are shown net of impacts deriving from the realignment of intragroup revenues and costs against the different recognition criteria adopted by Banco BPM (up-front recognition of distribution fee and commission income) compared to those adopted by the Group's insurance companies (recognition spread over time of distribution fee and commission expenses), equal to 19.2 million (r), included in the item "Profit (loss) on insurance business". This item in question also includes the commissions paid by insurance companies to the Group's distribution network for placement activities, net of the contribution from commission income attributable to the insurance companies, totalling 28.4 million, which is recognised under the heading "Profit (loss) on insurance business". Also excluded from the aggregate is the contribution from fee and commission expense attributable to insurance companies (4.7 million), which is also recognised under the heading "Profit (loss) on insurance business". Lastly, the aggregate is presented net of charges incurred as part of synthetic securitisation transactions, connected to the purchase of credit risk protection on loan portfolios, amounting to 44.1 million (p), shown in the item "Other operating income/expenses";
- the item **"Profit (loss) on insurance business"** corresponds to the financial statement items "160. Profit (loss) on insurance services" and "170. Balance of revenues and costs of a financial nature relating to insurance activities", plus the share relating to interest income and expense, to fee and commission income and expense, to other income and expense and to the net financial result pertaining to insurance companies, as illustrated above (h). The aggregate is also adjusted for the share of personnel expenses, other administrative expenses, net value adjustments to property, plant and equipment and intangible assets, net adjustments to securities and other financial assets and other operating expenses/income attributable to the insurance business, included in the Contractual Service Margin pursuant to IFRS 17, presented as a separate item in the reclassified income statement. The total contribution to the item in question is 358.4 million (h). The item in question also includes the impacts of the realignment of intragroup revenues and costs against the different recognition criteria adopted by Banco BPM (up-front recognition of distribution fee and commission income) compared to those adopted by the Group's insurance companies (recognition spread over time of distribution fee and commission expense), equal to 19.2 million (r), originally recognised among fee and commission income in the official income statement. Lastly, the item in question excludes the effect of the PPA relating to insurance liabilities of the companies, equal to 3.4 million (a), reconciled in the reclassified income statement item "Impact of the purchase price allocation (PPA), net of taxes";
- the item "**Net financial result**" includes "Dividends and similar income" (item 70) and "Net trading income" (item 80), net of both the reclassification of amounts relating to commissions on the placement of certificates and on the structuring and hedging of risks on certificates issued, placed or structured by the Group, totalling 55.9 million (c), re-attributed to "Net fee and commission income", and the impact deriving from the change in own credit risk on the issue of Certificates for 2.1 million (f), re-attributed to the customised item of the reclassified income statement called "Impact of the change in own credit risk on the issue of certificates (OCR), net of taxes". The aggregate in question also includes "Fair value gains/losses on hedging derivatives" (item 90), "Net gains (losses) from other financial assets and liabilities measured at fair value through profit and loss" (item 110) and "gains/losses on disposal or repurchase" (item 100) net of gains on disposal of loans not represented by debt securities, equal to 5.7 million (g), re-attributed to the management aggregate "Cost of loans to customers". The items of the net financial result pertaining to insurance companies, equal to 207.9 million (h), shown under the item "Profit (loss) on insurance business", are also excluded, as are the income items, for 2.3 million (q), relating to remuneration for sales to retail and corporate companies of hedging derivatives, recognised under "Net fee and commission income". Lastly, the aggregate in question includes gains (losses) on commodities held for trading, recognised in the official income statement item "230. "Other operating expenses/income", for -0.9 million (s);

- the item "**Other operating expenses/income**" is represented by the financial statement item "230. Other operating expenses/income", net of recoveries on indirect taxes, legal fees and other expenses, totalling 156.7 million (d), which, for the purpose of the reclassification, are shown as a reduction in "Other administrative expenses", by the recovery of training costs amounting to 2.1 million (e), reclassified as a reduction in "Personnel expenses", and by the portion of net charges (1.7 million) attributable to the insurance companies, shown under the item "Profit (loss) on insurance business" (h), from the share of amortisation of certain intangible assets relating to the consolidated insurance companies, reconciled within the reclassified income statement item "Impact of Purchase Price Allocation (PPA), net of taxes", amounting to 0.3 million (a), from gains (losses) on commodities held for trading, re-assigned to the reclassified income statement item "Net financial result", amounting to 0.9 million (s); and finally, the portion of certain one-off charges relating to business combinations and corporate restructuring, amounting to 6.6 million (l), reported, net of the related tax effect, under the separate item in the reclassified income statement entitled "Charges related to business combinations and corporate restructuring, net of taxes". This aggregate, on the other hand, includes the charges incurred as part of synthetic securitisation transactions, connected to the purchase of credit risk protection on loan portfolios, equal to 44.1 million (p), as described above;
- **"Personnel expenses"** is represented by the financial statement item "190. a) Personnel expenses" and by several charges functionally related to personnel, amounting to 4.3 million (i), recognised in the financial statements under item 190. b) "Other administrative expenses" and by the recovery of training costs of 2.1 million (e), recorded under item "230. Other operating expenses/income", as described above. Lastly, the aggregate under consideration includes a portion of personnel expenses (19.5 million) relating to placement activities which, in the official statement, is excluded as it is included in the calculation of the consolidated Contractual Service Margin, which is included under the heading "Profit (loss) on insurance business" attributable to reclassified insurance operations (h);
- **"Other administrative expenses"** is represented by the financial statement item 190 b), net of recoveries on indirect taxes, legal fees and other expenses, totalling 156.7 million (d), included in the item "230 Other operating expenses/income", as described above, and of several charges connected to personnel, recognised in the reclassified item "Personnel expenses" for 4.3 million (i). Also excluded are certain "one-off" operating expenses, totalling 2.7 million (l), incurred for the performance of extraordinary transactions that have an impact on the organisational structure of the Group or which are included in the projects aimed at the integration of business combinations completed in previous years. These costs are shown, net of the related tax effect, in a separate item of the reclassified income statement entitled "Charges related to business combinations and corporate restructuring, net of taxes". Lastly, the aggregate under consideration includes a portion of other administrative expenses (3.9 million) relating to placement activities which, in the official statement, is excluded as it is included in the calculation of the consolidated Contractual Service Margin, which is included under the heading "Profit (loss) on insurance business" attributable to reclassified insurance operations (h);
- "**Net value adjustments to property, plant and equipment and intangible assets**" corresponds to the accounting items 210 and 220, net of adjustments to intangibles with a finite useful life (client relationships and value of business acquired), allocated to the reclassified income statement item "Impact of the purchase price allocation (PPA), net of taxes", amounting to 29.4 million (a). Lastly, the aggregate under consideration includes a portion of value adjustments (2.9 million) relating to placement activities which, in the official statement, is excluded as it is included in the calculation of the consolidated Contractual Service Margin, which is included under the heading "Profit (loss) on insurance business" attributable to reclassified insurance operations (h);
- the **"Cost of loans to customers"** is formed by the income statement items "130 a). Net credit impairment losses/recoveries relating to financial assets at amortised cost" and "140. Gains (losses) from contractual modification without derecognition". Specifically, it includes the adjustments to exposures classified in the portfolio of financial assets at amortised cost - loans to customers - loans (amounting to 152.8 million), and the negative result of disposals of loans, amounting to 5.7 million (g) (included in item 100). Instead, it excludes net impairment losses on exposures classified in the portfolio of financial assets at amortised cost represented by debt securities, totalling 1.9 million (o), net impairment losses on exposures classified in the portfolio of financial assets at amortised cost – loans to banks – loans and securities (m) and (n) totalling 0.9 million, all fully presented in the item of the reclassified income statement "Net adjustments to securities and other financial assets";
- the aggregate of "**Net adjustments to securities and other financial assets**" is formed by item "130 b). Net credit impairment losses/recoveries relating to financial assets measured at fair value through other comprehensive income" and includes the net impairment losses on exposures classified in the portfolio

of financial assets at amortised cost - loans to banks - loans and securities (m) and (n) totalling 0.9 million, as well as net impairment losses on exposures classified in the portfolio of financial assets at amortised cost consisting of debt securities (included in item 130) issued by customers (o) totalling 1.9 million. Lastly, the item in question includes net adjustments to securities and other financial assets pertaining to insurance companies shown in the reclassified income statement item "Net adjustments to securities and other financial assets" for 0.1 million (h);

- "**Fair value gains (losses) on property, plant and equipment**" correspond to item 260 of the official income statement;
- **"Net provisions for risks and charges"** correspond to item 200 of the official income statement;
- "**Taxation charge related to profit or loss from continuing operations**" corresponds to item 300 of the official income statement, net of the tax effects relating to business combination and restructuring charges of 0.8 million (l), the PPA of 11.2 million (a), the impact of the change in credit risk on the issue of certificates of 0.7 million (f) and Gains (losses) on interests in associates and joint ventures and other investments (t);
- **"Gains (losses) on interests in associates and joint ventures and other investments, net of taxes"** correspond to item 280 of the official income statement and to the result from the disposal of interests in associates and joint ventures carried at equity (item 250 of the official income statement), net of the related tax effect (t). The item in question does not include the portion of profits (losses) pertaining to investee companies carried at equity, totalling 51.4 million (b), reconciled within the reclassified aggregate "Gains (losses) on interests in associates and joint ventures carried at equity";
- the item "**Impact of the purchase price allocation (PPA), net of taxes**" includes the effects of the PPA relating mainly to interest on customer loans (-3.9 million), the amortisation of the client relationship and VoBA (-29.4 million), the amortisation of other intangibles (-0.3 million), the reversal effects on insurance liabilities (-3.4 million), net of the relative tax effects (+11.2 million);
- the item "**Impact of the change in own credit risk on the issue of certificates (OCR), net of taxes**" shows the economic impact of a change in own credit risk related to the issue of certificates, recognised in the accounts in item 80 of the official income statement for 2.1 million (f), net of the related tax effect, amounting to -0.7 million (f);
- "**Charges related to business combinations and corporate restructuring, net of taxes**" includes the "one-off" expenses, equal to a total of 9.3 million (l), incurred for the performance of extraordinary transactions and the streamlining of the branch network or relating to the integration of business combinations completed in previous years, recognised in the accounts under items 190 b) and 230 of the official income statement, net of the related tax effect, equal to 0.8 million (l);
- "**Profit (loss) attributable to non-controlling interests**" corresponds to item 340 of the official income statement.

Reconciliation between the reclassified consolidated income statement for the first half of 2025 and the same restated for comparative purposes

(thousands of euro)	I half 2025	Reclassifications	I half 2025 restated
Net interest income	1,602,082	-	1,602,082
Gains (losses) on interests in associates and joint ventures carried at equity	63,370	-	63,370
Net fee and commission income	1,205,348	42,410	1,247,758
Profit (loss) on insurance business	79,844	-	79,844
Core income	**2,950,644**	**42,410**	**2,993,054**
Net financial result	87,062	-	87,062
Other operating income and expenses	(13,694)	(42,410)	(56,104)
Operating income	**3,024,012**	**-**	**3,024,012**
Personnel expenses	(890,190)	-	(890,190)
Other administrative expenses	(321,381)	-	(321,381)
Net value adjustments to property, plant and equipment and intangible assets	(135,799)	-	(135,799)
Operating expenses	**(1,347,370)**	**-**	**(1,347,370)**
Profit (loss) from operations	**1,676,642**	**-**	**1,676,642**
Cost of loans to customers	(164,213)	-	(164,213)
Net adjustments to securities and other financial assets	2,280	-	2,280
Fair value gains (losses) on property, plant and equipment	(4,250)	-	(4,250)
Net provisions for risks and charges	3,401	-	3,401
Total adjustments and provisions	**(162,782)**	**-**	**(162,782)**
Profit (loss) before tax from continuing operations	**1,513,860**	**-**	**1,513,860**
Taxation charge related to profit or loss from continuing operations	(445,962)	337	(445,625)
Profit (loss) after tax from continuing operations	**1,067,898**	**337**	**1,068,235**
Gains (losses) on interests in associates and joint ventures and other investments, net of taxes	1,224	(337)	887
Impact of the purchase price allocation (PPA), net of taxes	(20,210)	-	(20,210)
Impact of the change in own credit risk on the issue of certificates (OCR), net of taxes	2,746	-	2,746
Charges related to business combinations and corporate restructuring, net of taxes	(30,699)		(30,699)
Impact of restatement of the Anima share, net of taxes	201,831	-	201,831
Profit (loss) attributable to non-controlling interests	(8,325)	-	(8,325)
Parent Company's profit (loss) for the period	**1,214,465**	**-**	**1,214,465**

Reclassified consolidated income statement compared with the pro forma income statement as at 30 June 2025

In order to enable a more comprehensive assessment of the financial results for the first half of 2026, including by comparison with the results for the corresponding period of the previous financial year, a reclassified income statement is set out below, prepared on the assumption that the acquisition of control of Anima Holding S.p.A. had been completed, on the same terms, on 1 January 2025, rather than 11 April 2025 (hereinafter referred to as "pro forma" for brevity).

The main assumptions and methods used to determine the Anima Group's contribution to the pro forma income statement for the first quarter of 2025, as included in the pro forma income statement for the first half of 2025, are as follows:

- the Anima Group's costs and revenues for the first quarter of 2025 have been fully consolidated, with the respective share attributable to minority shareholders (representing 10.051% of Anima Holding's share capital) being allocated to them; consequently, the economic contribution deriving from the valuation at equity of the interest actually held as at 31 March 2025 has been fully reversed;
- intra-group costs and revenues for the first quarter have been eliminated; these include the extraordinary revenue recognised by the Anima Holding Group in relation to distribution commitments undertaken by the banks of the Banco BPM Group, amounting to 31.8 million;
- the capital gain arising from the remeasurement at fair value of the interest already held by the Group at the acquisition date, amounting to 201.8 million net of tax, is not included in the first-quarter income statement, as it was recognised on the date of the business combination (11 April 2025);
- it was assumed that the fair value of Anima Holding's net assets as at 1 January 2025 was in line with that determined at the date of the actual acquisition (11 April 2025); consequently, the financial effects relating to the reversal of the PPA attributable to the first quarter of 2025 were assumed to be equal to those actually recognised in the second quarter of 2025.

(thousands of euro)	I half 2026	1st half 2025 pro forma	Change	% Change
Net interest income	1,537,044	1,602,603	(65,559)	(4.1%)
Gains (losses) on interests in associates and joint ventures carried at equity	51,418	52,479	(1,061)	(2.0%)
Net fee and commission income	1,420,529	1,381,763	38,766	2.8%
Profit (loss) on insurance business	87,180	79,844	7,336	9.2%
Core income	**3,096,171**	**3,116,688**	**(20,517)**	**(0.7%)**
Net financial result	143,273	88,298	54,975	62.3%
Other operating income and expenses	(43,224)	(55,371)	12,147	(21.9%)
Operating income	**3,196,220**	**3,149,615**	**46,605**	**1.5%**
Personnel expenses	(881,244)	(917,603)	36,359	(4.0%)
Other administrative expenses	(343,500)	(335,305)	(8,195)	2.4%
Net value adjustments to property, plant and equipment and intangible assets	(143,411)	(138,028)	(5,383)	3.9%
Operating expenses	**(1,368,155)**	**(1,390,937)**	**22,782**	**(1.6%)**
Profit (loss) from operations	**1,828,065**	**1,758,678**	**69,387**	**3.9%**
Cost of loans to customers	(156,818)	(164,490)	7,672	(4.7%)
Net adjustments to securities and other financial assets	(3,588)	2,280	(5,868)	n.s.
Fair value gains (losses) on property, plant and equipment	(11,548)	(4,250)	(7,298)	171.7%
Net provisions for risks and charges	8,311	3,005	5,306	176.6%
Total adjustments and provisions	**(163,643)**	**(163,455)**	**(188)**	**0.1%**
Profit (loss) before tax from continuing operations	**1,664,422**	**1,595,223**	**69,199**	**4.3%**
Income tax on current operations	(555,020)	(478,446)	(76,574)	16.0%
Profit (loss) after tax from continuing operations	**1,109,402**	**1,116,778**	**(7,376)**	**(0.7%)**
Gains (losses) on interests in associates and joint ventures and other investments, net of taxes	82	900	(818)	(90.9%)
Impact of the purchase price allocation (PPA), net of taxes	(25,923)	(26,614)	691	(2.6%)
Impact of the change in own credit risk on the issue of certificates (OCR), net of taxes	1,398	2,746	(1,348)	(49.1%)
Charges related to business combinations and corporate restructuring, net of taxes	(8,569)	(33,421)	24,852	(74.4%)
Impact of restatement of the Anima share, net of taxes	-	206,252	(206,252)	n.s.
Profit/Loss attributable to non-controlling interests	(16,098)	(13,277)	(2,821)	21.3%
Parent Company's profit (loss) for the period	**1,060,292**	**1,253,364**	**(193,072)**	**(15.4%)**

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